

**THE STUDY OF EMPLOYEE RETENTION MANAGEMENT  
IN THAILAND'S HOTEL INDUSTRY:  
A CASE STUDY OF FIVE-STAR HOTELS IN BANGKOK**

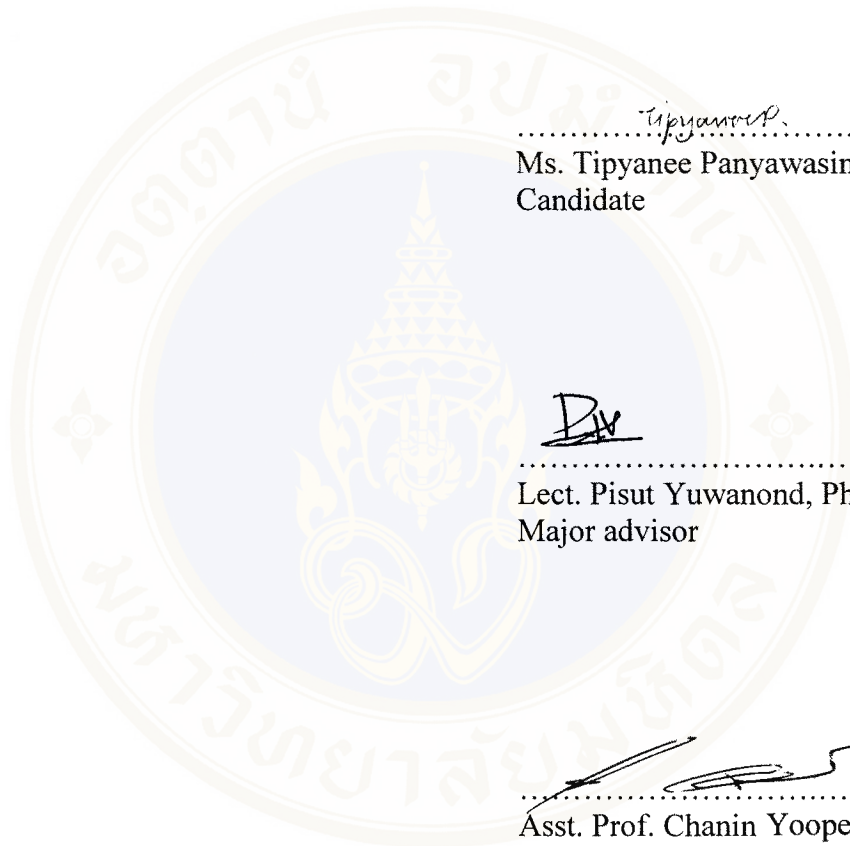


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THE DEGREE OF MASTER OF MANAGEMENT  
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was submitted to the Faculty of Graduate Studies, Mahidol University  
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Tipyanee Panyawasin

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ABSTRACT

This research was conducted with an aim of (1) studying factors influencing hotel employees to maintain their employment with five-star hotels in Bangkok; (2) exploring employee-retention strategies being used by those five-star hotels; (3) examining the differences between demographic characteristics of those hotels' employees and those influencing factors; and (4) studying the differences between the diverse demographic characteristics and the perceptions of employees towards the effectiveness of those hotels' retention strategies. The study employed both qualitative and quantitative research methodologies, which are a cross-sectional questionnaire survey and in-depth interviews. For the qualitative method, the target population was the directors of human resources or their representatives from the nine selected five-star hotels in Bangkok, and quantitative data was gathered by distributing questionnaires to employees working in those five-star hotels. The research's results revealed various significant factors which had a certain level of influence on employee retention; for instance, salary and service charge, job security, leadership style, and effective communication. There were also slight differences between the retention-influencing factors and the employees' perceptions towards the effectiveness of the hotels' retention strategies from the divergence of demographic characteristics.

KEY WORDS: EMPLOYEE RETENTION/RETENTION STRATEGIES/  
EMPLOYEE TURNOVER/FIVE-STAR HOTELS IN BANGKOK

101 pages

การศึกษาเรื่องการจัดการการช้ารักษาพนักงานในอุตสาหกรรมการโรงแรมของประเทศไทย  
กรณีศึกษาโรงแรมระดับห้าดาวในกรุงเทพมหานคร

THE STUDY OF EMPLOYEE RETENTION MANAGEMENT IN THAILAND'S  
HOTEL INDUSTRY: A CASE STUDY OF FIVE-STAR HOTELS IN BANGKOK

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#### บทคัดย่อ

การวิจัยนี้มีวัตถุประสงค์เพื่อ(1) ศึกษาปัจจัยที่มีอิทธิพลต่อพนักงานของโรงแรมระดับห้าดาวในกรุงเทพมหานคร ในการคงการจ้างงานกับองค์กรปัจจุบัน(2) สํารวจนโยบายหรือกลยุทธ์ที่โรงแรมระดับห้าดาวนำมาประยุกต์ใช้ สําหรับช้ารักษาพนักงานภายในองค์กรของตน (3) ทดสอบความแตกต่างทางลักษณะประชากรที่มีผลต่อปัจจัยที่ส่งอิทธิพลต่อการคงการจ้างงานกับองค์กรปัจจุบัน และ (4) ศึกษาความแตกต่างระหว่างลักษณะประชากรและมุมมองของพนักงานที่มีต่อประสิทธิผลการช้ารักษาพนักงานของโรงแรมระดับห้าดาวการศึกษาได้ใช้วิธีการวิจัยทั้งเชิงคุณภาพและเชิงปริมาณ โดยการสัมภาษณ์ผู้อํานวยการฝ่ายทรัพยากรบุคคลของโรงแรมระดับห้าดาว 9 แห่งในกรุงเทพมหานคร หรือบุคคลที่เกี่ยวข้อง และแจกแบบสอบถามให้กับพนักงานของโรงแรมดังกล่าว ผลการวิจัยแสดงให้เห็นถึงปัจจัยสำคัญต่างๆ ที่มีอิทธิพลต่อการช้ารักษาพนักงาน เช่น เงินเดือนและค่าบริการ ความมั่นคงของงาน ลักษณะความเป็นผู้นํางานและการสื่อสารที่มีประสิทธิภาพ เป็นต้น นอกจากนี้ ผลที่ได้ยังบ่งชี้ความแตกต่างเล็กน้อย ระหว่างปัจจัยที่ส่งอิทธิพลต่อการคงการจ้างงานกับองค์กรปัจจุบัน และมุมมองของพนักงานที่มีต่อประสิทธิผลการช้ารักษาพนักงานของโรงแรมระดับห้าดาว อันเกิดจากลักษณะทางประชากรที่ต่างกันด้วย

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## **CHAPTER I**

### **INTRODUCTION**

#### **1.1 Background**

During the 2000s, Thailand's tourism industry has been experiencing a tremendous growth in both international tourist arrivals and revenues. According to Tourism Authority of Thailand (2008), the number of international tourist arrivals has increased twofold within the past ten years, starting from approximately seven million people in 1998 to almost 14.5 million people in 2007. In supporting the industry's growth, the hotel business has played a significant role in attracting international tourists as seen from the statistics provided by Office of SME Promotion. It exhibits that the contribution of hotels and restaurants is at 18.5 percent, equaling to 349.91 billion Baht out of the total of 1,890.87 billion Baht in the service sector (Ratanavirakul, 2008).

However, in spite of this achievement, the weakening of the global economy has recently caused employers to reduce payrolls, hire a relatively fewer number of people, and treat employees as a replaceable commodity. Employees have been pushed for higher productivity, become more stressful and experienced hostile work environments, and these are irresistible. Having seen fewer opportunities and less meaningful work in their jobs, the problem of employee turnover is likely to occur (Herman, 2005).

In an ideal business world, employees would not leave their jobs and dedicate themselves to their organizations until their retirement. However, in reality, it is totally different, in which employee turnover is a key business issue for several organizations, and this problem has continuously increased. Certainly, there is no exception for the hospitality industry. Nevertheless, while many companies recognize the significance of the problem and put more effort on employee retention, some accept the issue of employee turnover as a normal occurrence of doing business and remain regardless (Smith, 2007). The causes of this problem contain various aspects.

First, many managers do not realize that maintaining a stable workforce by providing employees meaningful work and pleasant work atmosphere is a practical approach to obtain increasing productivity. Second, managers are not aware of additional costs tied in with a high level of turnover. Last, they do not understand the relationship between employee retention and profitability (Hinkin & Tracey, 2000).

Furthermore, a research of Hinkin & Tracey found another cause of difficulty in retaining employees, which have lied within the hospitality industry for decades. It involves outdated human resource practices which other industries have no longer used for many years. Nowadays, major organizational and individual improvement in other industries has already been achieved through innovative management. The practices that other industries are using more frequently, such as HR balanced scorecard, “smart” HR information systems, and comprehensive diversity initiatives, are hardly seen being used in the hotel industry (Hinkin & Tracey, 2000).

Nonetheless, days with the old belief that entrepreneurs were the only important stakeholder in organizations are all gone, being replaced by the idea of “people as the most important assets who have the influence over sustainable growth in the organization”. Nowadays, employees are believed to be a very important stakeholder in any organization; and as long as high employee commitment is the key to success of this “people industry”, employee retention is the crucial issue which cannot be neglected (Srivastava, 2008).

## **1.2 Statement of Problem**

Employee turnover has long been a major concern of the hospitality industry. Turnover rates can be varied from hotel to hotel. Even organizations within the same region have experienced different rates of turnover (Hinkin & Tracey, 2000). When the problem of employee turnover arises, it creates great impacts on one’s business, including excessive costs and reduced service quality, which eventually results in the loss of profitability.

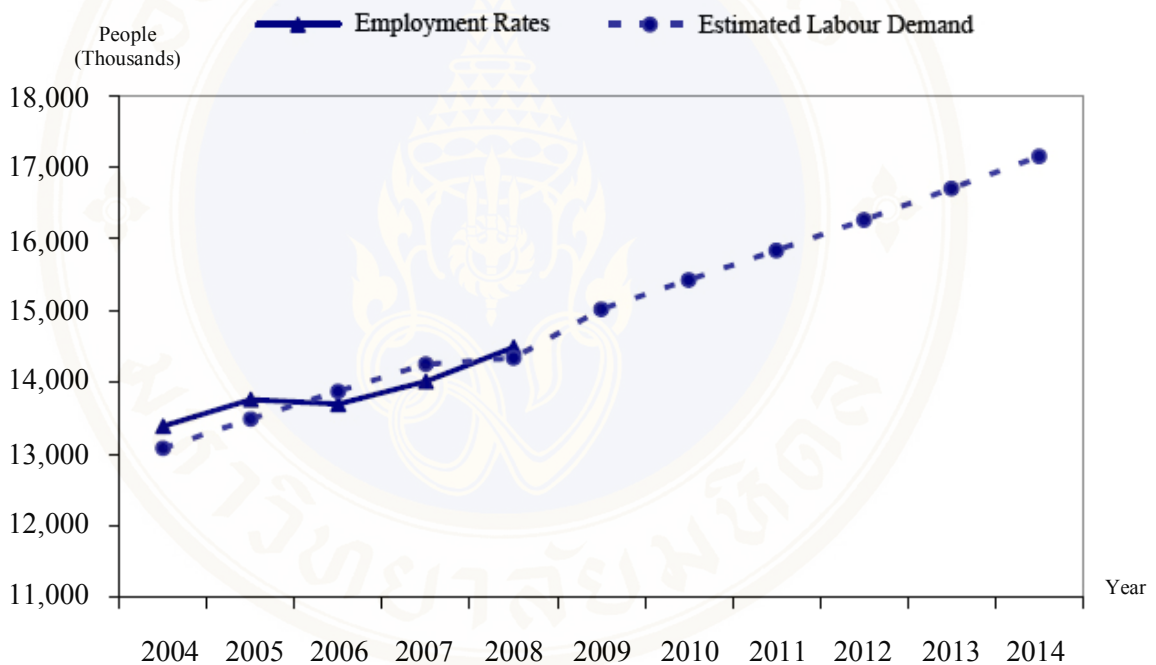
Dess & Shaw (2001) mentioned that voluntary turnover – an employee’s decision to terminate the employment relationship – incurs significant costs, both in

terms of direct costs, such as replacement, recruitment and selection, temporary staff, and management time; and indirect costs, including morale, pressure on remaining staff, costs of learning, product or service quality, and organizational memory. Some researchers and human resource leaders also agreed on the incredible costs of losing critical employees that the average company loses approximately 1 million US dollars for every 10 managerial and professional employees left the organization. Furthermore, recruiting new employees probably costs 50 to 60 percent of first year's salary of one employee and up to 100 percent for expert, high-skilled employees (Ramlall, 2003, p. 64).

In addition, in the book titled "Retaining Valued Employees" written by Griffeth and Hom, turnover costs are reported to be as high as 200 percent of one exiting employee's salary (Pataki, 2002). Mitchell, Holtom, & Lee (2001) supported this idea by stating that departing employees, unfortunately, "often take with them valuable knowledge and expertise gained through experience. Often they have established close relationship with clients. In addition to these indirect or less quantifiable costs, organizations face many areas of costs directly related to turnover, including exit interview time and administrative requirements, payout of unused vacation time, and the cost of temporary workers or overtime for coworkers asked to fill in. Replacement costs include advertising, processing of candidates, interviewing, and selection. Finally, training costs – both formal and informal – add to the overall burden."

Despite the disruption for cost of turnover, many managers still view employees as "replaceable commodities" (Simons & Hinkin, 2001); and the result of unselectively hiring new employee to fill a position can generate immeasurable effects on both internal and external customers. Applying traditional measures of losses incurred by employee turnover, the costs of recruiting, hiring, and training replacements are the only aspects to be concentrated. Nevertheless, the real cost of turnover in most service jobs is the loss of productivity and decreased customer satisfaction (Heskett et al., 2008, p. 122). Negative impacts on innovation, consistency in providing service, and major delays in the delivery of services to customers are often observed when an organization loses a critical employee (Abbasi & Hollman, 2000).

In Thailand, even though statistics on hotel-employee turnover rates are not publicly available, the high turnover problem is recognized nationwide. While the economic downturn and the previous political crisis reduced a possibility of voluntary turnover in the hotel business section, the turnover problem is likely to continue due to the high demand of workforce in the hospitality industry that may encourage the opportunity for employees in finding the new workplace, according to Ministry of Labor's statistics on the labor demand projection illustrated in Figure 1 (Ministry of Labor, 2010).



**Figure 1.1: Labour Demand Projection in the Hospitality Industry, 2004-2014**

**Source: Labour Market Research Division, Department of Employment, Ministry of Labour (2010)**

Regardless of this existing problem, however, specific researches on employee retention in the Thai hotel industry are rarely found. This might be because employee retention is considered as an internal issue in which each hotel conducts surveys and finds out solutions on its own. Also, researches retrieved during the literature review are all the study of merely one specific hotel in provinces other than

Bangkok. As a result, those findings might have some limitations and are not sufficient to be implemented for the entire industry.

### **1.3 Research Questions**

Since the main interest of conducting this research is to find out factors and reasons which encourage employees to stay with the five-star hotels in Bangkok; therefore, the following research questions are proposed.

1. What are the factors influencing the employees of the five-star hotels in Bangkok to stay with their present organizations?
2. What are the tools and techniques the five-star hotels in Bangkok are using to retain their employees?
3. Is there any difference in factors influencing the employees of the five-star hotels in Bangkok to stay with their present organizations resulted from different demographic characteristics?
4. Is there a gap of differences for employee retention effectiveness as perceived by five-star hotel employees with different demographic characteristics?

### **1.4 Rationale of Research**

Since employees' knowledge and skills provide a supportive role in helping companies to be economically competitive, having and retaining skilled employees is considerably crucial (Kyndt et al., 2009. p. 196). Companies that successfully retain their employees, with even a small increase in employee retention rate, would have a major positive impact financially by being able to save money and protect their intellectual capital (Holtom et al., 2005, p. 337-338). Whenever companies are experiencing a high degree of employee turnover, they would incur the financial costs unnecessarily. Also, their service quality and the quality of employees' work lives would decrease. Thus, companies would be able to outperform their competitors if they realize the importance of employee retention and structure and

manage their compensation systems effectively to reinforce employee retention (Hinkin & Tracey, 2000).

Referring to Simons and Hinkin (2001), one study of 968 firms from a wide range of industries on the benefits to be gained from employee retention found a strong relationship between a decrease in employee turnover and an increase in sales, market value, and profitability. Correspondingly, Heskett et al. (2008) demonstrated in their work on the service-profit chain that there are relationships between employee retention and increased productivity in a wide range of industries. They also particularly raised the study across many hotels that “employee turnover really does show up in the hotel’s bottom-line profits. The large size of the effect shows that well-conceived employee retention programs are likely to pay for themselves for most hotels. The finding that the effect is substantially stronger in high-rate hotels than less-expensive ones shows that hotels in upper-tier segments should be especially concerned about the issue-even where turnover rates may already be comparatively low.”

As mentioned in the previous section, although the hotel employee turnover statistics in Thailand are not available overtly, the workforce demand’s projection showed the possibility of continually high turnover rates and many people in this industry have also well recognized the existence of this problem. In consequence, the research on employee retention would directly be beneficial for the hotel industry, as hotels can implement the research findings into their business to find the best strategies in retaining employees. Furthermore, the study, expectantly, will also help emphasize the importance of “internal customers”, which can relatively lead to improvement of the Thai hotel industry afterwards.

## **1.5 Research Objectives**

The goal of this research is to study factors influencing employee retention in the five-star hotels in Bangkok. Specifically, the research aims to achieve the following objectives:

1. To identify factors influencing employees of the five-star hotels in Bangkok to maintain their employment with the hotels.
2. To identify tools and techniques being used by the five-star hotels in Bangkok to retain their employees.
3. To study differences between demographic characteristics of five-star hotel employees and factors influencing the employees to stay with their present organizations.
4. To examine whether there was a gap of differences for employee retention effectiveness as perceived by five-star hotel employees with different demographic characteristics

## 1.6 Research Hypothesis

Based on findings from the literature review, the research hypotheses were established as following:

*Hypothesis 1:* There are differences between demographic characteristics and factors influencing the employees of the five-star hotels in Bangkok to stay with their present organizations.

*H1a:* There is difference in influencing factors resulted from different gender of five-star hotel employees.

*H1b:* There is difference in influencing factors resulted from different age of five-star hotel employees.

*H1c:* There is difference in influencing factors resulted from different marital status of five-star hotel employees.

*H1d:* There is difference in influencing factors resulted from different educational level of five-star hotel employees.

*H1e:* There is difference in influencing factors resulted from different years of service of five-star hotel employees.

*Hypothesis 2:* There are differences between demographic characteristics and perception of employee retention effectiveness.

*H2a:* There is difference in perception of employee retention effectiveness resulted from different gender of five-star hotel employees.

*H2b:* There is difference in perception of employee retention effectiveness resulted from different age of five-star hotel employees.

*H2c:* There is difference in perception of employee retention effectiveness resulted from different marital status of five-star hotel employees.

*H2d:* There is difference in perception of employee retention effectiveness resulted from different educational level of five-star hotel employees.

*H2e:* There is difference in perception of employee retention effectiveness resulted from different years of service of five-star hotel employees.

## 1.7 Scope of the Study



**Figure 1.2 Levels of Management**

**Source: Management Study Guide (2009)**

The study's population is considered from levels of management, which refers to "a line of demarcation between various managerial positions in an organization. The number of levels in management increases when the size of the

business and workforce increases and vice versa. The level of management determines a chain of command, the amount of authority & status enjoyed by any managerial position.” (Management Study Guide, 2009) The levels of management can be classified in three broad categories, which are as follows:

- 1) Top level – Administrative level
- 2) Middle level – Executive level
- 3) Low level – Supervisory / operation / first-line managers

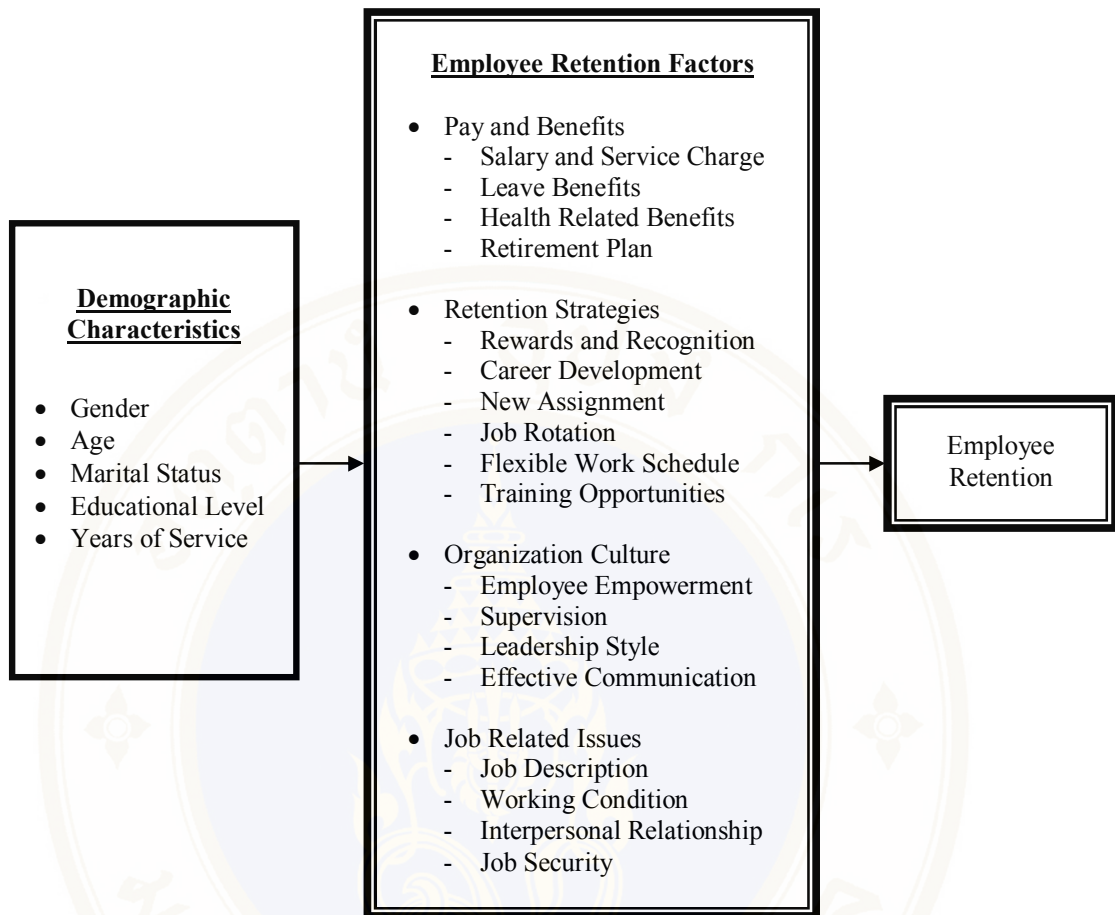
Furthermore, the functions of managers at all these three levels are performed differently, as demonstrated in Figure 2.

Nevertheless, the target population of this research comprises only the low-level management and employees in the lower positions. The low-level management consists of supervisors, foremen, section officers, superintendents, and so forth. The reason for studying merely the low-level management and lower-position employees is that, in Thailand, those particular groups of people are recognized to have high turnover rates, while the middle and top management are mostly foreigners who possess less likeliness of turnover. In addition, the target population is employees from nine five-star hotels in Bangkok, including:

- 1) Centara Grand at Central World
- 2) InterContinental Bangkok
- 3) Pullman Bangkok King Power Hotel
- 4) Renaissance Bangkok Ratchaprasong Hotel
- 5) Shangri-La Hotel, Bangkok
- 6) Siam Kempinski Hotel Bangkok
- 7) Sofitel Silom Bangkok
- 8) Sofitel Centara Grand Bangkok
- 9) Swissotel Le Concorde Bangkok

## **1.8 Conceptual Framework**

The conceptual framework of this research is demonstrated in Figure 1.3.



**Figure 1.3: The Conceptual Model to Demonstrate the Research's Framework**

## **CHAPTER II**

### **LITERATURE REVIEW**

“The Study of Employee Retention Management in Thailand’s Hotel Industry: A Case Study of Five-Star Hotels in Bangkok” research includes the study of retention factors from both employees and hotels’ perspectives, as well as to examine whether there was any difference between demographic characteristics of five-star hotel employees and those influencing factors, and difference in employees’ perception towards five-star hotels’ retention strategy effectiveness. Hence, this chapter reviews the relevant literatures related to employee retention, beginning from various employee retention definitions. Next, the significance of employee turnover which is one of the imperative concepts related to employee retention is included as additional information. Lastly, the idea of employee retention factors, solutions and related research, in accordance with the demographic characteristics has been thoroughly studied and explained in this literature review as well.

#### **2.1 Employee Retention Definition**

In the broadest signification, employee retention refers to “how many of [your] current employees stick around over a given period of time” (Carsen, 2002, p. 2). However, in applying this definition, a high retention rate would not necessarily means high quality, since it would include poor performers and discontented employees in the organization. Carsen (2002, p. 2) pointed that, maximizing retention must comprise the idea of “maximizing the number of good employees who stay with you because they want to, not because they have to.” Even though people sometimes leave for reasons beyond the organization’s control, there are still various approaches to encourage people to stay with the company and be satisfied for as long as possible.

From managers’ perceptions, the meaning of employee retention varies from the mechanical – “Reducing the employee turnover figure to an acceptable

level”, to the abstract – “It is about our culture and values”. Some managers view employee retention as a distinct, controllable element of labor management – “It is a matter of compensation and benefits”, while some others consider it a cross-functional, pervasive, and seemingly all-encompassing set of values or methodologies – “It is about our culture and how we treat people” (McKeown, 2002, p. 2). Additionally, employee retention can be defined as “the ability of a company to keep the employee they want to maintain working for them within the organization” (Laukkanen & Liinamo, 2008, p. 20). Also, Walker & Miller (2010, p. 261) supported the term of retention as “keeping employees from ‘jumping ship’ to go and work for a competitor or another industry, or having to be ‘let go’ due to a variety of reasons.”

Another definition given by Hausknecht et al. (2008) demonstrated that employee retention is “a critical element of an organization’s more general approach to talent management, which is defined as the implementation of integrated strategies or systems designed to increase workplace productivity by developing improved processes for attracting, developing, retaining, and utilizing people with the required skills and aptitude to meet current and future business needs.”

According to Les McKeown, the President & CEO of Predictable Success – a consulting firm specializing in organizational and executive development, effective employee-retention management depends on “a systematic effort by employers to create and foster an environment that encourages current employees to remain employed by having policies and practices in place that address their diverse needs.” (Nair, 2009).

Despite employees’ length of stay with one organization, employee retention is also further focused on the ability to hold onto those employees “for longer than your competitors” (Johnson, 2000 cited by Vos & Meganck, 2009, p. 46). Nevertheless, the researcher defines employee retention in this study as “the implementation of initiatives to encourage the number of employees to remain in the organization for the maximum period of time”, and does not concentrate on the competitor aspect.

## **2.2 Employee Turnover Problems and Impacts**

Employee retention concept is relatively concerned with the idea of employee turnover; therefore, it is critical to study retention along with turnover and quitting process (Maertz & Campion, 1998; referred to by Khan et al., 2011).

During these years, recruitment and retention difficulties have become the most critical challenge of the human resources management, rather than the performance management and employee relations issues (Taylor, 2002). This trend has undoubtedly emerged from several reasons. First of all, a tightening of labor market has caused obscurity in hiring new qualified or skilled employees to replace leavers, and it also means more voluntary resignations, resulting from more alternative job opportunities that make employees become less loyal to the organization. Next, it is because of the demographic trends which are beginning to create impact on recruitment and retention process, as the number of people retiring is more than younger people coming on to the market. Last of all, the problem comes from a steady growth in the proportion of jobs that are knowledge-based or that required the possession of professional qualification. Furthermore, the low-skilled work in the market is available less than that is high-skilled in nature, and most 'low-skilled low-paid' jobs in the hospitality business required comparatively well-developed social skills. Taylor clarified that, "this makes it harder to fill the jobs appropriately and means that employee turnover is more damaging to the organization." (Taylor, 2002)

### **2.2.1 The Costs of Turnover**

Smith (2007) claimed that, "high turnover organizations spend disproportionate amounts of resources on recruiting and replacing their workforce, while smart organizations invest in employee retention." The reason why it is believed so is that, employees are the significant assets that acquire a key to success of their organization. Based on responses by supervisors, employees possessed deep knowledge which is necessary to enhance the competitiveness of the organization. With a loss of the critical employees, the company's output, efficiency, motivation, and productivity are inferred to decrease (Ramlall, 2003).

In losing their employees, organizations not only lose the human capital and relational capital of the departing employee, but the loss of intellectual capital is

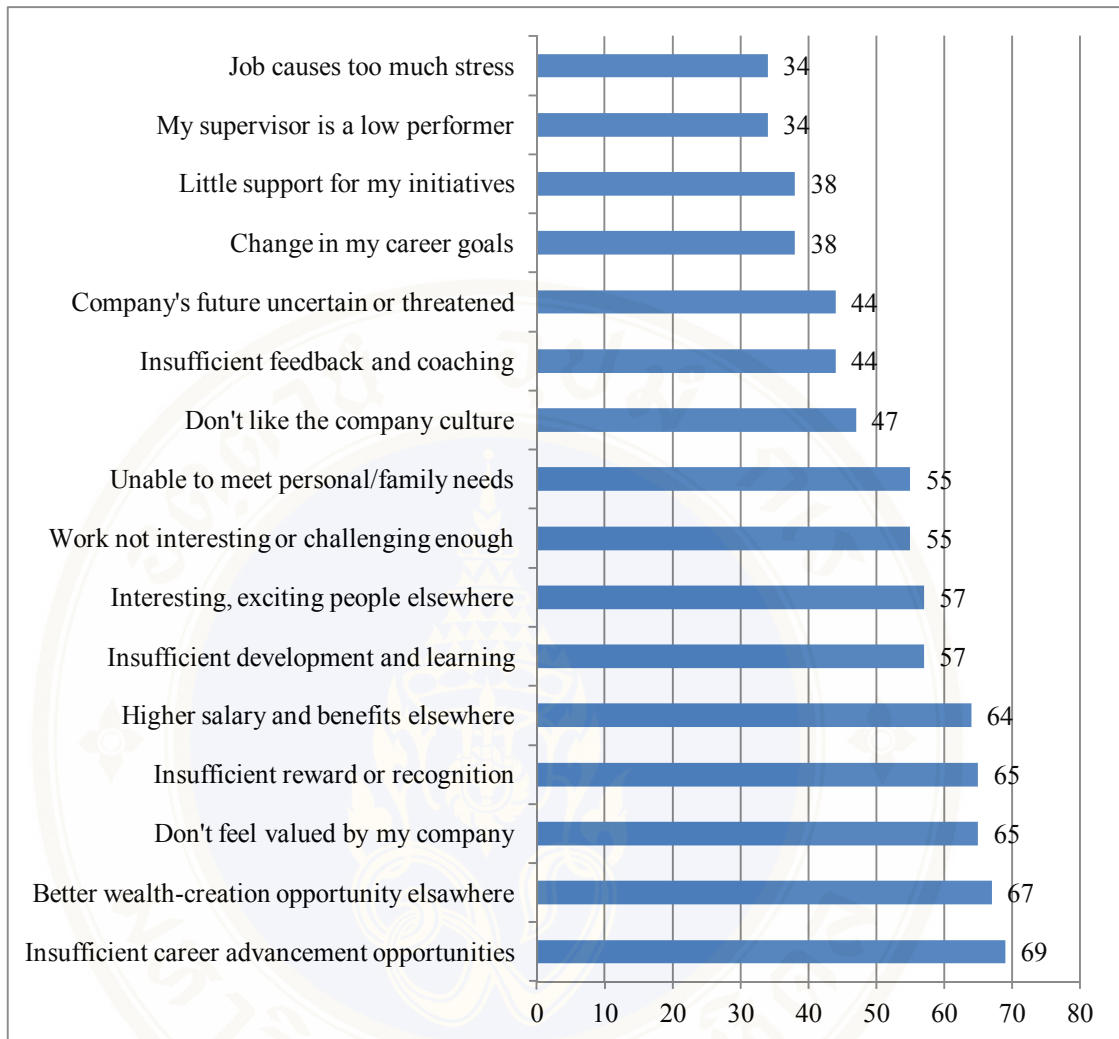
also added to this cost; and competitors are potentially gaining these assets (Stovel & Bontis, 2002). If organizations ignore the employee retention issue, they may experience a host of problems (Verlander & Evans, 2007), including:

- 1) Difficulty in maintaining high quality professional standards
- 2) Rising costs of recruiting and hiring replacement staff
- 3) People with skills and knowledge leaving to work in other, non-technical areas such as information technology
- 4) Putting intellectual capital at risk
- 5) Decreased employee satisfaction
- 6) Reduced quality, resulting in reporting errors
- 7) Disruption of ongoing customer relationships
- 8) Rising payroll costs due to needed overtime expenses to fill the employment gap

As a result, if employee turnover is not managed properly, it would certainly affect the organization adversely, both in terms of personnel costs and its liquidity position in the long run (Stovel & Bontis, 2002).

### **2.2.2 Employees' Intention to Leave or Stay**

In the business world nowadays, the problem of high employee turnover rate tends to be continuously increasing. Subsequently, employee turnover is considered as one of the most important business issues for many organizations (Mitchell, Holtom, & Lee, 2001; Smith, 2007). Abbasi and Hollman (2000) defined the employee turnover as “the rotation of workers around the labor market; between firms, jobs and occupations; and between the states of employment and unemployment.” Mentioned by Ongori (2007, p. 49), employee turnover is a much studied phenomenon, however, standard reasons why people leave the organization are hardly found. Most researchers have attempted to investigate possible antecedents of employees' intentions to quit, in order to answer the question “why do people leave the organization?” To date, partly due to the diversity of employees included by the researchers, there has been little consistency in findings. It was also explained that reasons of employee attrition are also changing (Srivastava, 2008).



**Figure 2.1: Reasons Why People Leave**

**Sources: McKinsey & Company's War for Talent 2000 Survey (Michaels et al., 2001; referred to by Sadangharn 2010)**

Michaels et al. (2001; referred to by Sadangharn, 2010) presented information from McKinsey & Company's War for Talent 2000 Survey to provide more comprehensive reasons towards employees' intention to leave the organization. From the study of 6,900 participants including 4,500 senior managers and corporate officers at 56 large and midsize US companies (Axelrod et al., 2001), "insufficient career advancement opportunities" was the most critical factor which made employees resigned from their organization, followed by "better wealth-creation opportunity elsewhere" as the second most influential reasons. Moreover, the third-ranked reasons

for employee resignation were sense of self-unvalued and insufficient reward or recognition. On the contrary, it was found that too much stress from work and low performance of their supervisors were the factors which least affect employees to quit their jobs as shown in Figure 2.1 (Sadangharn, 2010).

In consequence, it is notable that employees these days leave an organization for many reasons; some of them leave for growth, some of them leave for family problems, but several studies indicated that majority of people change their jobs due to levels of satisfaction (Hinkin & Tracey, 2000; Laukkanen & Liinamo, 2008; Ongori, 2007; Saari & Judge, 2004). There are various factors which cause employees dissatisfied with their jobs, and those employees are more likely to leave the organization than satisfied employees (Hackett & Guion, 1985; Hulin, Roznowski, & Hachiya, 1985; Kohler & Mathieu, 1993; referred to in Saari & Judge, 2004, p.399).

The research from Chen et al. (2010) pointed out that various problems on the employee turnover have occurred in the hotel business in recent years. Parenthetically, employees leave the hotels for some common reasons, such as dissatisfaction with their positions of salary.

Given more supportive evidence, Wasmuth and Davis (1983, referred to in Hinkin & Tracey, 2000) showed comprehensive efforts of a three-year study to quantify voluntary employee turnover. Research data were collected from employees of five departments, including accounting, engineering, food and beverage, front office, and housekeeping, in each of 20 hotels located in North America and Europe. The results came out that turnover averaged 60 percent for the five departments, but it was disproportionately above that average in food and beverage, front office, and housekeeping. Hence, it was concluded that “turnover resulted primarily from dissatisfaction with the current job rather than attraction to other job opportunities. Pay was often cited as the reason for leaving, but poor quality of supervision and poor working conditions were the more frequent reasons given.” Moreover, a study of six restaurants and six hotels in 1989 and a study of over 4,000 lodging properties in 1998 exhibited almost exactly the same findings as well.

Firth et al. (2004) identified that there are various individual decisions encouraging one to quit, such as the experience of job related stress, lack of commitment in the organization, and job dissatisfaction. A survey called “strategies

for survival in the war for talent” (Hay, 2002, p. 53) presented that, pay is not the only factor leads to discontent of employees. Instead, employees are most likely to leave the organization because of poor supervision, a lack of clear direction on the part of management, and no career development. Rodriguez and Hudson-Martin (2008, p. 53) supported this statement by claiming that, “if employees feel they are not learning and growing, they feel they are not remaining competitive with their industry peers for promotion opportunities and career advancement. Once top employees feel they are no longer growing, they begin to look externally for new job opportunities.”

Likewise, some indicators presented by Herman (2005) are used to identify principal reasons people leave their jobs, which may be referred to a corporate-culture issue, employee recognition, organizational support and work atmosphere, opportunity for advancement, and compensation.

In regard of the corporate-culture issue, Herman explained that employees are also concerned with “the company’s reputation; the physical conditions of comfort, convenience, and safety; and the clarity of mission.” They also require the recognition, but the leaders rarely express this acknowledgement to them even though they do value employees. Subsequently, employees are easily demotivated when they do not feel valued by the company (Herman, 2005).

The next reason for employee turnover is lack of organizational support and dissatisfying work atmosphere. People certainly look for other opportunities when they are discouraged by “numerous rules, red tape, or incompetent supervisors or coworkers.” Furthermore, opportunity for advancement is another issue, which is not concerning with promotions but learning. It is stated that “people want to improve their capacity to perform a wide variety of jobs. If workers cannot find the growth opportunities with one company, they will seek another employer where they can learn.” Moreover, compensation can be one reason that causes employees to leave (Herman, 2005).

In addition, the increasing problem of labor and skills shortage which correspondingly leads to high turnover and problems in retaining qualified employees has progressively become a global challenge. Interestingly, the causes of this issue were explained and strengthened by International Society of Hospitality Consultants

(2006) that demography, wage levels, failure to adequately address worker satisfaction and a reputation for long hours and low pay are all cited as contributing factors:

- 1) Demographics – Population growth rates have been slowing in Europe, the U.S. and elsewhere for decades so the number of workers leaving the workforce now exceeds those that are entering. The aging workforce moving into retirement is creating a huge void that can only be expected to grow larger going forward.
- 2) Lagging wage rates – Long criticized for paying salaries and wages below those common in other industries, hospitality companies are increasingly finding it difficult to attract and retain qualified candidates willing to accept standard wages.
- 3) Industry reputation – Like it or not, the hospitality industry has not done enough to earn a reputation as a top career choice for college graduates. Notorious for long hours, night and weekend shifts our industry has Gen-X'ers and Gen-Y'ers seeking other careers with a perceived higher quality of life and better wages.
- 4) De-emphasis on training and worker satisfaction – Following the worldwide dip in demand that followed 9/11, many hotel companies failed to fully restore training and worker enrichment programs that marked the 1980s and 90s. This comes at a time when lodging brands are increasingly adding amenities and services in order to differentiate themselves from competitors.

Despite these causes of labor shortage and turnover, there is also attempt to develop innovative strategies for capturing and keeping qualified employees from the creative hospitality professionals (International Society of Hospitality Consultants, 2006), which are expected to be the practical solutions to this long-standing problem in the hospitality industry later on.

### **2.3 Employee Retention Concepts and Related Researches**

It can be seen that the attempt to maintain one organization's workforce

significantly focuses on factors influencing employees to quit their jobs. Top-level executives and human resource department have spent large amounts of time, effort, and money trying to figure out how to keep their people from leaving (Mitchell, Holtom, & Lee, 2001, p. 96). Nevertheless, while there is clear evidence proved that many organizations try to identify why people leave, evidence that demonstrated organizations' effort to find out why people actually stay in the organization is rarely found (Laukkanen & Liinamo, 2008).

Nonetheless, as the problem of inability to retain good employees is widely recognized in the industry, Human Resources superiors have also brought this into concern since they have realized the great impacts of turnover. It was stated by Walker and Miller (2010, p. 261) that, Human Resources directors estimated the costs of employee turnover at approximately 4,000 US Dollars for one hourly paid employee, approximately 8,000 US Dollars for middle management position, and last but not least, 12,000 US Dollars for a management position. This is the reason why hospitality business and Human Resources people are devoted to lessening employee turnover, and their solution to this problem is focusing on retention.

Based on the purpose of retaining “valuable asset” of the organizations, Peterson (2005) had developed the fundamental principles of getting, keeping, and growing people, which are believed to be the cornerstones of human resource activities that help in employee retention:

- 1) Getting Good People – embarking upon a strategy that would reduce our rising turnover: Realizing that turnover starts when the organization is affected by people they hired, one of the strategies should be set to “obtaining high-quality personnel by concentrating on recruitment strategies.”
- 2) Keeping Good People – employees don't leave good companies, but they leave bad bosses: The sense of connectivity with an organization and what future it holds for the individual is the key. If a company could answer these three questions well, it was on its way to establishing a long-term relationship with its employees: (1) Do you care about me? (2) What do I need to do to get ahead? (3) Where can I go to get justice?

- 3) Growing Good People: Two critical factors are: (1) how one organization tells employees about what opportunities exist and (2) clarifying the process that gives an even playing field to all who have interest in those opportunities.

In fact, creating a high retention workplace takes an entirely different approach (Smith, 2007). However, referring to several researches of which details are given below, most of factors influencing employee retention are related to three questions to be concerned for keeping good people mentioned previously. One study of New York State's Department of Civil Service and Governor's Office of Employee Relations on employee retention had sorted employee retention factors into 5 major categories (Pataki, 2002), which are benefits, retention strategies, organizational culture, personal satisfaction, and demographics.

### **2.3.1 Pays and Benefits**

Pataki (2002) described that benefits, including leave benefits, health and related benefits, and the retirement plan, are factors rated the most important for employees' intention to stay. Furthermore, Mathis and Jackson (2008, p. 74) regarded money as the main factor having an effect on employee's intention to stay with the organization, while the study of Frederick Herzberg in 1968 (referred to in Gupta-Sunderij, 2004) mentioned salary as one of the extrinsic factors that has influence over employee retention. However, among the extrinsic factors examined in Herzberg's study, salary has less influence on employee retention than other factors. As well, Tang et al. (2000; referred to in Kyndt et al., 2009) found that earning more money has only an indirect influence on employee retention.

Dychtwald et al. (2006, p. 181) emphasized on attracting and retaining talent today, together with competing tomorrow possible labor shortage that, organizations must serve employees' needs right, accommodate employee mobility, customize more employees' deals, and get all facets of the deal "right". Many organizations have learned and applied these compensation and benefit concepts into their strategies, such as giving employees cafeteria-style benefits, portable defined-contribution pensions, and compensation plans with long-term components like stock

grants, which are all becoming trends in the industry as shown in Table 2.1. Pay satisfaction is also the fundamental, important aspect to be considered when it comes to the retention problem (Brown et al., 2004).

**Table 2.1: Trends in Compensation and Benefits**

**Source: Adapted from Dychtwald et al. (2006, p. 182)**

<b>Element</b>	<b>From</b>	<b>To</b>
Pay	Tenure based, mainly cash	Performance based, more equity
Pension	Defined benefit	Defined contribution, cash balance
Health Benefits	Employer managed and provided	Cofunded and comanaged
Other Benefits	Standard	Many choices, cafeteria- style, customized
Recognition and Reward	Formal, periodic	Formal and informal, on the spot

A study by Hay in the early 1990s, referred to by Stone (2002, p.58-59) and Sadangharn (2010) supportively mentioned about the trends in compensation and benefits for employees that, apart from two important factors for retaining employees – 1) partnership or involvement of employees in decisions, and 2) employability or opportunity to ensure career security; cafeteria-styled compensation and benefit programs are additional issues to be concerned about.

Despite the trends in compensation and benefits, there are still rooms for improvement and more new innovative strategies to be worked out, since competition for skilled people becomes more intense, and workforce compensation continually changes (Dychtwald et al., 2006, p. 181). A recent study of various consulting firms spotted some retention factors which still need further investigation within each company. For example, compensation is a more critical factor for recruitment rather

than employee retention; that is, “employees are less likely to look for a job because of their compensation, but are more likely to accept a job offer based on the level of compensation offered.” (Sadangharn, 2010)

Another proposed method for employee retention presented the broader scheme of employee benefits, which is the Employee Value Proposition (EVP). It refers to “the holistic sum of everything people experience and receive while they are part of company – everything from intrinsic satisfaction of the work to the environment, leadership, colleagues, compensation, and more.” (Michaels et al., 2001; referred to by Sadangharn, 2010). Researchers also provided more details of employee value concept that, “talented people want the big money and all the perks. More important, though, they want to feel passionate about their work, excited by their jobs, enrich by their career opportunities, uplifted by the company’s leaders, assured by the depth of its management, and inspired by its sense of mission. They will work hard but they want to be fulfilled. If they are not fulfilled, they will be inclined to leave.” (Michaels et al., 2001; referred to by Sadangharn, 2010).

### **2.3.2 Retention Strategies**

Gupta-Sunderij (2004) suggested that, to understand the factors underlying employee retention, it is useful to go back to a classic study conducted by Frederick Herzberg in 1968. Herzberg identified two groups of factors influencing employee retention, which are intrinsic and extrinsic factors. Intrinsic factors in employee motivation are, for instance, rewards and recognition for achievement, and growth. What he discovered is that, “the intrinsic factors (or motivators) were the primary causes of satisfaction, and the extrinsic factors (or de-motivators) were the primary cause of unhappiness on the job.” (Gupta-Sunderji, 2004) Additionally, it is the presence of de-motivators and the absence of motivators that cause employees to leave. In details, one top motivator leading to job satisfaction was recognition for the achievement.

As a support of this finding, Kyndt et al. (2009) identified rewards and appreciation of the performed work, and chances to be promoted as factors that can enhance employee retention. Alternatively, retention strategies can also involve new assignment, job rotation, flexible work schedule that helps create a healthy balance

between the professional and personal life, and training opportunities (Hyttter, 2007; Kyndt et al., 2009; Pataki, 2002). In addition, it is reported that employee-retention specialists have concentrated on training and coaching to improve retention skills of leaders, managers, supervisors, and employees at all levels of an organization, since there is a research confirmed that learning and continuous improvement motivate people to stay with an employer as well (Herman, 2005). At this point, training which must be relevant and must be used to broaden experience rather than reinforcing old skills, plays an important role as a core way to retain employees (Hay, 2002).

Moreover, Walker & Miller (2010, p. 263) also noticed reward and recognition as another key element in employee retention. They pointed that, employees want to be recognized and appreciated for a job well done. Thus, recognition should be arranged as a part of an organization's culture and making rewards count cannot be overlooked as well. Simultaneously, it is essential that giving rewards are immediate, appropriate, personal, and should depend on employees themselves' most desirable form of recognition. In this case, if the organizations are able to realize its importance, treating employees with respects and rewards is one optimal way utilized to enhance retaining the best employees.

Summarily, organizations that success in improving both worker satisfaction and retention rates are the organizations that carefully customize recognition and reward practices as well as pay system to their employees. It is also supported that in general, people are satisfied with the pay system that seems "fair across roles, ranks, responsibilities, and organizational units" (Dychtwald et al., 2006, p. 119, 192).

### **2.3.3 Organizational Culture**

Organizational culture, such as employee empowerment, can influence employees' intention to leave or stay (Hyttter, 2007; referred to in Kyndt et al., 2009). Empowerment concerns about "achieving organizational goals; it means getting everyone involved in making a success of the business." (Johnson & Redmond, 1998; referred to in Lashley, 2001, p. 2) Approaches to empower employees are to express confidence in them together with establishing realistic high performance expectations for them. It can also be obtained by creating opportunities for employees to participate

in decision making, and giving employees autonomy from bureaucratic constraints as empowerment strategies (Block, 1987; Burke, 1986; referred to in Ugboro, 2006, p. 237).

Besides, Gupta-Sunderij (2004) referred to the previous research of Herzberg that, poor supervision is another top de-motivator leading to job dissatisfaction and intention to leave the organization. Thus, supervision is one necessary factor for retaining employees; whereas leadership style and good communication are other influencing factors that are directly related to employee retention as well (Hyttter, 2007; Kyndt et al., 2009; Pataki, 2002).

#### **2.3.4 Personal Satisfaction with the Job**

Aside from factors related to pays and benefits, retention strategies, and organizational culture, the perception of employees with regard to personal satisfaction with the job is also substantiated to have great influence on employee retention. The personal-satisfaction-related factors subsequently consist of job description, including amounts of responsible tasks; working conditions, such as hours of work, rest and leave periods, physical environment; interpersonal relationships, including positive relations with supervisors and coworkers, and job security (Gupta-Sunderij, 2004; Kyndt et al., 2009; Pataki, 2002).

In addition, it is claimed by Chen et al. (2010) that job satisfaction, which is one major cause of employee retention, could be developed from many different sources, comprising levels of role ambiguity, autonomy, quality of supervision, quality of social relationships, and level of support in the workplace. Moreover, the relationship between job satisfaction and turnover may also be controlled by other variables such as gender or mood. To support this statement, Hausknecht (2008; referred to by Khan et al., 2011) added that employee retention could be influenced by psychological, behavioral, and demographic factors as well.

#### **2.3.5 Demographics**

Aside from those preceding factors, the relationships between different demographic variables, such as age, gender, marital status, and level of education; and employee retention have yet to be fully investigated (Phillips & Connell, 2003). One

research paper on staff in Telecom Malaysia presents a study to examine the contribution of demographic variables, job characteristics and job satisfaction on turnover intentions. Results from the total population of 292 staff found that demographic variables had a significant contribution and negative effect on turnover intentions (Samad, 2006).

Another interesting study conducted by Mok & Finley in 1986 was designed to compare the levels of job satisfaction based on differences in demographic variables. Responds from 373 food-service workers in three five-star chain hotels in Hong Kong illustrated that, satisfaction with certain facets of the job which leads to successful retention was found significantly related to some demographic variables (Mok & Finley, 1986).

Additionally, employees' tenure – the length of service of employees, has been proved by the researchers to be an important factor for employee retention (Gunz, 2007; referred to in Kyndt et al., 2009). Several studies have also reported negative relationship between turnover intention and age, while the level of education is noticed to be positively associated with turnover. In other words, more educated employees are less likely to stay with the organization. Nevertheless, findings of the relationship between gender and turnover are variable (Arnold & Feldman, 1982; Berg, 1991; Cotton & Tuttle, 1986; Gerhart, 1990; Mobley et. al, 1979; Price & Mueller, 1986; Wai & Robinson, 1998; Weil & Kimball, 1995; referred to in Khatri et al., 1999).

## **CHAPTER III**

### **RESEARCH METHODOLOGY**

The study implemented two types of research methodology to study and comprehend all parties involved in the employee retention, which are generally five-star hotel employees and hotels in Bangkok. Subsequently, this research methodology chapter covers the following aspects:

- 3.1 Target Population
- 3.2 Sampling Size and Data Collection
- 3.3 Research Instruments
- 3.4 Data Analysis

#### **3.1 Target Population**

In order to determine the difference between demographic characteristics and factors influencing employees to stay with the organization, both qualitative and quantitative research methodologies were utilized in this research. The data collection was performed through the primary resources, which were interviews with the human resources people to find out employee-retention factors being used by the nine hotels listed in Chapter I – Introduction. Then, the cross-sectional questionnaires were distributed to employees of those hotels.

In consequence, the target group of population for qualitative method was Director of Human Resources or any Human Resources representative who had been working in the selected five-star hotels in Bangkok, while for quantitative method, the target population was employees working in the same five-star hotels as the target population of quantitative method.

## 3.2 Sampling Size and Data Collection

### 3.2.1 Qualitative Methods

In collecting data using the qualitative methodology, in-depth interviews with Human Resources people from nine five-star hotels in Bangkok were conducted beforehand. The target interviewees from each hotel were nine Directors of Human Resources or any representative who had been working in those particular hotels. These in-depth interviews were conducted in person after being granted permission from all five-star hotels.

### 3.2.2 Quantitative Methods

As elements in the population “have a known chance of being chosen as subjects in the sample” (Sekaran, 2003, p. 270), a probability sampling design was used for this research. Furthermore, among various types of sampling included in a probability sampling design, the cluster sampling was utilized to study a heterogeneous group of individuals from various departments at one time. Additionally, the sample size of population was 385 five-star hotel employees, which was calculated by using Yamane’s Equation of Sample Size Determination (Yamane, 1967) as:

$$n = \frac{N}{1 + Ne^2}$$

Where,  $n$  = Sample size  
 $N$  = Total amount of target population  
 $e$  = Allowable error of sampling (this research = 0.05)

Thus, the total sample size of this research was set as followings:

$$n = \frac{9937}{1 + (9937)(0.05)^2}$$

$$n = 385$$

### 3.3 Research Instruments

As mentioned previously, the research instruments used in this study were both qualitative and quantitative methods, including in-depth interviews and the questionnaire survey. In detail, contents of the two methods are described in the following section accordingly.

#### 3.3.1 Qualitative Methods

In-depth interviews consist of the following questions:

- 1) What are the employee-retention strategies / methods / techniques five-star hotels in Bangkok have been using?
- 2) How do five-star hotels in Bangkok come up with those strategies / methods / techniques? How can the hotels be certain that those are the right ones? And do the hotels consider the employee opinions, the management opinions, or both when making a decision which strategies / methods / techniques to be used?
- 3) Among those strategies / methods / techniques being used, what are the three most effective strategies / methods / techniques? What are the indicators of that effectiveness?
- 4) Among those strategies / methods / techniques, which ones seem to be the least effective? Why?

These four aspect questions were applied into the in-depth interviews to investigate five-star hotels' retention strategies, as well as approaches to achieve the right, suitable strategies, and hotels' perceptions towards the most efficient retention strategies. Likewise, the result was not only summarized to understand view points of the employers, but was also partly used to analyze retention factors in order to develop the questionnaire for quantitative method.

#### 3.3.2 Quantitative Methods

The bilingual questionnaire was utilized as one research instrument to collect information on demographic factors and to explore the influencing factors for employee retention among five-star hotel employees in Bangkok. It was firstly

developed based on the comprehensive literature reviews, regarding demographic characteristics and factors influencing employees to stay with their current organization. However, some questions in the questionnaire were additionally inserted in order to be able to answer all research questions and meet the research objectives.

Before distributing questionnaires to the target population, the questionnaire face validity was conducted among several five-star hotel employees, and practical comments and suggestions were revised to further improve the questionnaire components. Then, the 30-questionnaire pilot test was operated and the overall scale of Cronbach's alpha coefficient was 0.839. The Cronbach's alpha coefficient of retention factors in each category also exceeded 0.7 (range between 0.808 to 0.862).

In addition, the research questionnaire consisted of three major sections, which are demographic characteristics, employee retention factors, and effectiveness of hotels' retention strategies. Each section is briefly described as followings:

#### 3.3.2.1 Section one – Demographic Characteristics

This section contained six topics of general information required from respondents, including gender, age, marital status, educational level, current position, and years of service. Details of the demographic characteristics are as described in Table 3.1.

**Table 3.1: Details of Demographic Characteristics Included in the Questionnaire**

No.	Demographic Characteristics	Details
1.	Gender	- Male - Female
2.	Age	- 18-25 - 26-35 - 36-45 - More than 45
3.	Marital Status	- Single - Married - Others (Widowed, Divorced, Separated)

**Table 3.1: Details of Demographic Characteristics Included in the Questionnaire (Cont.)**

No.	Demographic Characteristics	Details
4.	Educational level	<ul style="list-style-type: none"> <li>- Lower than Bachelor's Degree</li> <li>- Bachelor's Degree</li> <li>- Higher than Bachelor's Degree</li> </ul>
5.	Current Position	-
6.	Years of Service	<ul style="list-style-type: none"> <li>- Less than 1</li> <li>- 1-3</li> <li>- 4-6</li> <li>- 7-10</li> <li>- More than 10</li> </ul>

### 3.3.2.2 Section two – Employee Retention Factors

This section consisted of various employee retention factors categorized into four major group – pay and benefits, retention strategies, organizational culture, and job related issues. The respondents were asked to rate retention factors depending on a Likert scale of 1 to 7, where 1 represented the least influence and 7 represented the most influence over employees' intention to stay with the organization). Aside from those mentioned, respondents could add their opinions on missing factors into columns provided at the end of each category.

**Table 3.2: Details of Employee Retention Factors Included in the Questionnaire**

No.	Category	Retention Factors
1.	Pays and Benefits	<ul style="list-style-type: none"> <li>- Salary and Service Charge</li> <li>- Leave Benefits</li> <li>- Health and Related Benefits</li> <li>- Retirement Plan</li> </ul>
2.	Retention Strategies	<ul style="list-style-type: none"> <li>- Rewards and Recognition</li> <li>- Career Development</li> <li>- New Assignment</li> <li>- Job Rotation</li> <li>- Flexible Work Schedule</li> <li>- Training Opportunities</li> </ul>

**Table 3.2: Details of Employee Retention Factors Included in the Questionnaire (Cont.)**

No.	Category	Retention Factors
3.	Organizational Culture	<ul style="list-style-type: none"> <li>- Employee Empowerment</li> <li>- Supervision</li> <li>- Leadership Style</li> <li>- Effective Communication</li> </ul>
4.	Job Related Issues	<ul style="list-style-type: none"> <li>- Job Description</li> <li>- Working Conditions</li> <li>- Interpersonal Relationship</li> <li>- Job Security</li> </ul>

#### 3.2.2.3 Section three – Retention Strategy Effectiveness

This section enclosed three statements to ask for respondents' perception towards effectiveness of the hotels' retention strategies. A Likert scale of 1 to 7, where 1 referred to the strongest disagreement and 7 referred to the strongest agreement towards the statements, was also implemented in this section. Details of the three statements were presented in Table 3.3.

**Table 3.3: Statement on Hotels' Retention Strategy Effectiveness**

No.	Statements
1.	My organization has the strategies in retaining employees.
2.	My organization succeeds in retaining employees.
3.	I intend to stay with my present organization for a long time.

### 3.4 Data Analyses

After the completion of data collection, Statistical Package for Social Sciences (SPSS) was used to analyze the data, as it is a computer program that can systematically allocate a substantial amount of records and distribute accurate results.

With the help of SPSS, results were analyzed by tabulating the data using T-Test for evaluating the differences in means between two groups, and One-way ANOVA for testing the difference among more than two groups on an interval or ratio-scaled dependent variable (Sekaran, 2003, p. 404).



## **CHAPTER IV**

### **RESEARCH RESULTS**

This chapter contains results of hypotheses testing and additional findings from the research. As mentioned earlier that the objectives of this study were to identify the factors influencing five-star hotels employees to maintain their employment with the hotels, to explore employee-retention strategies being used by the five-star hotels, and simultaneously to study different demographic characteristics of five-star hotel employees which affect factors influencing the employees to stay with their present organizations and employees' perception towards hotels' retention strategy effectiveness; subsequently, findings based on quantitative method which was in-depth interviews with nine five-star hotels' representatives and qualitative method including total 396 questionnaire response of five-star hotel employees were presented.

The findings of this study provides perceptive information from both hotels' and employees' side. Sequentially, the results are presented according to the points stated below:

- 4.1 The demographic characteristics of respondents
- 4.2 Factors influencing five-star hotel employees to stay with the organization by mean
- 4.3 Statistical differences between demographic characteristics and factors influencing five-star hotel employees to stay with the organization
  - 4.3.1 Differences in factors influencing employees to stay with the organization by gender
  - 4.3.2 Differences in factors influencing employees to stay with the organization by age
  - 4.3.3 Differences in factors influencing employees to stay with the organization by marital status
  - 4.3.4 Differences in factors influencing employees to stay with the organization by educational level

- 4.3.5 Differences in factors influencing employees to stay with the organization by years of service
- 4.4 Mean and statistical differences in five-star hotel employees' perception towards hotels' retention strategy effectiveness resulted from different demographic characteristics
- 4.5 Summary of in-depth interview details

## 4.1 The Demographic Characteristics of Respondents

The respondents' demographic characteristics in this research were calculated into percentage using SPSS's descriptive statistics. As illustrated in Table 4.1, out of 396 respondents working in the selected five-star hotels in Bangkok, the proportion of female employees (50.3%) was slightly greater than male employees (49.7%). Half of the total respondents were in the 26-35 years of age (50.0%), followed by 36-45 years (23.5%), 18-25 years (20.7%), and employees with over 45 years of age (5.8%).

According to the marital status statistics obtained from respondents, most of them were single (61.6%), and 36.6% of respondents were married. Merely 1.8% of respondents were in the "others" group, which included widowed, divorced, and separated ones. Furthermore, respondents holding Bachelor's degree possessed the highest percentage in educational level characteristic (56.6%), whereas the second and third ranking group were respondents with lower degree than Bachelor's (38.9%), and respondents studied higher than Bachelor's degree (4.5%) respectively.

The majority of respondents worked in the hotels' Front Office Department (19.2%). Additionally, details of respondents' working positions are described in Table 4.2. The result also shows that hoteliers working from one to three years at their present organizations were the largest group of respondents (45.7%). Ones who have been working for four to six years (18.7%), less than one year (16.9%), and seven to 10 years (10.9%) ranked the second, third, and fourth largest group of respondents, while hoteliers working more than 10 years were the smallest group completed the questionnaires (7.8%).

**Table 4.1: Demographic Characteristics of Respondents**

<b>Demographic Characteristics</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Gender</b>		
Male	197	49.7
Female	199	50.3
<b>Total</b>	<b>396</b>	<b>100.0</b>
<b>Age</b>		
18-25	82	20.7
26-35	198	50.0
36-45	93	23.5
Over 45	23	5.8
<b>Total</b>	<b>396</b>	<b>100.0</b>
<b>Marital Status</b>		
Single	244	61.6
Married	145	36.6
Others	7	1.8
<b>Total</b>	<b>396</b>	<b>100.0</b>
<b>Educational Level</b>		
Lower than Bachelor's Degree	154	38.9
Bachelor's Degree	224	56.6
Higher than Bachelor's Degree	18	4.5
<b>Total</b>	<b>396</b>	<b>100.0</b>
<b>Working Position (by department)</b>		
Engineering	27	6.8
Financial & Accounting	29	7.4
Food & Beverage Kitchen	50	12.7
Food & Beverage Service	51	12.9
Front Office	76	19.2
Housekeeping	55	13.9
Human Resources	15	3.8
Sales & Marketing	12	3.0
Security	11	2.8
Training	8	2.0
Others	62	15.7
<b>Total</b>	<b>396</b>	<b>100.0</b>
<b>Years of Service</b>		
Less than 1	67	16.9
1-3	181	45.7
4-6	74	18.7
7-10	43	10.9
More than 10	31	7.8
<b>Total</b>	<b>396</b>	<b>100.0</b>

**Table 4.2: Working Positions of Respondents**

<b>Working Positions</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Engineering</b>		
AV Technician	3	0.76
Engineer	2	0.51
Technician	18	4.55
Technician Supervisor	4	1.01
<b>Financial &amp; Accounting</b>		
Accountant	4	1.01
Account Payable Officer	4	1.01
Account Payable Supervisor	2	0.51
Account Receivable Officer	2	0.51
Account Receivable Supervisor	2	0.51
Cost Controller	1	0.25
Income Auditor	2	0.51
Paymaster	2	0.51
Purchasing Officer	5	1.26
Receiving Officer	3	0.76
Store Officer	2	0.51
<b>Food &amp; Beverage Kitchen</b>		
Artist	3	0.76
Chef De Partie	8	2.02
Commis	15	3.79
Demi Chef	3	0.76
Kitchen Coordinator	2	0.51
Sous Chef	10	2.53
Steward	7	1.77
Steward Supervisor	2	0.51
<b>Food &amp; Beverage Service</b>		
Banquet Server	4	1.01
Bartender	4	1.01
Captain	4	1.01
Hostess	4	1.01
Order Taker	5	1.26
Restaurant Supervisor	3	0.76
Room Service	4	1.01
Server	23	5.81
<b>Front Office</b>		
Airport Representative	2	0.51
Bell Captain	6	1.52
Bellman	12	3.03
Butler	4	1.01
Doorman	3	0.76
Driver	3	0.76
Executive Club Floor Supervisor	1	0.25
Front Office Supervisor	8	2.02

**Table 4.2: Working Positions of Respondents (Cont.)**

<b>Working Positions</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Front Office</b>		
Guest Relations Officer	7	1.77
Guest Relations Supervisor	2	0.51
Guest Service Agent	20	5.05
Operator	5	1.26
Reservation Officer	3	0.76
<b>Housekeeping</b>		
Florist	4	1.01
Floor Supervisor	6	1.52
Gardener	3	0.76
Housekeeping Supervisor	5	1.26
Laundry Operator	5	1.26
Laundry Runner	2	0.51
Laundry Supervisor	2	0.51
Minibar Attendant	3	0.76
Public Area Attendant	4	1.01
Public Area Supervisor	2	0.51
Room Attendant	19	4.80
<b>Human Resources</b>		
Human Resources Coordinator	2	0.51
Human Resources Officer	10	2.53
Human Resources Supervisor	1	0.25
Senior Human Resources Officer	2	0.51
<b>Sales &amp; Marketing</b>		
Sales Coordinator	5	1.26
Sales Executive	7	1.77
<b>Security</b>		
Security Officer	8	2.02
Security Supervisor	3	0.76
<b>Training</b>		
Training Coordinator	3	0.76
Training Officer	5	1.26
<b>Others</b>		
Administrator	6	1.52
Fitness Instructor	3	0.76
IT Officer	3	0.76
Secretary	11	2.78
Spa Receptionist	2	0.51
Supervisor	32	8.08
Therapist	5	1.26
<b>Total</b>	<b>396</b>	<b>100.00</b>

In Table 4.2, working positions of respondents were categorized into 11 departments, and the positions of which respondents did not identify the department were hereby placed into “Others” group.

It can be seen that, apart from the Supervisor positions in each department which had the largest proportion of all respondents (18.97%), the first three positions with the highest frequency statistics were Server (5.81%), Guest Service Agent or also known as Reception (5.05%), and Room Attendant (4.80%).

## 4.2 Factors Influencing Five-Star Hotel Employees to Stay with the Organization by Mean

Table 4.3 illustrates the mean evaluation of factors influencing five-star hotel employees to stay with their present organizations. The levels of influence were measured using seven-point Likert scale, where the least influencing factor had a value of one, and the most influencing factor contained a value of seven.

**Table 4.3: Factors Influencing Five-Star Hotel Employees to Stay with the Organization by Mean**

Factors	Rank	$\bar{X}$	SD
Salary and Service Charge	1	5.97	1.171
Job Security	2	5.94	1.112
Leadership Style	3	5.82	1.116
Effective Communication	4	5.77	1.084
Supervision	5	5.74	1.017
Interpersonal Relationship	6	5.67	1.136
Working Condition	7	5.59	1.233
Health and Related Benefits	8	5.55	1.275
Career Development	9	5.52	1.148
Job Description	10	5.50	1.131
Leave Benefits	11	5.47	1.206
Flexible Work Schedule	12	5.36	1.169
Training Opportunities	13	5.34	1.240
Employee Empowerment	14	5.34	1.049
Rewards and Recognition	15	5.32	1.271
New Assignment	16	5.16	1.148
Retirement Plan	17	5.07	1.526
Job Rotation	18	4.94	1.217
Others	19	-	-

Salary and service charge was found the first most influencing factor with the highest mean score of 5.97. The second ranking was job security with the mean score of 5.94, and the third most influencing factor attaining the mean score of 5.82 was leadership style. Still, some other factors which were not primarily included in the questionnaires but stated by respondents thereafter are described in the forthcoming section.

**Table 4.4: Influencing Factors of Pays and Benefits Category by Mean**

<b>Factors</b>	<b>Rank</b>	<b><math>\bar{X}</math></b>	<b>SD</b>
Salary and Service Charge	1	5.97	1.171
Health and Related Benefits	2	5.55	1.275
Leave Benefits	3	5.47	1.206
Retirement Plan	4	5.07	1.526
Others	5	-	-

To give more details, these factors influencing five-star hotel employees to stay with the organizations were categorized into four major groups, which were pays and benefits, retention strategies, organizational culture, and job related factors. According to Table 4.4, salary and service charge ranked the most influencing factor in pays and benefits category ( $\bar{X} = 5.97$ ), followed by health and related benefits ( $\bar{X} = 5.55$ ), and leave benefits ( $\bar{X} = 5.47$ ). Despite those factors, respondents also inserted a choice of issues as ‘others’ pay and benefit factors, including provident fund, overtime compensation, up selling commission, bonus, day-off per week, birthday benefits, fine uniforms and food, benefits for employees’ children, together with other incomes, such as night shift wages and tips.

**Table 4.5: Influencing Factors of Retention Strategies Category by Mean**

<b>Factors</b>	<b>Rank</b>	<b><math>\bar{X}</math></b>	<b>SD</b>
Career Development	1	5.52	1.148
Flexible Work Schedule	2	5.36	1.169
Training Opportunities	3	5.34	1.240
Rewards and Recognition	4	5.32	1.271
New Assignment	5	5.16	1.148
Job Rotation	6	4.94	1.217
Others	7	-	-

Influencing factors in retention strategies category are presented in Table 4.5. Respondents considered career development, flexible work schedule, and training opportunities as the three most influencing factors for employee retention, acquiring the mean score of 5.52, 5.36, and 5.34 correspondingly. Moreover, creative activities to color workplace environment and improve employee relation, pride in being a part of the organization, as well as the policy to handle with sexual harassment problems were also mentioned by respondents as ‘others’ retention strategies.

**Table 4.6: Influencing Factors of Organizational Culture Category by Mean**

<b>Factors</b>	<b>Rank</b>	<b><math>\bar{X}</math></b>	<b>SD</b>
Leadership Style	1	5.82	1.116
Effective Communication	2	5.77	1.084
Supervision	3	5.74	1.017
Employee Empowerment	4	5.34	1.049
Others	5	-	-

Table 4.6 shows factors in the organizational culture category. Factor that demonstrated the most influence over five-star hotel employees with the highest mean score of 5.82 was leadership style, followed by effective communication ( $\bar{X} = 5.77$ ), and supervision ( $\bar{X} = 5.74$ ). For ‘others’ factors, the following areas came across the questionnaire responses additionally:

- 1) The company’s ways of treating its employees;
- 2) Rights and equality the company gives to employees in all levels;
- 3) Employee engagement
- 4) Harmony among colleagues
- 5) Teamwork and colleagues’ generous support for each other
- 6) Cooperation between departments
- 7) Respect and seniority

Concerning factors of job related issues, job security with the mean score of 5.94 had the most influence in this category, as shown in Table 4.7. Interpersonal relationship came as the second most influencing factor with 5.67 mean score, and the third one with 5.59 mean score was working condition. In addition, there were also

some other factors regarding job related issues stated in the questionnaires, which included location and convenient transportation, consistency between amount of works and hours of work, effectiveness of working equipments, and sufficient manpower.

**Table 4.7: Influencing Factors of Job Related Issues Category by Mean**

<b>Factors</b>	<b>Rank</b>	<b><math>\bar{X}</math></b>	<b>SD</b>
Job Security	1	5.94	1.112
Interpersonal Relationship	2	5.67	1.136
Working Condition	3	5.59	1.233
Job Description	4	5.50	1.131
Others	5	-	-

### **4.3 Statistical Differences between Demographic Characteristics and Factors Influencing Five-Star Hotel Employees to Stay with the Organization**

#### **4.3.1 Differences in Factors Influencing Employees to Stay with the Organization by Gender**

Table 4.8 explains mean comparison between male and female on factors influencing five-star hotel employees to stay with the organization. Considering factors regarding pays and benefits, it appeared that both male and female could be influenced by salary and service charge the most, according to the mean score of 6.04 answered by male respondents, and 5.91 for female respondents. Likewise, retirement plan with the mean score of 5.10 valued by male respondents and 5.03 for female was the least influencing factor for both genders.

In regard of retention strategies, male and female respondents still had the same assessment that career development was the most influencing factor ( $\bar{X} = 5.53$  and 5.51 respectively), while the mean score of job rotation ( $\bar{X} = 4.87$  for male respondents and 5.02 for female respondents) indicated the least influence among factors in this category.

Equivalent to the two previous groups, both male and female respondents perceived the same opinion on the most and the least influencing factors in the other

two categories. For the organizational culture category, the mean comparison pointed that, the highest mean scores of 5.77 and 5.88 from male and female employees in sequence fell for leadership style, whilst the lowest mean scores belonged to employee empowerment ( $\bar{X} = 5.34$  for both male and female respondents).

**Table 4.8: Factors Influencing Five-Star Hotel Employees to Stay with the Organization by Gender**

Factors	Gender			
	Male (n=197)		Female (n=199)	
	$\bar{X}$	SD	$\bar{X}$	SD
<b>Pays and Benefits</b>				
Salary and Service Charge	6.04	1.162	5.91	1.180
Leave Benefits	5.48	1.172	5.47	1.242
Health Related Benefits	5.61	1.189	5.49	1.355
Retirement Plan	5.10	1.607	5.03	1.446
<b>Retention Strategies</b>				
Rewards and Recognition	5.28	1.373	5.36	1.163
Career Development	5.53	1.167	5.51	1.132
New Assignment	5.03	1.156	5.29	1.130
Job Rotation	4.87	1.144	5.02	1.283
Flexible Work Schedule	5.26	1.147	5.46	1.184
Training Opportunities	5.27	1.251	5.42	1.228
<b>Organizational Culture</b>				
Employee Empowerment	5.34	1.040	5.34	1.061
Supervision	5.69	0.996	5.79	1.036
Leadership Style	5.77	1.100	5.88	1.131
Effective Communication	5.66	1.092	5.87	1.068
<b>Job Related Issues</b>				
Job Description	5.46	1.158	5.53	1.104
Working Conditions	5.55	1.184	5.62	1.281
Interpersonal Relationship	5.53	1.154	5.81	1.101
Job Security	5.82	1.193	6.06	1.016

Subsequently, ‘job security’ factor in the job related issues category had the most influence over both male and female employees, with the highest mean score of 5.82 and 6.06. Job description, on the other hand, stood as the least influencing employee-retention factor for both genders ( $\bar{X}$  = 5.46 for male respondents and 5.53 for female respondents).

**Table 4.9: Levene's Test for Equality of Variances – Gender VS. Factors Influencing Five-Star Hotel Employees to Stay with the Organization**

Factors	Levene's Test for Equality of Variances				
	F	Sig.	t	df	Sig. (2-tailed)
<b>Pays and Benefits</b>					
Salary and Service Charge	.506	.477	1.028	394	.305
Leave Benefits	.746	.388	.081	394	.936
Health and Related Benefits	4.061	.045	.911	388.359	.363
Retirement Plan	1.351	.246	.465	394	.642
<b>Retention Strategies</b>					
Rewards and Recognition	4.329	.038	-.607	382.300	.545
Career Development	.136	.712	.177	394	.860
New Assignment	1.425	.233	-2.229	394	<b>.026*</b>
Job Rotation	2.479	.116	-1.244	394	.214
Flexible Work Schedule	2.228	.136	-1.737	394	.083
Training Opportunities	.043	.835	-1.189	394	.235
<b>Organizational Culture</b>					
Employee Empowerment	.312	.577	-.063	394	.950
Supervision	.051	.821	-1.064	394	.288
Leadership Style	.029	.866	-1.007	394	.315
Effective Communication	.678	.411	-1.929	394	.054
<b>Job Related Issues</b>					
Job Description	.058	.810	-.622	394	.534
Working Condition	.632	.427	-.523	394	.602
Interpersonal Relationship	.752	.386	-2.524	394	<b>.012*</b>
Job Security	5.893	.016	-2.091	383.071	<b>.037*</b>

\*Significant at 0.05 level

Analyzing T-test and Levene's Test for Equality of Variances in Table 4.9, it presents no statistical difference between gender and factors in two categories – pays and benefits, and organizational culture, since the P-values were all greater than 0.05. Nevertheless, there was statistical difference in the other two categories, which were retention strategies and job related issues.

Regarding to the retention strategies category, the difference was found merely in new assignment factor with P-value less than 0.05 (P-value = 0.026). Female respondents believed that, new assignment had influence over five-star hotel employees to stay with their organization more than male, due to the higher mean score of 5.29 comparing to 5.03 mean score from male respondents. In the category of job related issues, interpersonal relationship and job security's P-values displayed the statistical difference at 0.012 and 0.037 respectively. It appeared that these two factors had influence over female than male respondents, with the higher mean score of 5.81 comparing to 5.53 for interpersonal relationship, and the higher mean score of 6.06 comparing to 5.82 for the job security factor.

### 4.3.2 Differences in Factors Influencing Employees to Stay with the Organization by Age

#### 4.3.2.1 Age VS. Factors in pays and benefits category

Out of four factors in pays and benefits category, salary and service charge was the most influencing factor for five-star hotel employees, achieving the highest mean score from every age group – 18-25 years at 6.02, 26-35 years at 5.95, 36-45 years at 5.94, and over 45 years at 6.13 as illustrated in Table 4.10. Moreover, the result of One-Way ANOVA analysis showed one significant difference in retirement plan, with the P-value less than 0.05 (P-value = 0.013).

**Table 4.10: Mean Comparison between Age and Factors in Pays and Benefits Category**

Factors	Age	$\bar{X}$	SD	F	p-value
Salary and Service Charge	18-25	6.02	1.176	.238	.870
	26-35	5.95	1.163		
	36-45	5.94	1.214		
	Over 45	6.13	1.100		

**Table 4.10: Mean Comparison between Age and Factors in Pays and Benefits Category (Cont.)**

Factors	Age	$\bar{X}$	SD	F	p-value
Leave Benefits	18-25	5.49	1.178	.039	.990
	26-35	5.47	1.182		
	36-45	5.47	1.203		
	Over 45	5.39	1.559		
Health and Related Benefits	18-25	5.55	1.288	.388	.761
	26-35	5.54	1.281		
	36-45	5.52	1.282		
	Over 45	5.83	1.193		
Retirement Plan	18-25	4.85	1.508	3.610	.013*
	26-35	4.93	1.559		
	36-45	5.42	1.462		
	Over 45	5.57	1.273		

\*Significant at 0.05 level

#### 4.3.2.2 Age VS. Factors in retention strategies category

**Table 4.11: Mean Comparison between Age and Factors in Retention Strategies Category**

Factors	Age	$\bar{X}$	SD	F	p-value
Rewards and Recognition	18-25	5.37	1.374	.092	.964
	26-35	5.29	1.261		
	36-45	5.34	1.229		
	Over 45	5.26	1.214		
Career Development	18-25	5.62	1.140	.785	.503
	26-35	5.43	1.123		
	36-45	5.60	1.190		
	Over 45	5.61	1.234		

**Table 4.11: Mean Comparison between Age and Factors in Retention Strategies Category (Cont.)**

Factors	Age	$\bar{X}$	SD	F	p-value
New Assignment	18-25	5.24	1.182	.558	.643
	26-35	5.10	1.143		
	36-45	5.17	1.157		
	Over 45	5.35	1.071		
Job Rotation	18-25	5.12	1.290	1.282	.280
	26-35	4.83	1.161		
	36-45	4.99	1.229		
	Over 45	5.09	1.345		
Flexible Work Schedule	18-25	5.44	1.208	.179	.910
	26-35	5.35	1.186		
	36-45	5.31	1.142		
	Over 45	5.35	1.027		
Training Opportunities	18-25	5.35	1.299	.022	.996
	26-35	5.33	1.225		
	36-45	5.37	1.258		
	Over 45	5.35	1.152		

According to the statistics shown in Table 4.11, career development was the most influencing factor among all age ranges, with the mean score of 5.62 from respondents with 18-25 years of age, 5.43 from 26-35 years, 5.60 from 36-45 years, and 5.61 from respondents over 45 years of age. Besides, all P-values from One-Way ANOVA analysis were greater than 0.05. Hence, there was no significant difference of factors in this category.

#### 4.3.2.3 Age VS. Factors in organizational culture category

The statistics in Table 4.12 reveal two factors attaining the highest mean scores from different age groups, which were dissimilar to the two previous categories where the highest mean score belonged to only one factor. In this

organizational culture category, 26-35 year-old and 36-45 year-old respondents listed leadership style as the most influencing factor to retain employees, given that it received the highest mean score of 5.84 and 5.85 from those two age groups in sequence. Effective communication, simultaneously, gained the highest mean scores of 5.83 and 5.87 from respondents in '18-25' and 'over 45' age groups. Still, the test results in this retention category were not significantly different, due to the fact that there was no P-value which was lower than 0.05.

**Table 4.12: Mean Comparison between Age and Factors in Organizational Culture Category**

Factors	Age	$\bar{X}$	SD	F	p-value
Employee Empowerment	18-25	5.32	1.076	.249	.862
	26-35	5.38	1.039		
	36-45	5.30	1.030		
	Over 45	5.22	1.166		
Supervision	18-25	5.73	.890	.076	.973
	26-35	5.76	1.037		
	36-45	5.71	1.028		
	Over 45	5.70	1.259		
Leadership Style	18-25	5.80	1.071	.328	.805
	26-35	5.84	1.113		
	36-45	5.85	1.160		
	Over 45	5.61	1.158		
Effective Communication	18-25	5.83	1.075	.436	.728
	26-35	5.78	1.056		
	36-45	5.67	1.164		
	Over 45	5.87	1.058		

#### 4.3.2.4 Age VS. Factors in job related issues category

Referring to factors of job related issues category presented in Table 4.13, job security was the factor which could influence five-star hotel employees

in all age ranges the most, with the mean score of 5.84 (18-25 years), 6.00 (26-35 years), 5.92 (36-45 years), and 5.83 (over 45 years). Accordingly, the One-Way ANOVA testing was used to test the difference and it showed no significant difference in factors of this category, as none of P-value was less than 0.05.

**Table 4.13: Mean Comparison between Age and Factors in Job Related Issues Category**

Factors	Age	$\bar{X}$	SD	F	p-value
Job Description	18-25	5.61	1.141	.471	.703
	26-35	5.44	1.101		
	36-45	5.51	1.157		
	Over 45	5.57	1.273		
Working Condition	18-25	5.78	1.286	.862	.461
	26-35	5.54	1.195		
	36-45	5.53	1.248		
	Over 45	5.52	1.310		
Interpersonal Relationship	18-25	5.80	1.201	1.129	.337
	26-35	5.69	1.009		
	36-45	5.60	1.295		
	Over 45	5.35	1.229		
Job Security	18-25	5.84	1.160	.491	.689
	26-35	6.00	1.057		
	36-45	5.92	1.163		
	Over 45	5.83	1.230		

### 4.3.3 Differences in Factors Influencing Employees to Stay with the Organization by Marital Status

#### 4.3.3.1 Marital status VS. Factors in pays and benefits category

Table 4.14 explains the mean comparison between marital status and factors influencing employee retention in pays and benefits category. Respondents of all marital status accepted salary and service charge as the most

influencing factor, with the mean score of 5.91 for single respondents, 6.13 for married status, and lastly, 5.14 for respondents in other marital status. Also presented in this table, the results from One-Way ANOVA testing reveal statistical differences of two factors, including salary and service charge (P-value = 0.030), together with retirement plan (P-value = 0.002).

**Table 4.14: Mean Comparison between Marital Status and Factors in Pays and Benefits Category**

Factors	Marital Status	$\bar{X}$	SD	F	p-value
Salary and Service Charge	Single	5.91	1.239	3.525	.030*
	Married	6.13	1.009		
	Others	5.14	1.464		
Leave Benefits	Single	5.43	1.193	1.467	.232
	Married	5.57	1.224		
	Others	4.86	1.215		
Health and Related Benefits	Single	5.47	1.316	1.721	.180
	Married	5.70	1.191		
	Others	5.29	1.380		
Retirement Plan	Single	4.86	1.578	6.134	.002*
	Married	5.41	1.392		
	Others	5.00	1.155		

\*Significant at 0.05 level

#### 4.3.3.2 Marital status VS. Factors in retention strategies category

Among six factors comprised in retention strategies category, career development was listed the most influencing factor for both single and married respondents, according to Table 4.15 ( $\bar{X}$  = 5.45 and 5.66 respectively). Respondents in 'other' marital status, nonetheless, believed rewards and recognition, and career development to be factors having mutual influence over their intention to stay with the

organization, with the same mean score of 5.29. In addition, there was statistical difference at the significance of 0.05 level in the reward and recognition factor (P-value = 0.039).

**Table 4.15: Mean Comparison between Marital Status and Factors in Retention Strategies Category**

Factors	Marital Status	$\bar{X}$	SD	F	p-value
Rewards and Recognition	Single	5.19	1.370	3.264	.039*
	Married	5.53	1.074		
	Others	5.29	.951		
Career Development	Single	5.45	1.191	1.597	.204
	Married	5.66	1.083		
	Others	5.29	.756		
New Assignment	Single	5.12	1.224	.329	.720
	Married	5.22	1.017		
	Others	5.14	1.069		
Job Rotation	Single	4.89	1.262	.559	.572
	Married	5.03	1.148		
	Others	5.00	1.000		
Flexible Work Schedule	Single	5.39	1.224	.499	.608
	Married	5.32	1.086		
	Others	5.00	.816		
Training Opportunities	Single	5.27	1.331	1.838	.161
	Married	5.48	1.074		
	Others	4.86	.900		

\*Significant at 0.05 level

#### 4.3.3.3 Marital status VS. Factors in organizational culture category

As shown in Table 4.16, respondents' perceptions towards influencing factors in this organizational culture category were radically various. It can be seen that single hotel employees could be influenced by leadership style the most ( $\bar{X} = 5.85$ ), whereas the married ones were affected by supervision instead ( $\bar{X} = 5.87$ ). Concurrently, the equal mean score for employee empowerment, supervision, as well as leadership style ( $\bar{X} = 5.43$ ) proved that all these three factors could evenly have influence over respondents in 'others' group of marital status variable. For the One-Way ANOVA testing results, since the P-values were all greater than 0.05, there was no significant difference in regard of respondents' marital status.

**Table 4.16: Mean Comparison between Marital Status and Factors in Organizational Culture Category**

Factors	Marital Status	$\bar{X}$	SD	F	p-value
Employee Empowerment	Single	5.30	1.059	.542	.582
	Married	5.41	1.024		
	Others	5.43	1.272		
Supervision	Single	5.67	1.050	2.050	.130
	Married	5.87	.930		
	Others	5.43	1.397		
Leadership Style	Single	5.85	1.095	.530	.589
	Married	5.80	1.152		
	Others	5.43	1.134		
Effective Communication	Single	5.75	1.097	1.551	.213
	Married	5.84	1.059		
	Others	5.14	1.069		

#### 4.3.3.4 Marital status VS. Factors in job related issues category

Considering four factors in job related issues category described in Table 4.17, job security was the most influencing factor among all marital status of five-star hotel employees, receiving the mean score of 5.84 from single respondents, 6.12 from married respondents, and 5.71 from respondents in other marital status.

When utilizing the One-Way ANOVA to test the difference between variables, the results showed all greater than 0.05 P-values. Thus, the statistical difference in factors of this category did not exist.

**Table 4.17: Mean Comparison between Marital Status and Factors in Job Related Issues Category**

Factors	Marital Status	$\bar{X}$	SD	F	p-value
Job Description	Single	5.46	1.152	.865	.422
	Married	5.58	1.110		
	Others	5.14	.690		
Working Condition	Single	5.52	1.262	.928	.396
	Married	5.70	1.198		
	Others	5.57	.787		
Interpersonal Relationship	Single	5.68	1.127	.775	.462
	Married	5.68	1.142		
	Others	5.14	1.345		
Job Security	Single	5.84	1.149	2.999	.051
	Married	6.12	1.038		
	Others	5.71	.951		

#### 4.3.4 Differences in Factors Influencing Employees to Stay with the Organization by Educational Level

##### 4.3.4.1 Educational level VS. Factors in pays and benefits category

Analyzing the mean comparison in Table 4.18, salary and service charge was still the most influencing factor for all respondents, regardless of their educational levels. The mean score that salary and service charge factor received from respondents holding lower degrees than the Bachelor's was 6.01, 5.95 from respondents with Bachelor's degree, and lastly, 6.00 from respondents studied higher than Bachelor's degree. However, it appeared no significant difference in any factor of this category, as none of P-value was less than 0.05.

**Table 4.18: Mean Comparison between Educational Level and Factors in Pays and Benefits Category**

Factors	Educational Level	$\bar{X}$	SD	F	p-value
Salary and Service Charge	Lower than Bachelor's Degree	6.01	1.155	.151	.860
	Bachelor's Degree	5.95	1.193		
	Higher than Bachelor's Degree	6.00	1.085		
Leave Benefits	Lower than Bachelor's Degree	5.56	1.273	.786	.456
	Bachelor's Degree	5.42	1.165		
	Higher than Bachelor's Degree	5.33	1.138		
Health and Related Benefits	Lower than Bachelor's Degree	5.70	1.289	2.097	.124
	Bachelor's Degree	5.47	1.274		
	Higher than Bachelor's Degree	5.22	1.060		
Retirement Plan	Lower than Bachelor's Degree	5.23	1.542	2.654	.072
	Bachelor's Degree	5.00	1.509		
	Higher than Bachelor's Degree	4.44	1.464		

#### 4.3.4.2 Educational level VS. Factors in retention strategies category

For factors influencing employee retention shown in Table 4.19, respondents with lower degree than the Bachelor's, as well as respondents with

Bachelor's degrees gave the highest scores to career development ( $\bar{X} = 5.44$  and  $5.59$  accordingly). Yet, respondents possessed higher degrees than the Bachelor's paid more attention to training opportunities, as seen from the highest mean score of  $5.72$ . Subsequently, one significant difference was found in the new assignment factor, with the P-value lower than  $0.05$  at  $0.049$ .

**Table 4.19: Mean Comparison between Educational Level and Factors in Retention Strategies Category**

Factors	Educational Level	$\bar{X}$	SD	F	p-value
Rewards and Recognition	Lower than Bachelor's Degree	5.26	1.342	.272	.762
	Bachelor's Degree	5.35	1.244		
	Higher than Bachelor's Degree	5.39	.979		
Career Development	Lower than Bachelor's Degree	5.44	1.103	1.058	.348
	Bachelor's Degree	5.59	1.164		
	Higher than Bachelor's Degree	5.33	1.328		
New Assignment	Lower than Bachelor's Degree	4.99	1.138	3.043	.049*
	Bachelor's Degree	5.28	1.123		
	Higher than Bachelor's Degree	5.11	1.410		
Job Rotation	Lower than Bachelor's Degree	4.86	1.189	.728	.483
	Bachelor's Degree	5.01	1.242		
	Higher than Bachelor's Degree	4.83	1.150		
Flexible Work Schedule	Lower than Bachelor's Degree	5.28	1.146	.671	.512
	Bachelor's Degree	5.41	1.183		
	Higher than Bachelor's Degree	5.50	1.200		
Training Opportunities	Lower than Bachelor's Degree	5.32	1.262	.879	.416
	Bachelor's Degree	5.33	1.215		
	Higher than Bachelor's Degree	5.72	1.364		

\*Significant at 0.05 level

#### 4.3.4.3 Educational level VS. Factors in organizational culture category

In Table 4.20, leadership style was the factor which influenced employees studied lower and higher than Bachelor's degree to continue working with their organization the most ( $\bar{X} = 5.71$  and  $5.94$  respectively), while effective communication was the most influencing factor towards the Bachelors ( $\bar{X} = 5.90$ ). Apart from that, effective communication was the only factor in this organizational culture category showing significant difference, since its P-value was less than 0.05 (P-value = 0.025).

**Table 4.20: Mean Comparison between Educational Level and Factors in Organizational Culture Category**

Factors	Educational Level	$\bar{X}$	SD	F	p-value
Employee Empowerment	Lower than Bachelor's Degree	5.26	1.113	.817	.442
	Bachelor's Degree	5.38	1.004		
	Higher than Bachelor's Degree	5.50	1.043		
Supervision	Lower than Bachelor's Degree	5.70	1.073	.225	.798
	Bachelor's Degree	5.76	.963		
	Higher than Bachelor's Degree	5.83	1.200		
Leadership Style	Lower than Bachelor's Degree	5.71	1.231	1.369	.255
	Bachelor's Degree	5.89	.996		
	Higher than Bachelor's Degree	5.94	1.434		
Effective Communication	Lower than Bachelor's Degree	5.59	1.181	3.715	.025*
	Bachelor's Degree	5.90	.981		
	Higher than Bachelor's Degree	5.72	1.274		

\*Significant at 0.05 level

#### 4.3.4.4 Educational level VS. Factors in job related issues category

Table 4.21 indicates that job security, with the highest mean scores of 5.94 and 5.96, had the most influence over respondents in the educational level of ‘Lower than Bachelor’s Degree’ and ‘Bachelor’s Degree’ in sequence. Meanwhile, working condition had the most influence over respondents in the ‘Higher than Bachelor’s Degree’ group, with the mean score of 6.22.

Additionally, among four factors in this category, there were two values from One-Way ANOVA testing described the significant differences towards two different factors, which were working condition (P-value = 0.015) and interpersonal relationship (P-value = 0.046).

**Table 4.21: Mean Comparison between Educational Level and Factors in Job Related Issues Category**

Factors	Educational Level	$\bar{X}$	SD	F	p-value
Job Description	Lower than Bachelor’s Degree	5.41	1.208	.794	.453
	Bachelor’s Degree	5.55	1.070		
	Higher than Bachelor’s Degree	5.61	1.195		
Working Condition	Lower than Bachelor’s Degree	5.42	1.351	4.258	.015*
	Bachelor’s Degree	5.65	1.142		
	Higher than Bachelor’s Degree	6.22	1.003		
Interpersonal Relationship	Lower than Bachelor’s Degree	5.51	1.269	3.098	.046*
	Bachelor’s Degree	5.75	1.029		
	Higher than Bachelor’s Degree	6.06	1.056		
Job Security	Lower than Bachelor’s Degree	5.94	1.186	.381	.683
	Bachelor’s Degree	5.96	1.052		
	Higher than Bachelor’s Degree	5.72	1.227		

\*Significant at 0.05 level

### 4.3.5 Differences in Factors Influencing Employees to Stay with the Organization by Years of Service

#### 4.3.5.1 Years of service VS. Factors in pays and benefits category

Table 4.22 presents the mean comparison of influencing factors in pays and benefits category weighed by respondents with various years of working in their current organization. The result, as same as the preceding demographic variables analyses, shows that, salary and service charge was the most influencing factor for all respondents, with the highest mean score of 5.85 from employees working with their present organization less than one year, 5.98 from one to three years, 6.15 from four to six years, 5.84 from seven to 10 years, and 5.97 from employees working more than 10 years. Also, One-Way ANOVA testing found two significant differences in health and related benefit as well as retirement plan, with significant P-value of 0.015 and 0.005 sequentially.

**Table 4.22: Mean Comparison between Years of Service and Factors in Pays and Benefits Category**

Factors	Year(s) of Service	$\bar{X}$	SD	F	p-value
Salary and Service Charge	Less than 1	5.85	1.306	.745	.562
	1-3	5.98	1.088		
	4-6	6.15	1.178		
	7-10	5.84	1.290		
	More than 10	5.97	1.169		
Leave Benefits	Less than 1	5.33	1.364	.708	.587
	1-3	5.45	1.137		
	4-6	5.61	1.180		
	7-10	5.63	1.215		
	More than 10	5.39	1.308		

**Table 4.22: Mean Comparison between Years of Service and Factors in Pays and Benefits Category (Cont.)**

Factors	Year(s) of Service	$\bar{X}$	SD	F	p-value
Health and Related Benefits	Less than 1	5.19	1.540	3.114	.015*
	1-3	5.48	1.181		
	4-6	5.88	1.193		
	7-10	5.65	1.343		
	More than 10	5.81	1.078		
Retirement Plan	Less than 1	4.88	1.629	3.799	.005*
	1-3	4.83	1.478		
	4-6	5.34	1.436		
	7-10	5.42	1.651		
	More than 10	5.68	1.326		

\*Significant at 0.05 level

#### 4.3.5.2 Years of service VS. Factors in retention strategies category

In this retention strategies category, majority respondents from all ranges of years of service saw career development as the most influencing factor persuading employees to stay with the organization. According to the mean scores in table 4.3, career development received the 5.49 mean score from employees with less than one year of service, 5.45 from one to three years, 5.57 from four to six years, 5.49 from seven to 10 years, and 5.97 from employees working with their present organization for more than 10 years. However, the result of One-Way ANOVA shows the greater than 0.05 P-values, therefore, there was no significant difference reported for factors in this category.

**Table 4.23: Mean Comparison between Years of Service and Factors in Retention Strategies Category**

Factors	Year(s) of Service	$\bar{X}$	SD	F	p-value
Rewards and Recognition	Less than 1	5.27	1.377	.119	.976
	1-3	5.30	1.189		
	4-6	5.41	1.260		
	7-10	5.30	1.489		
	More than 10	5.32	1.275		
Career Development	Less than 1	5.49	1.146	1.414	.229
	1-3	5.45	1.107		
	4-6	5.57	1.124		
	7-10	5.49	1.404		
	More than 10	5.97	1.016		
New Assignment	Less than 1	5.21	1.175	.347	.846
	1-3	5.14	1.151		
	4-6	5.12	1.110		
	7-10	5.07	1.334		
	More than 10	5.35	.915		
Job Rotation	Less than 1	4.93	1.247	.961	.429
	1-3	4.91	1.235		
	4-6	4.82	1.102		
	7-10	5.26	1.255		
	More than 10	5.03	1.251		
Flexible Work Schedule	Less than 1	5.34	1.250	.284	.888
	1-3	5.30	1.198		
	4-6	5.43	1.148		
	7-10	5.47	1.099		
	More than 10	5.42	.992		

**Table 4.23: Mean Comparison between Years of Service and Factors in Retention Strategies Category (Cont.)**

Factors	Year(s) of Service	$\bar{X}$	SD	F	p-value
Training Opportunities	Less than 1	5.13	1.217	.694	.596
	1-3	5.37	1.296		
	4-6	5.41	1.134		
	7-10	5.33	1.375		
	More than 10	5.52	.996		

#### 4.3.5.3 Years of service VS. Factors in organizational culture category

Observing the mean scores in Table 4.24, respondents, regardless of years of service, thought that leadership style could convince them to stay with the organization the most ( $\bar{X} = 5.88$  for respondents with less than one year of service, 5.81 for the groups of one to three and four to six years, 5.72 for seven to 10 years, and 5.94 for respondents with more than 10 years of service).

**Table 4.24: Mean Comparison between Years of Service and Factors in Organizational Culture Category**

Factors	Year(s) of Service	$\bar{X}$	SD	F	p-value
Employee Empowerment	Less than 1	5.27	1.038	.419	.795
	1-3	5.31	1.040		
	4-6	5.35	1.103		
	7-10	5.51	1.009		
	More than 10	5.39	1.086		
Supervision	Less than 1	5.76	.986	.498	.737
	1-3	5.76	.964		
	4-6	5.78	1.138		
	7-10	5.53	1.120		
	More than 10	5.77	.956		

**Table 4.24: Mean Comparison between Years of Service and Factors in Organizational Culture Category (Cont.)**

Factors	Year(s) of Service	$\bar{X}$	SD	F	p-value
Leadership Style	Less than 1	5.88	1.122	.218	.928
	1-3	5.81	1.115		
	4-6	5.81	1.131		
	7-10	5.72	1.221		
	More than 10	5.94	.964		
Effective Communication	Less than 1	5.82	1.043	.083	.987
	1-3	5.75	1.069		
	4-6	5.80	1.047		
	7-10	5.72	1.297		
	More than 10	5.77	1.087		

Nevertheless, employees with seven to 10 years of service also considered effective communication as the most influencing factor, as it achieved the same mean score as leadership style factor ( $\bar{X} = 5.72$ ). Besides, since there was no P-value which was greater than 0.05, the retention factors in this category were not significantly different.

#### 4.3.5.4 Years of service VS. Factors in job related issues category

Illustrated in Table 4.25, job security factor was the most influencing factor towards respondents in all years of service. In detail, this factor gained 5.97 mean score from respondents working in their current organization for less than one year, 5.87 mean score from respondents working for one to three years, 6.08 mean score from respondents working for four to six years, 5.91 mean score from respondents working for seven to 10 years, and 6.00 mean score from respondents working for more than 10 years. Moreover, there was no significant difference of factors in this category, given that all P-values from One-Way ANOVA test were greater than 0.05.

**Table 4.25: Mean Comparison between Years of Service and Factors in Job Related Issues Category**

Factors	Year(s) of Service	$\bar{X}$	SD	F	p-value
Job Description	Less than 1	5.36	1.124	.385	.820
	1-3	5.54	1.088		
	4-6	5.53	1.113		
	7-10	5.44	1.351		
	More than 10	5.58	1.148		
Working Condition	Less than 1	5.49	1.439	.422	.793
	1-3	5.59	1.202		
	4-6	5.68	1.251		
	7-10	5.70	1.081		
	More than 10	5.42	1.119		
Interpersonal Relationship	Less than 1	5.69	1.131	.306	.874
	1-3	5.67	1.150		
	4-6	5.72	1.079		
	7-10	5.51	1.242		
	More than 10	5.77	1.087		
Job Security	Less than 1	5.97	1.101	.532	.712
	1-3	5.87	1.123		
	4-6	6.08	.976		
	7-10	5.91	1.269		
	More than 10	6.00	1.183		

#### **4.4 Mean and Statistical Differences in Five-Star Hotel Employees' Perception towards Hotels' Retention Strategy Effectiveness Resulted from Different Demographic Characteristics**

**Table 4.26: Five-Star Hotel Employees' Perception towards Retention Strategy Effectiveness by Mean**

Statements	Mean	SD
My organization has the strategies in retaining employees.	4.86	1.469
My organization succeeds in retaining employees.	4.64	1.464
I intend to stay with my present organization for a long time.	5.27	1.359

Table 4.26 demonstrates five-star hotel employees' perception in retention strategy effectiveness by mean. The 4.86 mean scores belonged to the statement that 'My organization has the strategies in retaining employees'. Respondents, however, saw that their organization succeeded in retaining employees giving the mean score of 4.64, which was slightly less than the mean score of the first statement. In addition, the mean score for 'I intend to stay with my present organization for a long time' statement was 5.27 out of seven.

**Table 4.27: Mean Comparison and Differences in Five-Star Hotel Employees' Perception towards Retention Strategy Effectiveness by Gender**

Statements	Gender			
	Male (n=197)		Female (n=199)	
	$\bar{X}$	SD	$\bar{X}$	SD
My organization has the strategies in retaining employees.	4.78	1.554	4.93	1.378
My organization succeeds in retaining employees.	4.62	1.539	4.66	1.390
I intend to stay with my present organization for a long time.	5.25	1.444	5.28	1.272

The results in Table 4.27 show that the higher mean scores of all three statements came from female respondents – 4.93 for 'My organization has the strategies in retaining employees.', 4.66 for 'My organization succeeds in retaining employees.', and 5.28 for 'I intend to stay with my present organization for a long time.'. Subsequently, when analyzing T-test and Levene's Test for Equality of

Variances, the P-values were all greater than 0.05, as presented in Table 4.28. Hence, it appeared no statistical difference between gender and employees' perception towards retention strategy effectiveness.

**Table 4.28: Levene's Test for Equality of Variances – Gender VS. Five-Star Hotel Employees' Perception towards Retention Strategy Effectiveness**

Statements	Levene's Test for Equality of Variances				
	F	Sig.	t	df	Sig. (2-tailed)
My organization has the strategies in retaining employees.	4.772	.030	-1.036	387.476	.301
My organization succeeds in retaining employees.	2.152	.143	-.230	394	.818
I intend to stay with my present organization for a long time.	3.402	.066	-.239	394	.811

Referring to Table 4.29, respondents who believed that their organization had the strategies in retaining employees and succeeded in retaining employees the most were employees in 26-35 age group ( $\bar{X} = 5.01$  and 4.78 successively). On the contrary, the least mean score of 4.61 and 4.45 for these two statements in sequence came from 18-25 year-old employees.

Furthermore, employees in 36-45 and over 45 years of age evenly possessed the highest mean score for the third statement – 'I intend to stay with my present organization for a long time.' ( $\bar{X} = 5.35$ ). Still, there was no statistical difference found in this demographic characteristic with higher than 0.05 P-values.

**Table 4.29: Mean Comparison and Differences in Five-Star Hotel Employees' Perception towards Retention Strategy Effectiveness by Age**

Statements	Age	$\bar{X}$	SD	F	p-value
My organization has the strategies in retaining employees.	18-25	4.61	1.513	1.657	.176
	26-35	5.01	1.418		
	36-45	4.75	1.537		
	Over 45	4.87	1.392		

**Table 4.29: Mean Comparison and Differences in Five-Star Hotel Employees' Perception towards Retention Strategy Effectiveness by Age (Cont.)**

Statements	Age	$\bar{X}$	SD	F	p-value
My organization succeeds in retaining employees.	18-25	4.45	1.407	1.263	.287
	26-35	4.78	1.422		
	36-45	4.52	1.578		
	Over 45	4.65	1.526		
I intend to stay with my present organization for a long time.	18-25	5.00	1.397	1.328	.265
	26-35	5.32	1.347		
	36-45	5.35	1.308		
	Over 45	5.35	1.496		

Table 4.30 illustrates that the highest mean score of 'My organization has the strategies in retaining employees.' statement was from married respondents ( $\bar{X} = 5.13$ ), while the lowest mean score came from respondents who were widowed, divorced, or separated ( $\bar{X} = 4.43$ ).

**Table 4.30: Mean Comparison and Differences in Five-Star Hotel Employees' Perception towards Retention Strategy Effectiveness by Marital Status**

Statements	Marital Status	$\bar{X}$	SD	F	p-value
My organization has the strategies in retaining employees.	Single	4.71	1.497	4.124	.017*
	Married	5.13	1.396		
	Others	4.43	1.272		
My organization succeeds in retaining employees.	Single	4.53	1.438	1.859	.157
	Married	4.83	1.506		
	Others	4.57	1.272		
I intend to stay with my present organization for a long time.	Single	5.11	1.411	4.283	.014*
	Married	5.52	1.242		
	Others	5.29	1.113		

\*Significant at 0.05 level

Moreover, respondents with married marital status owned the highest mean scores of both ‘My organization succeeds in retaining employees.’ and ‘I intend to stay with my present organization for a long time.’ statement ( $\bar{X} = 4.83$  and  $5.52$  respectively), whereas single respondents gave the lowest mean scores to both two statements ( $\bar{X} = 4.53$  and  $5.11$  correspondingly). Next, the two significant differences were found in the first and the third statement, with the P-value lower than 0.05 at 0.017 and 0.014 respectively.

Mean comparison and differences in five-star hotel employees’ perception towards retention strategy effectiveness according to educational level are presented in Table 4.31. Respondents who considered their organization had the strategies in retaining employees and succeeded in retaining employees the most were employees studied higher than Bachelor’s degree ( $\bar{X} = 5.28$  and  $4.94$  sequentially). Respondents with Bachelor’s degree, on the other hand, less agreed with those two statements, with the least mean score of  $4.74$  and  $4.50$  respectively.

**Table 4.31: Mean Comparison and Differences in Five-Star Hotel Employees’ Perception towards Retention Strategy Effectiveness by Educational Level**

Statements	Educational Level	$\bar{X}$	SD	F	p-value
My organization has the strategies in retaining employees.	Lower than Bachelor’s Degree	4.98	1.457	1.991	.138
	Bachelor’s Degree	4.74	1.484		
	Higher than Bachelor’s Degree	5.28	1.274		
My organization succeeds in retaining employees.	Lower than Bachelor’s Degree	4.81	1.526	2.344	.097
	Bachelor’s Degree	4.50	1.430		
	Higher than Bachelor’s Degree	4.94	1.211		
I intend to stay with my present organization for a long time.	Lower than Bachelor’s Degree	5.49	1.330	3.959	.020*
	Bachelor’s Degree	5.10	1.385		
	Higher than Bachelor’s Degree	5.44	.984		

\*Significant at 0.05 level

Besides, respondents who most intended to stay with their organization for a long time were employees holding lower degrees than the Bachelor's ( $\bar{X} = 5.49$ ), and respondents who least intended to stay with their organization for a long time were the Bachelors ( $\bar{X} = 5.10$ ). Besides, the sentence 'I intend to stay with my present organization for a long time.' was the only statement showing significant difference in educational variable, since its P-value was less than 0.05 (P-value = 0.020).

**Table 4.32: Mean Comparison and Differences in Five-Star Hotel Employees' Perception towards Retention Strategy Effectiveness by Years of Service**

Statements	Year(s) of Service	$\bar{X}$	SD	F	p-value
My organization has the strategies in retaining employees.	Less than 1	4.97	1.425	.268	.899
	1-3	4.81	1.495		
	4-6	4.88	1.344		
	7-10	4.77	1.660		
	More than 10	5.00	1.483		
My organization succeeds in retaining employees.	Less than 1	4.81	1.459	.600	.663
	1-3	4.62	1.396		
	4-6	4.72	1.330		
	7-10	4.56	1.709		
	More than 10	4.35	1.817		
I intend to stay with my present organization for a long time.	Less than 1	5.33	1.450	1.076	.368
	1-3	5.12	1.380		
	4-6	5.39	1.203		
	7-10	5.47	1.297		
	More than 10	5.42	1.455		

Considering years of service in Table 4.32, employees working with their present organization for more than 10 years saw strategies in retaining employees existed within the organization more than employees in other groups ( $\bar{X} = 5.00$ ), unlike employees with seven to 10 years of service who showed the least mean score

( $\bar{X} = 4.77$ ) for this statement. Yet, employees working for more than 10 years least believed that their organization succeeded in retaining employees ( $\bar{X} = 4.35$ ), while the highest mean score belonged to employees working with their present organization less than one year ( $\bar{X} = 4.81$ ). For the third statement, employees in seven to 10 years of service group showed the strongest intention to stay with their present organization for a long time ( $\bar{X} = 5.47$ ). Employees in one to three years of service group were simultaneously least agreed with this statement ( $\bar{X} = 5.12$ ). Last of all, the test results in this retention category were not significantly different, since there was no P-value which was lower than 0.05.

#### 4.5 Summary of In-Depth Interview Details

Apart from the questionnaire distribution to employees working in Bangkok's five-star hotels, in-depth interviews with Human Resources Directors or Human Resources representatives (Manager and Assistant Manager) were also conducted at the beginning and during the research in order to find out whether there were any more employee-retention factors being used by those nine hotels mentioned in Chapter I; hence, additional factors could be included in the questionnaire. As well, details from the in-depth interviews could be utilized in understanding the hotels' perceptions and methods for employee retention; and kept for further studies.

The interview questions consist of four major aspects as followings:

- 1) What are the employee-retention strategies / methods / techniques five-star hotels in Bangkok have been using?
- 2) How do five-star hotels in Bangkok come up with those strategies / methods / techniques? How can the hotels be certain that those are the right ones? And do the hotels consider the employee opinions, the management opinions, or both when making a decision which strategies / methods / techniques to be used?
- 3) Among those strategies / methods / techniques being used, what are the three most effective strategies / methods / techniques? What are the indicators of that effectiveness?

- 4) Among those strategies / methods / techniques, which ones seem to be the least effective? Why?

According to the first question – What are the employee-retention strategies / methods / techniques five-star hotels in Bangkok have been using?, various strategies had been revealed by interviewees as illustrated in Table 4.33. These strategies were sorted into four categories as same as factors included in the questionnaire. Nevertheless, it is noted that the hotel numbers listed on Table 4.33 and 4.34 are not in the same order, and are not arranged in sequence of the hotel names mentioned in Chapter I.

**Table 4.33: Employee Retention Strategies Used by Five-Star Hotels in Bangkok**

No.	Employee Retention Strategies	H1	H2	H3	H4	H5	H6	H7	H8	H9
<b>Pays and Benefits</b>										
1.	Salary and Service Charge	✓	✓	✓	✓	✓	✓	✓	✓	✓
2.	Complimentary Accommodation	✓								
3.	Room Rate Discount	✓	✓				✓			✓
4.	Restaurants and Outlets Discount	✓								✓
5.	Transportation (Home-Hotel-Home)						✓			
6.	Staff Quarter	✓					✓			
7.	Free Parking at the Hotel Premises		✓							
8.	Health Related Benefits	✓	✓	✓		✓	✓			
9.	Other Supports for Employees and Families	✓					✓			
10.	Special Activities	✓	✓				✓			✓
11.	Additional Leaves	✓				✓	✓	✓		✓
12.	Birthday Benefits	✓					✓			
13.	Third Language Allowance									✓
14.	Complimentary Food and Uniform	✓	✓	✓	✓	✓	✓	✓	✓	✓
15.	Retirement Plan			✓		✓		✓		

**Table 4.33: Employee Retention Strategies Used by Five-Star Hotels in Bangkok (Cont.)**

No.	Employee Retention Strategies	H1	H2	H3	H4	H5	H6	H7	H8	H9
<b>Retention Strategies</b>										
1.	Job Opportunities (Rotate / Transfer)		✓				✓		✓	
2.	Rewards and Recognition	✓				✓		✓		✓
3.	Career Development			✓	✓		✓		✓	
4.	New Assignments					✓		✓		
5.	Employee of the Month / Year	✓				✓	✓			✓
6.	Long Service Award	✓				✓	✓			
7.	Flexible Work Schedule	✓							✓	
8.	Training Opportunities	✓	✓	✓	✓	✓	✓	✓	✓	✓
<b>Organizational Culture</b>										
1.	Employee Empowerment		✓			✓				
2.	Two-Way Communication	✓	✓							
3.	Supervision	✓	✓			✓				
4.	Leadership Style								✓	
5.	Competition-Free Atmosphere				✓					
<b>Job Related Issues</b>										
1.	Clear Job Descriptions and Task Lists					✓				
2.	Suitable/Pleasant Working Conditions					✓		✓	✓	✓
3.	Interpersonal Relationship		✓			✓		✓		

It appeared that salary and service charge, complimentary food and uniform, and training opportunities were strategies brought up by all five-star hotels in this research. Aside from that, strategies in pays and benefits category were cited the most in numbers, comparing to strategies in other groups. For instance, free accommodation at any hotel's branches for employees who completed each year of service; health related benefits, including health and group life insurance, medical treatment allowance, and annual physical check-up; other supports for employees themselves and families, including hospital visit, and financial support for funeral; special activities, including staff party, staff excursion, sports day and family day;

additional leaves, including more days off per week, wedding leave, and ordination leave; birthday benefits, including birthday party and gift voucher; retirement plan, including provident fund and saving cooperative.

In the retention strategies category, several strategies mentioned by interviewees were moderately similar to the ones included in the questionnaire. For example, training opportunities, including English and third language courses, special training with private trainers from outsourcing companies, and external training; long service award, which is utilized to represent the guarantee of job security; job opportunities, including rotation within the organization and transfer to another branch of the hotel; new assignment; and career development. Furthermore, even though some hotels did not provide the career development to employees, they created fast track program to develop employees' skills. The hotels may not confirm the exact date of promotion, yet, when the preferred positions available, employees in this program would be immediately promoted or transferred.

Regarding to strategies in the other two categories – organizational culture and job related issues, supervision was given as one example. Some hotels added the buddy system into their employee retention strategies in order to strengthen the effectiveness of supervision. Besides, they also emphasized the suitable working conditions, such as good office equipments and overall atmosphere, as well as pleasant interpersonal relationship. Several interviewees additionally stated the team building program, which mainly provided special outing and exceptional activities used for developing good relations between employees and decreasing generation gab.

Questions in the second aspect of the interview consist of 'How do five-star hotels in Bangkok come up with those retention strategies / methods / techniques?', 'How can the hotels be certain that those are the right ones?' 'Do the hotels consider the employee opinions, the management opinions, or both when making a decision which strategies / methods / techniques to be used?'

**Table 4.34: Five-Star Hotels' Approaches to Obtain Retention Strategies**

<b>Hotel</b>	<b>Management's Part</b>	<b>Employees' Part</b>
H1	Visions of the General Manager from every branch of the hotel	- Employee opinion survey - Focus group meeting
H2	Monthly staff meeting	Employee opinion survey
H3	N/A	Employee satisfaction survey
H4	Management policies	Questionnaire survey
H5	Human Resources proposal and the Management Approval	- Comment box - Exit interviews
H6	The Management's consideration	N/A
H7	N/A	- Employee opinion survey - 360 degrees evaluation
H8	The Management's budget approval	Employee opinion survey
H9	N/A	Engagement survey

Table 4.34 presents answers from all nine participating five-star hotels in Bangkok, regarding their approaches to obtain retention strategies. Even though some hotels brought up approaches from only the management's part or only employees' part, it can be seen that many hotels considered both management's and employees' points of view for establishing and improving retention strategies. Referring to the Management's part, approaches for obtaining retention strategies mostly came from the Management's visions, consideration and approvals. Human Resources Division also took part in the strategy proposal to the Management. Specially, one hotel's Management arranged monthly staff meeting, in which representatives from all departments were asked to participate. During the meeting, they could attain updated information about hotel plans, revenues, and up-coming business from the Management, and simultaneously be able to share their opinions and practical suggestions for the hotel's improvement as well.

According to the employees' part, most five-star hotels' approaches to obtain retention strategies were the surveys, which were variously named as 'Employee Opinion Survey', 'Employee Satisfaction Survey', or 'Engagement

Survey'. These surveys were all conducted yearly, and several five-star hotels appointed outsourcing companies to conduct the survey in order to make sure that the results were accurate and were purely from employees' opinions. Names of respondents were also kept anonymous. For some hotels, Human Resources would start the discussion with employees' representatives after the results came out to find the agreement on what to be improved, and the win-win solutions without their leaders interfered.

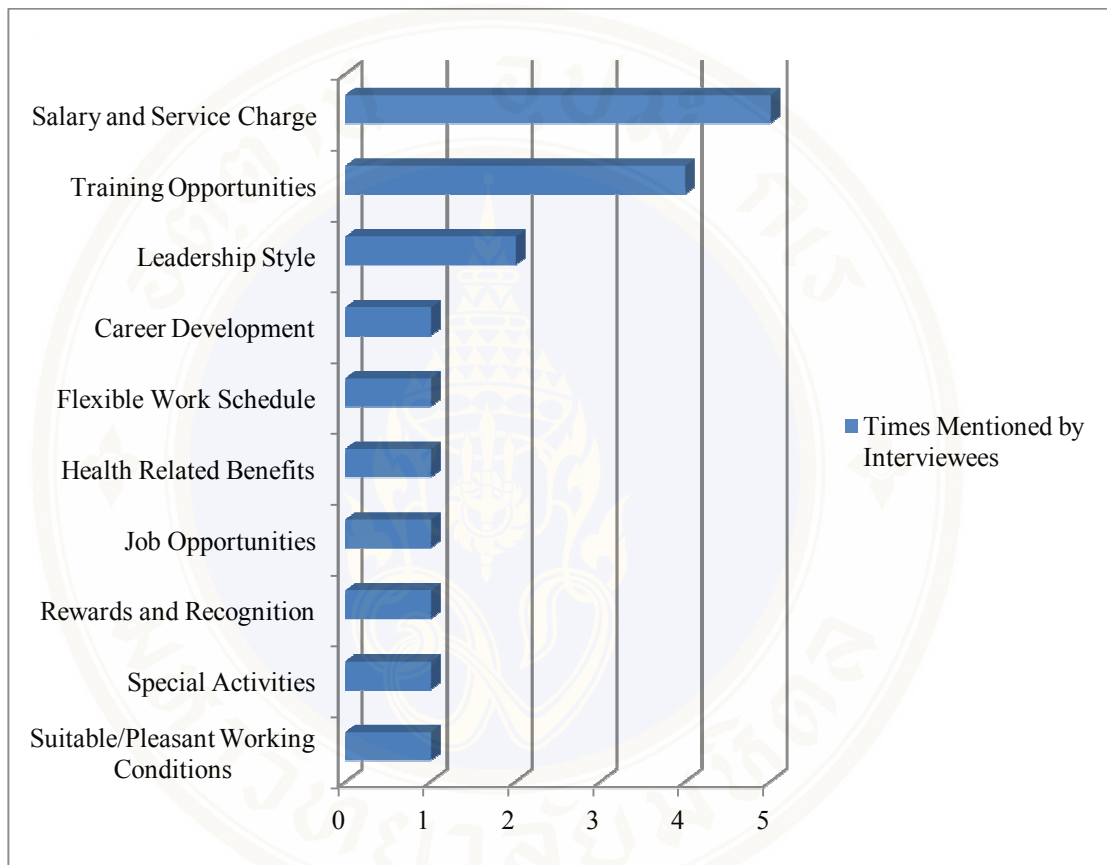
Another approach of some five-star hotel was arranging the monthly focus group meeting, where each department's representative was invited to present their suggestions to the Management team. Their proposal was directly submitted to the Management and vice versa, they could also gain updated information about the hotel's monthly plans, current revenues, and so forth, from the Management. Moreover, 360 degree evaluation, exit interviews and suggestions from the comment boxes installed at the back office area were brought into consideration, so as to achieve the most suitable strategies for employee retention.

Still, the hotels may not be able to fulfill all employees' request since there were some other aspects to be taken into account, such as the management system and budget concerned. Consequently, the hotels possessed full responsibility for explaining reasons to create thorough understanding to the employees.

Aside from the first two questions, the third-aspect questions involved 'Among those strategies / methods / techniques being used, what are the three most effective strategies / methods / techniques?' and 'What are the indicators of that effectiveness?' On the contrary, the fourth-aspect question focused on the opposing aspect to the third ones. Interviewees were asked about retention strategies / methods / techniques which seem to be the least effective, and the reason for their ineffectiveness.

Figure 4.1 shows effective retention strategies considered by five-star hotels. After gathered three most effective strategies from each hotel, the result appeared that salary and service charge was the most mentioned strategy since it was pointed out five times by five hotels, followed by training opportunities four times and leadership style two times. In addition, there were many other strategies brought up on one occasion, including career development, flexible work schedule, health related

benefits, job opportunities, rewards and recognition, special activities, together with suitable or pleasant working conditions. Besides, out of nine five-star hotels participated in this research, three of them stated that all benefits and welfare for employees were all most effective and necessary for retaining employees.



**Figure 4.1: Effective Retention Strategies Considered by Five-Star Hotels**

Interviewees explained that the indicator of strategies' effectiveness was firstly the decrease of employee turnover rate, of which the statistics were compared month by month as well as analyzed according to the yearly average. Then, the hotel further measured effectiveness by using the same approaches as to obtain retention strategies, which are employees' opinion survey and monthly meeting. Even employees who were unable to attend the meeting could share opinions to departments' representatives, so that their thoughts were able to be passed to the management and all concerned. As a result, the hotels could immediately achieve the

feedbacks and accurate information of retention strategy effectiveness, because all these comments and suggestions truly came from employees' voice.

These strategies, however, could not be specified whether they were the most or the least efficient for employee retention. Interviewees inserted that it was quite difficult to precisely judge the strategy effectiveness even though some hotels had already implemented the above-mentioned indicators, since hospitality industry is considered the people business with various demographic characteristics. Different people hold different thoughts, and certainly, different interests. Thus, the hotels relied on the situation and adapt tailor-made approaches, consisting of appropriate strategies. That is the reason why each strategy plays the mutually important role for employee retention.

Nevertheless, interviewees believed that employees' intention to stay with their organization also substantially depends on individual and extrinsic factors from time to time, for example, opportunity to grow in the new founded hotel where they probably come across new experiences and more refreshing atmosphere. In this case, the hotels will start retaining employees since the first day of hiring them. One of the best implementations suggested by those five-star hotels is to follow the "put oneself in the other's shoes" saying and try to find all tendencies of turnover problems in order to achieve more efficient solutions in retaining employees. Last of all, the main focus of any strategy practice should be based on employee engagement and empowerment idea, with the intention of meeting or even exceeding employees' expectation.

## **CHAPTER V**

### **DISCUSSIONS AND CONCLUSION**

As the summary and counter to all questions in the research, this chapter presents discussions over all findings, conclusion, research limitation and recommendation for future research.

#### **5.1 Demographic Characteristic Findings**

Summarily, from total 396 responds of employees working in nine five-star hotels in Bangkok, it appeared that the proportion of female employees was slightly greater than male. Half of the total respondents were in the 26-35 years of age, and most of them were single.

In regard of their educational levels, five-star hotel employees in this research who hold the Bachelor's degree were the largest group of respondents. The result also reveals that, among various departments presented in the selected hotels, most respondents had been working in Front Office Department. Moreover, employees working from one to three years at their present organizations possessed the highest percentage in years of service aspect.

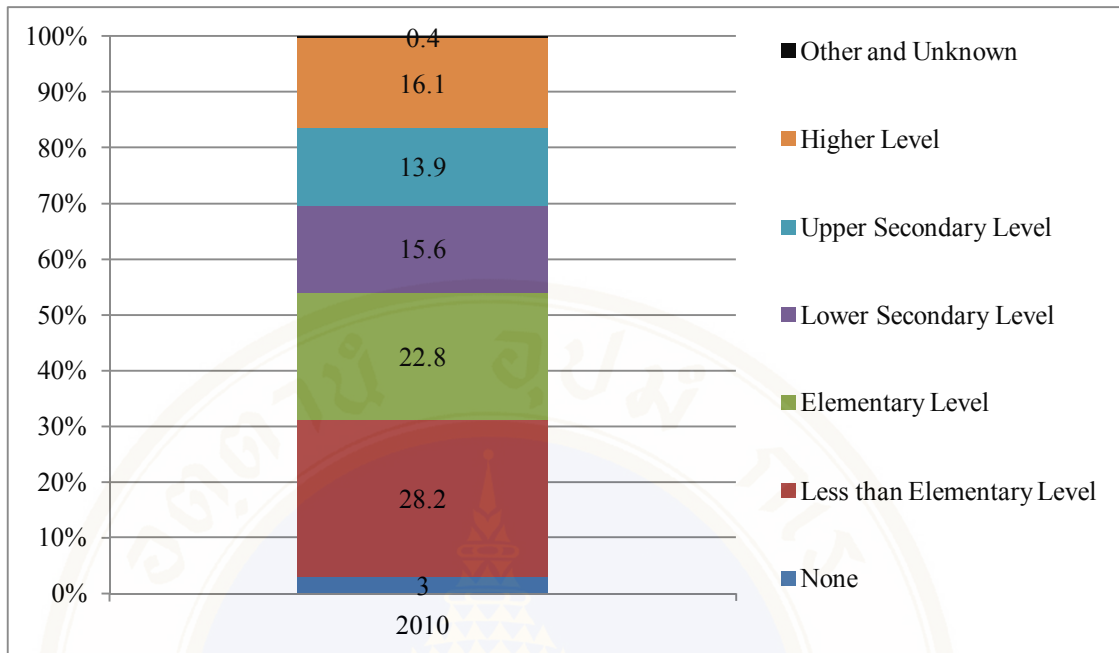
Comparing to the statistics from National Statistical Office, Ministry of Information and Communication Technology shown in Table 5.1, there are two remarkable aspects of demographic characteristics presented hereby. Firstly, the number of sub and assistant department heads, intermediate skilled and unskilled employees engaged in hotels and guest houses in Bangkok is separated into 74,816 male employees and 91,185 female employees. As a result, it can be observed that the number of male and female employees in Bangkok's hotel industry is noticeably different, while the percentage of respondents' gender in this research was not significantly diverse from each other.

**Table 5.1: Number of Employees Engaged in Hotels and Guest Houses in Bangkok by Work Status and Gender in 2010****Source: Adapted from 2010 Hotels and Guest Houses Survey, National Statistical Office, Ministry of Information and Communication Technology (2011)**

Work Status	Gender				Total	%
	Male	%	Female	%		
Unpaid Workers	2,999	49.1	3,109	50.9	6,108	100.0
Employees	79,596	45.7	94,727	54.3	174,323	100.0
• General Manager and Department Heads	4,780	57.4	3,542	42.6	8,322	100.0
• Sub and Assistant Department Heads	6,008	47.6	6,606	52.4	12,614	100.0
• Intermediate Skilled Staff	27,688	46.7	31,660	53.3	59,348	100.0
• Unskilled Staff	41,120	43.7	52,919	56.3	94,039	100.0
<b>Total</b>	<b>82,595</b>	<b>45.8</b>	<b>97,836</b>	<b>54.2</b>	<b>180,431</b>	<b>100.0</b>

Secondly, the level of education statistics from National Statistical Office illustrated in Figure 5.1 showed that Thai population aged 15 years and over passed the higher level of education for merely 16.1%. On the other hand, most Thai employees studied less than the Bachelor's degree, ranked from upper secondary education, lower secondary, elementary, less than elementary, or even none-educated, are the major group of population (83.5% in total).

In judging against those statistics, difference in educational level of the respondents was found. Merely 38.9% of five-star hotel employees participated in this research possessed lower degrees than Bachelor's; and vice versa, the majority of respondents graduated from the universities with Bachelor's degree (56.6%)



**Figure 5.1: Percentage of Employed Persons Aged 15 Years and Over by Level of Educational Attainment (Quarter 3) in 2010**

**Source: Adapted from Key Statistics of Thailand 2011, National Statistical Office, Ministry of Information and Communication Technology (2012)**

## 5.2 Effective Retention Factors Findings

Without separating retention factors into four main categories, Table 5.2 reveals that salary and service charge was the most critical factor which could influence employees to stay with the organization. Additionally, a study of Mok & Finley (1986) among 373 food-service workers in 3 first-class chain hotels in Hong Kong based upon differences in demographic variables also presented the same idea of the most successful retention strategy, as over 53% of the respondents in their research ranked pay as the most important aspect of their jobs.

As well, the research of Chen et al. (2010) and another study of employee retention at Serena Hotel in Pakistan found that, compensation was one effective factor in retaining employees (Khan et al., 2011). For higher control over employee

retention, the study emphasized that hotels must pay attention to monetary rewards, together with career progression.

The reason why the Serena Hotel research considered career progression as one effective retention strategy is that, apart from compensation effectiveness mentioned previously, training and development was also found an additional influencing factor for retention (Khan et al., 2011). Similarly, the study from Chen et al. (2010) came across the retention factor concerning career progression, which was a career advancement opportunity, while high-quality communication was inserted as another important factor for retention as well.

Nevertheless, other two most critical factors learned from the study of Bangkok's five-star hotel employees were dissimilar to previous researches, as job security and leadership style were brought up rather than training, career opportunity, or effective communication.

**Table 5.2: Factors Influencing Five-Star Hotel Employees to Stay with the Organization by Mean**

Factors	Rank	$\bar{X}$	SD
Salary and Service Charge	1	5.97	1.171
Job Security	2	5.94	1.112
Leadership Style	3	5.82	1.116
Effective Communication	4	5.77	1.084
Supervision	5	5.74	1.017
Interpersonal Relationship	6	5.67	1.136
Working Condition	7	5.59	1.233
Health and Related Benefits	8	5.55	1.275
Career Development	9	5.52	1.148
Job Description	10	5.50	1.131
Leave Benefits	11	5.47	1.206
Flexible Work Schedule	12	5.36	1.169
Training Opportunities	13	5.34	1.240
Employee Empowerment	14	5.34	1.049
Rewards and Recognition	15	5.32	1.271
New Assignment	16	5.16	1.148
Retirement Plan	17	5.07	1.526
Job Rotation	18	4.94	1.217
Others	19	-	-

### **5.3 Hypotheses Test Findings**

After processed the hypothesis test and obtained results from the data analysis, the overall research results and differences between demographic characteristics and factors influencing employees to stay with their present organization are reported in Table 5.3.

#### **5.3.1 Gender VS. Employee-Retention Factors**

The significant differences were found from factors in retention strategies and job related issues category, which are new assignment, interpersonal relationship, and job security. The higher mean scores of these three factors are all came from female respondents.

#### **5.3.2 Age VS. Employee-Retention Factors**

The only factor which appeared statistically different when analyzing the age group of respondents was retirement plan. It appeared that five-star hotel employees with over 45 years of age concerned more about retirement plan benefit than those in other age groups.

#### **5.3.3 Marital Status VS. Employee-Retention Factors**

Referring to the marital status, there were differences found in three factors from pays and benefit, and retention strategies category, which included salary and service charge, retirement plan, as well as rewards and recognition. Married respondents were found to be influenced by these factors the most.

#### **5.3.4 Educational Level VS. Employee-Retention Factors**

New assignment, effective communication, working conditions, and interpersonal relationship were reported significant difference considering the educational level characteristic. The first two retention factors seemed to gain high priority from five-star hotel employees who achieved the Bachelor's degree, whereas employees with higher degree than the Bachelor's focused more on job related issues, including working conditions and interpersonal relationship.

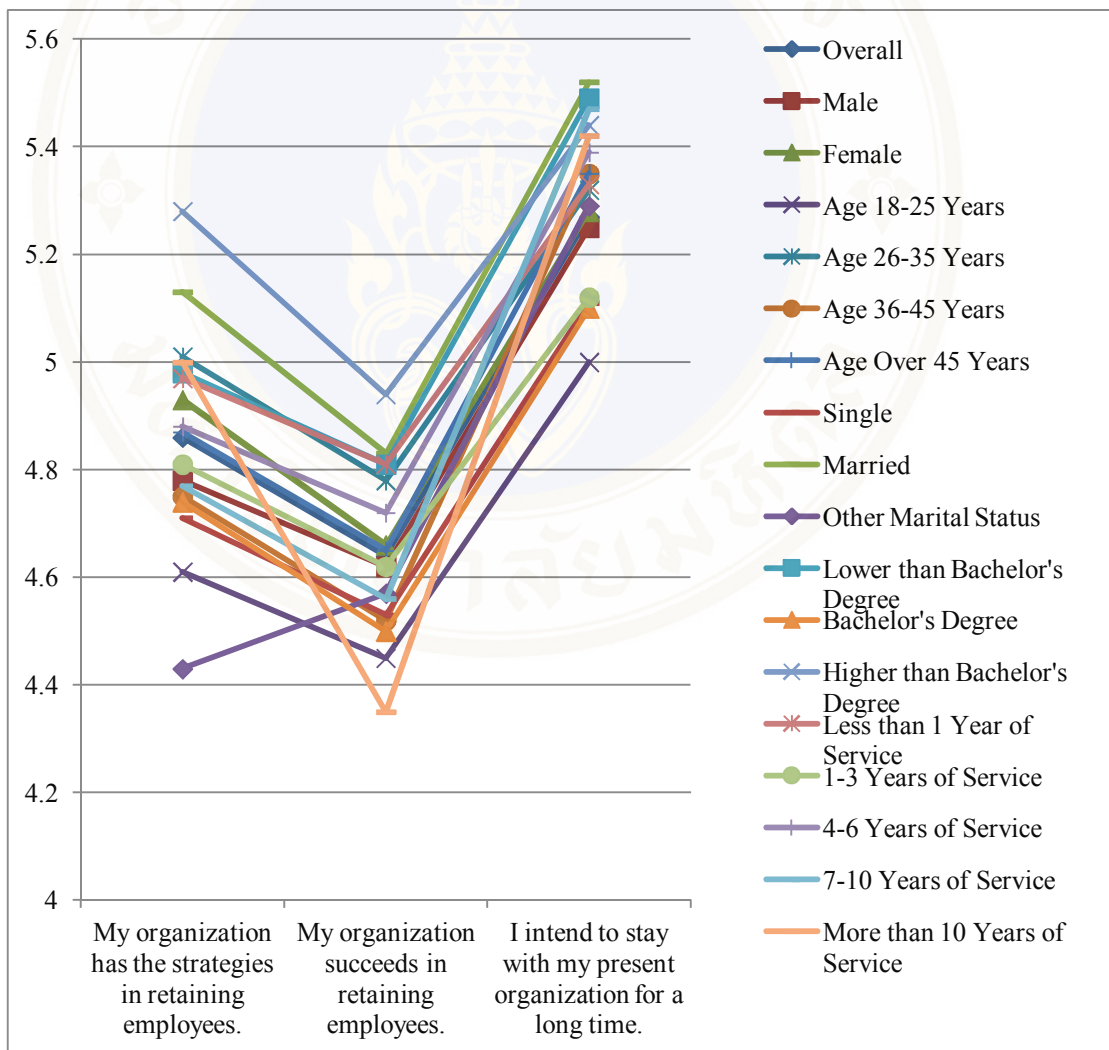
**Table 5.3: Differences in Demographic Characteristics Influencing over Diverse Retention Factors**

Factors for Retention	Demographic Characteristics				
	Gender	Age	Marital Status	Educational Level	Years of Service
<b>Pays and Benefits</b>					
Salary and Service Charge	-	-	Married	-	-
Leave Benefits	-	-	-	-	-
Health Related Benefits	-	-	-	-	4-6
Retirement Plan	-	Over 45	Married	-	More than 10
<b>Retention Strategies</b>					
Rewards and Recognition	-	-	Married	-	-
Career Development	-	-	-	-	-
New Assignment	Female	-	-	Bachelor's Degree	-
Job Rotation	-	-	-	-	-
Flexible Work Schedule	-	-	-	-	-
Training Opportunities	-	-	-	-	-
<b>Organizational Culture</b>					
Employee Empowerment	-	-	-	-	-
Supervision	-	-	-	-	-
Leadership Style	-	-	-	-	-
Effective Communication	-	-	-	Bachelor's Degree	-
<b>Job Related Issues</b>					
Job Description	-	-	-	-	-
Working Conditions	-	-	-	Higher than Bachelor's	-
Interpersonal Relationship	Female	-	-	Higher than Bachelor's	-
Job Security	Female	-	-	-	-

### 5.3.5 Years of Service VS. Employee-Retention Factors

For the demographic characteristic regarding years of service, health and related benefit as well as retirement plan were the only two factors in pays and benefits category showing significant differences. In addition, mean score of health and related benefits demonstrated the influence over employees working in the current hotel for four to six years, and 10 year-of-service employees showed higher concern on retirement plan factor.

### 5.3.6 Demographic Characteristics VS. Employee Retention Effectiveness



**Figure 5.2: Five-Star Hotel Employees’ Perception towards Employee Retention Effectiveness as a Consequence of Different Demographic Characteristics**

Figure 5.2 provides details about five-star hotel employees' perception towards retention strategies effectiveness, depending on different demographic characteristics. Remarkably, the results from each demographic characteristic and in overall are illustrated in the same direction. Five-star hotel employees believed in the retention strategy existence within their organization as all demographic characteristics showed the mean scores of more than four (out of seven).

Unexpectedly, although the statement "my organization succeeds in retaining employees" was less agreed by employees, they still insisted to stay with their present organization for a long time, giving the higher mean score to this statement than the first two statements. Nevertheless, other marital status – widowed, divorced, and separated, was the merely demographic characteristic of which employees agreed on their organization's success in retention more than perceiving the existence of employee retention strategies in their organization.

**Table 5.4: Differences in Five-Star Hotel Employees' Perception towards Retention Strategies Effectiveness by Demographic Characteristics**

Statements	Demographic Characteristics				
	Gender	Age	Marital Status	Educational Level	Years of Service
My organization has the strategies in retaining employees.	-	-	Married	-	-
My organization succeeds in retaining employees.	-	-	-	-	-
I intend to stay with my present organization for a long time.	-	-	Married	Lower than Bachelor's degree	-

Furthermore, gender, age, and years of service did not show any significant difference in all three statements regarding organization's retention effectiveness. Yet, it is interesting to note that the difference was found in the first and

the third statement when considering marital status, and the highest mean score of both statements came from married respondents. Also, there was difference between educational level and employees' intention to stay with the organization for a long time, and respondents with lower educational degree than Bachelor's were supposed to stay with their present organization longer than other respondents.

Similar to several researches mentioned in the literature review, it can be concluded that the demographic variables more or less employed a significant contribution to employee retention (Chen et al., 2010; Khan et al., 2011; Kyndt et al., 2009; Mok & Finley, 1986; Philips & Connell, 2003; and Samad, 2006). However, when carefully considered about those demographic factors in detail, not all of them presented the difference over factors influencing employees to continue working with their organizations, and not all results in this study were precisely presented the same ideas as earlier researches.

Given as more concrete examples, one study claimed that employees' length of service has been proved to have influence over employee retention (Gunz, 2007; referred to by Kyndt et al., 2009), but significant difference was not discovered in this study. On the contrary, one research result claimed that the more educated employees are less likely to stay with the organization (Khatri et al., 1999), and this research also presents the same finding.

#### **5.4 Five-Star Hotels' Perception Findings**

According to information obtained from the in-depth interviews, all nine five-star hotels participated in this research realized the importance of employee retention, since they all implemented retention strategies to retain their valuable employees. They also had systematic approaches to explore and verify the right strategies.

Moreover, strategies brought up during interviews were various yet stood on the concern of employees' benefits and welfare, including salary and service charge, complimentary accommodation, room rate discount, restaurant and outlet discount, staff quarter, free parking at the hotel premises, health related benefits, other

support for employees and families, special activities, additional leaves, birthday benefits, third language allowance, complimentary food and uniform, and retirement plan. Apart from that, other retention strategies and the ones concerning organizational culture and job related issues were also not neglected by the five-star hotels, including job opportunities, rewards and recognition, career development, new assignment, employee of the month/year, long service award, flexible work schedule, training opportunities, employee empowerment, two-way communication, supervision, leadership style, competition-free atmosphere, clear job descriptions and task lists, suitable/pleasant working conditions, and interpersonal relationship.

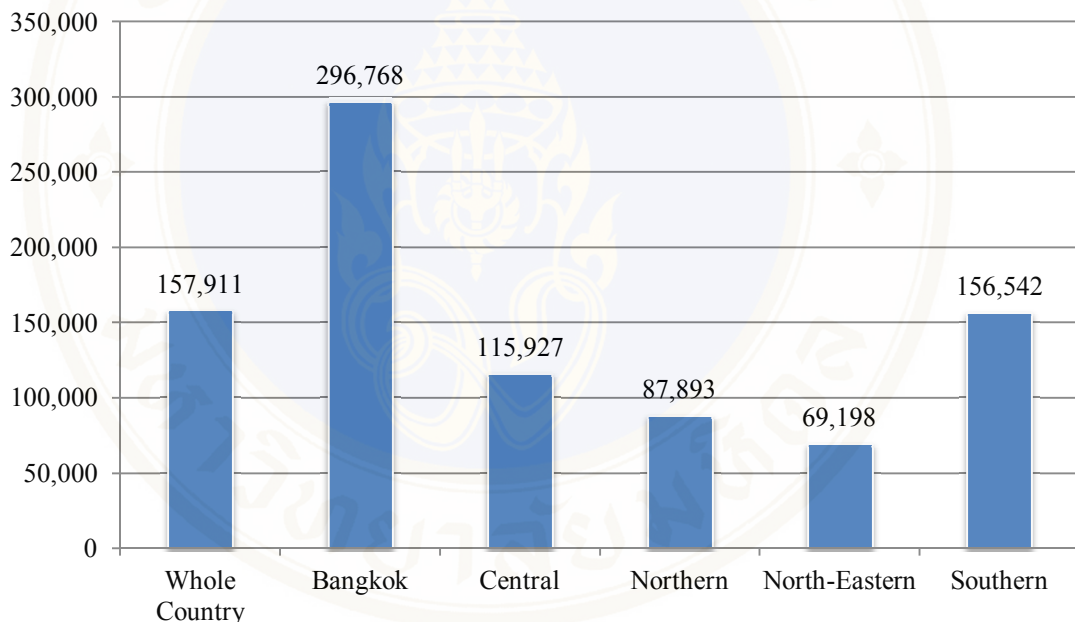
It can be seen that strategies or techniques being used by five-star hotels were fairly similar to each other. Amongst all strategies, salary and service charge, complimentary food and uniform, together with training opportunities were strategies mentioned by all hotels. However, although interviewees from some hotels did not bring some strategies up during the interview, it cannot be completely concluded that such strategies were not implemented in those hotels.

Besides, the widely used approaches to gather effective retention strategies were the approaches which mainly focused on employees' opinions, such as the engagement survey and the focus group meeting. When it came to the most and the least effective strategy subject, still, interviewees found difficulty in making the decision. Several hotels saw rotation within the organization or transfer to another branch as one of the most effective retention methods, since employees would have more choices as well as increasing salary, better designation, and nearer workplace; some hotels focused on rewards and recognition; while some hotels concentrated on training or career development.

Finally, most hotels strengthened that different retention strategies played different significant roles and helped each other in retaining employees. It is often the time and situation that would judge the most suitable strategies, therefore, the most and the least retention strategies were hard to be specified. All in all, regardless of the strategy effectiveness, all their retention strategies were certainly arranged according to the concept of employee engagement and exceeding employees' expectation to ensure that, their valued employees would continue working with them as long as possible.

## 5.5 Conclusion

As stated earlier that, a contribution of 349.91 billion in 2008 (Ratanavirakul, 2008) has proved the hotel business's significant role for the country growth. Likewise, the considerable high income in this business seems appealing to attract numbers of candidates, especially in Bangkok, to apply for hotel jobs. The statistics of average labor compensation for hotel employees in Figure 5.3 shows that, income for hotel employees in Bangkok was ranked the highest among all regions, with 296,768 Baht compensation per person per year (National Statistical Office, 2011).



**Figure 5.3: Average Labor Compensation per Person per Year by Regions**

**Source: 2010 Hotels and Guest Houses Survey, National Statistical Office, Ministry of Information and Communication Technology (2011)**

In spite of interesting compensation, the hotel industry nowadays is facing labor shortage and high turnover problems. Considering the statistics from National Statistical Office (2011), the number of hotel employees in Bangkok is 34,228 people, which is fairly limited comparing to 180,431 hotel employees throughout the country.

While the high turnover crisis has continually been burdens of the hotel business but specific researches on five-star hotels are rarely available in the country, this research aims to investigate the optimal strategies to retain employees in order to solve existing problems and develop some initiatives to enhance the hotel performance. According to the research findings, salary and service charge, job security, and leadership style were the three most critical factors influencing employees to stay with the organization. In addition, these demographic characteristics do presented some influences over employee retention, since the findings report the dissimilarity between employee retention factors and diverse demographic characteristics, which were gender, age, marital status, educational level, and years of service. For instance, female employees were more concerned about interpersonal relationship, whereas more than 45-year-old employees were more likely to think about the retirement plan. Married employees firstly paid more attention to salary and service charge, since they may have to earn more livings not only for themselves, but also for their family. The higher employees educated, the more they focused on new assignment to challenge their knowledge as well as the proper working condition to support their work capability. Also, employees who were with their organization for some period of time concentrated more on, as they grew older, health related benefits and retirement plan.

Conclusively, the idea of employee retention is simply based on “responding to human needs”. The organizations that realize this fact will be able to find suitable strategies to resolve long-lasting turnover problem and effectively keep their valuable employees with them.

## **5.6 Research Limitation and Recommendation**

One limitation of this research is the study area, since five-star hotels in Thailand are not only located in Bangkok, but also in other parts throughout the country. However, according to the records of inspected hotels from Thai Hotels Association (2007), the majority of five-star hotels, or approximately 35 percent, is located in Bangkok. Therefore, the target group of employees from the nine selected

five-star hotels in Bangkok could partially act as representatives of the hotel industry in Thailand. Positively, more hotels should be invited to participate in order to ensure the more comprehensive study.

Another shortcoming of the research was the variety of demographic characteristics, as it was requested by some hotels to limit them in the questionnaire, due to the sensitivity and privacy issues. Thus, more variables can probably be added into the future study, such as race, personal income, current residence, and so forth. Besides, employees' positions and departments separated into front-of-the-house and back-of-the-house departments should also be taken into concern, since employees working in front-of-the-house departments often show the possibility of leaving their organizations and higher turnover rate than those working in back-of-the-house departments. Moreover, influencing factors over the employee retention included in this research were merely the study of intrinsic factors. Nevertheless, findings from the in-depth interviews showed that, employees' intention to stay with their organization also substantially depends on extrinsic factors from time to time. Hence, further study can be developed according to this aspect.

In addition, the researcher agreed on the proposal of Hausknecht et al. (2008) that aside from understanding the reasons why people stay, it may be more valuable to concern about job performance or job levels, and examine different impacts these retention factors have over high performers and those at different levels of the organization. Hotels may replace the disadvantageous blanket retention strategies which attract employees at all levels of performance by implementing particular strategies that "contribute to the retention of their most valued employees while avoiding control methods that would appeal primarily to average or low performers." (Steel et al., 2002; referred to by Hausknecht et al., 2008). Regarding to job level differences, retaining employees who have potential to be in the top leadership positions can also be beneficial for many hotels, as they can prepare more straightforwardly effective strategies to retain qualified employees of various employment positions within the organization.

In terms of the research findings, it is recommended that the hotels should take the results into account and compare them with the strategies currently being employed, so as to create the mutual understanding over hotel's and employees'

perception. Hotels can also keep strategies which were perceived significant by employees, for example, fair compensation comparing to the increased productivity. For example, International Society of Hospitality Consultants (2006) referred to a case study of one hotel that, the hotel's General Manager offered a cash bonus to the laundry department employees for reaching a monthly productivity goal. Given that strict quality guidelines are met, various additional compensations were provided to another hotel's Room Attendants for the increased productivity as well.

As today's high competitiveness in the hospitality industry, together with the labor shortage and high turnover problems, factors influencing over employees' intention to stay with the organization and effective approaches to retain employees are significant aspects which cannot be overlooked. Subsequently, hotels can work together to develop optimal strategies which can be later contributed to the industry. Ultimately, as the hotel business is "people business", applying the Golden Rules – "Do unto others as you would have them do unto you" – as well as paying more attention to employees' perceptions and needs may be one approach stimulating success in employee retention. In consequence, the main consideration of implementing any retention strategy should be in accordance with the intention of meeting or even exceeding employees' expectation.

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4. ระดับการศึกษา: Educational Level:
- ต่ำกว่าปริญญาตรี Lower than Bachelor's Degree
  - ปริญญาตรี Bachelor's Degree
  - สูงกว่าปริญญาตรี Higher than Bachelor's Degree
5. ตำแหน่งปัจจุบัน \_\_\_\_\_  
Current Position:
6. อายุงานกับองค์กรปัจจุบัน: Years of Service:
- น้อยกว่า 1 ปี Less than 1 year
  - 1-3 ปี 1-3 years
  - 4-6 ปี 4-6 years
  - 7-10 ปี 7-10 years
  - มากกว่า 10 ปี More than 10 years

**ส่วนที่ ๒: ปัจจัยที่มีผลต่อการธำรงรักษาพนักงาน      Section 2: Employee Retention Factors**

กรุณาเลือกระดับความสำคัญว่า ปัจจัยต่อไปนี้ มีอิทธิพลมากหรือน้อยต่อความตั้งใจของคุณที่จะอยู่ทำงานกับองค์กร โดยที่ 1 = ปัจจัยนี้มีอิทธิพลน้อยที่สุด และ 7 = ปัจจัยนี้มีอิทธิพลมากที่สุด

Please rate the level of influence that following factors have over your intention to stay with the organization on a scale of 1 to 7, where 1 = the least influence, and 7 = the most influence.

ปัจจัยที่มีอิทธิพลต่อพนักงาน ด้านความตั้งใจที่จะอยู่ทำงานกับองค์กร Factors Influencing Employees' Intention to Stay with the Organization	มีอิทธิพลน้อยที่สุด				มีอิทธิพลมากที่สุด		
	Least Influence					Most Influence	
<b>1. ค่าตอบแทนและสิทธิประโยชน์ Pays and Benefits</b>							
ก. เงินเดือนและค่าบริการ Salary and service charge	1	2	3	4	5	6	7
ข. สิทธิประโยชน์ด้านการลา เช่น ลาป่วย ลากิจ ลาพักร้อน วันหยุดตามเทศกาล Leave benefits, such as sick, personal, vacation, paid holidays	1	2	3	4	5	6	7
ค. สิทธิประโยชน์ด้านสุขภาพและอื่นๆ ที่เกี่ยวข้อง เช่น ประกันสุขภาพ ประกันสังคม Health and related benefits, such as health insurance, social security	1	2	3	4	5	6	7

ปัจจัยที่มีอิทธิพลต่อพนักงาน ด้านความตั้งใจที่จะอยู่ทำงานต่อกับองค์กร Factors Influencing Employees' Intention to Stay with the Organization	มีอิทธิพลน้อยที่สุด Least Influence				มีอิทธิพลมากที่สุด Most Influence		
	1	2	3	4	5	6	7
ง. การวางแผนการเกษียณอายุ Retirement plan	1	2	3	4	5	6	7
จ. อื่นๆ (โปรดระบุ) _____ Other (please specify) _____	1	2	3	4	5	6	7
<b>2. กลยุทธ์ในการธำรงรักษาพนักงาน Retention Strategies</b>							
ก. รางวัลและการยกย่องชมเชย Rewards and recognition	1	2	3	4	5	6	7
ข. การพัฒนาอาชีพ Career development	1	2	3	4	5	6	7
ค. การได้รับมอบหมายหน้าที่ใหม่(นอกเหนือจากเดิมที่มีอยู่) New assignment	1	2	3	4	5	6	7
ง. การหมุนเวียนงาน (ให้พนักงานปฏิบัติหน้าที่ที่แตกต่าง กันในแต่ละช่วงเวลา) Job rotation	1	2	3	4	5	6	7
จ. ตารางการทำงานที่ยืดหยุ่น Flexible work schedule	1	2	3	4	5	6	7
ฉ. โอกาสในการเข้ารับการฝึกอบรม Training opportunities	1	2	3	4	5	6	7
ช. อื่นๆ (โปรดระบุ) _____ Other (please specify) _____	1	2	3	4	5	6	7
<b>3. วัฒนธรรมองค์กร Organizational Culture</b>							
ก. การมอบอำนาจการตัดสินใจให้พนักงาน Employee empowerment	1	2	3	4	5	6	7
ข. การให้คำแนะนำความช่วยเหลือ เพื่อช่วยให้พนักงาน ปฏิบัติงานได้ดีขึ้น Supervision	1	2	3	4	5	6	7
ค. รูปแบบในการเป็นผู้นำของผู้บังคับบัญชา Leadership style	1	2	3	4	5	6	7
ง. การสื่อสารที่มีประสิทธิภาพ ระหว่างพนักงานกับ ผู้บังคับบัญชาและเพื่อนร่วมงาน Effective communication among supervisors and coworkers	1	2	3	4	5	6	7
ช. อื่นๆ (โปรดระบุ) _____ Other (please specify) _____	1	2	3	4	5	6	7

ปัจจัยที่มีอิทธิพลต่อพนักงาน ด้านความตั้งใจที่จะอยู่ทำงานต่อกับองค์กร Factors Influencing Employees' Intention to Stay with the Organization	มีอิทธิพลน้อยที่สุด Least Influence				มีอิทธิพลมากที่สุด Most Influence		
	1	2	3	4	5	6	7
<b>4. ความพึงพอใจในองค์ประกอบของงาน Satisfaction with Job Related Issues</b>							
ก. รายละเอียดงาน เช่น ปริมาณของงานที่ได้รับมอบหมาย Job description, such as amounts of responsible tasks	1	2	3	4	5	6	7
ข. เงื่อนไขการทำงาน เช่น จำนวนชั่วโมงทำงาน ช่วงเวลาพักหรือเลิกงาน สภาพแวดล้อมทางกายภาพของที่ทำงาน Working conditions, such as hours of work, rest and leave periods, physical environment	1	2	3	4	5	6	7
ค. ความสัมพันธ์ระหว่างคนกับบุคคลในองค์กร Interpersonal relationship	1	2	3	4	5	6	7
ง. ความมั่นคงของงาน Job security	1	2	3	4	5	6	7
จ. อื่นๆ (โปรดระบุ) _____ Other (please specify) _____	1	2	3	4	5	6	7

**ส่วนที่ ๓: ประสิทธิภาพของกลยุทธ์ด้านการธำรงรักษาพนักงาน**  
**Section 3: Effectiveness of Hotel's Retention Strategies**

กรุณาระบุว่า คุณเห็นด้วยหรือไม่เห็นด้วยกับข้อความดังต่อไปนี้ โดยที่ 1 = ไม่เห็นด้วยอย่างยิ่ง และ 7 = เห็นด้วยอย่างยิ่ง

Please rate your agreement on the following statements on a scale of 1 to 7, where 1 = strongly disagree and 7 = strongly agree.

Statements	ไม่เห็นด้วยอย่างยิ่ง Strongly Disagree				เห็นด้วยอย่างยิ่ง Strongly Agree		
	1	2	3	4	5	6	7
1. องค์กรของฉันมีกลยุทธ์ในการทำให้พนักงานอยู่ทำงานต่อที่ องค์กร My organization has the strategies in retaining employees.	1	2	3	4	5	6	7
2. องค์กรของฉันประสบความสำเร็จในการทำให้พนักงานอยู่ทำงาน ต่อกับองค์กร My organization succeeds in retaining employees.	1	2	3	4	5	6	7
3. ฉันตั้งใจจะอยู่ทำงานต่อกับองค์กรในปัจจุบันให้นานที่สุด I intend to stay with my present organization for a long time.	1	2	3	4	5	6	7

## **Appendix B**

### **In-Depth Interview Questions**

Questions for the interview are established as following:

1. What are the employee-retention strategies / methods / techniques your organization has been using? Please explain.
2. How does your organization come up with those strategies / methods / techniques?  
How can your organization be certain that those are the right ones?  
Does your organization consider the employee opinions, the management opinions, or both when making a decision which strategies / methods / techniques to be used?
3. Among those strategies / methods / techniques being used, list the three most effective strategies / methods / techniques in order. What are the indicators in your organization?
4. Among those strategies / methods / techniques, which ones seem to be least effective? Please explain why.

**BIOGRAPHY**

<b>NAME</b>	Ms. Tipyanee Panyawasin
<b>DATE OF BIRTH</b>	27 October 1985
<b>PLACE OF BIRTH</b>	Bangkok, Thailand
<b>INSTITUTIONS ATTENDED</b>	Chulalongkorn University, 2003 – 2007 Bachelor of Arts (Mandarin Chinese) Mahidol University International College, 2009 – 2012 Master of Management (Tourism and Hospitality Management)
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