



# Employee Retention for Economic Stabilization: A Qualitative Phenomenological Study in the Hospitality Sector

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Focusing on employee retention is vital to increase organizational performance and strengthen a nation's economy. Employee turnover leads to high unemployment and slow economic growth around the globe. The purpose of this study was to explore the reasons and motivating factors that cause employees to remain in hospitality despite the high turnover rate in the industry. The data for this study were collected using semi-structured interviews, conducted with hospitality employees in South Florida. The study employed a qualitative phenomenological method to acquire the lived experiences of participants. The findings were in accord with the employee retention approach. The findings revealed that creating a good working environment including management support, reward, and incentive programs would lead to employee retention in the hospitality sector.

*Keywords: Employee turnover, employee retention, economic benefits, retention strategies, Hospitality industry*

*JEL: J53, J63, M21*

The hospitality industry provides many jobs around the globe and creates economic stability through tourism activities. Hospitality contributes significantly to the global gross domestic product (GDP) (Rishi and Gaur, 2012). Business organizations face many challenges including employee retention in the hospitality sector. Employee retention contributes to economic stabilization in many ways like more job security, more personal income, and more expenditure on goods and services. Employee retention is essential to an organization's economic progression because a company can spend more time producing and less time training new employees.

Concerning retention, an organization ought to be very selective on its hiring process by

employing employees with noticeable commitment from the beginning. A company needs to make employee retention a priority particularly after it invests money on training. Retention enhances job satisfaction and customer service. If employees have longevity in an organization, the economy will begin to grow and stabilize over time. In addition to keeping the employment rate up and unemployment rate down, employee retention helps an organization strengthen its image and reputation (Poulston, 2008). Employee turnover can have negative impacts on employees and organizations within the hospitality sector (Walsh and Taylor, 2007). High worker turnover does lead to internal and external customer dissatisfaction. The phenomenon also leads to less economic activities that affect not only a nation, but also the global economy. Decreasing employee

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turnover would require hospitality managers to re-evaluate their retention strategies. This is a problem that needs attention because employee changeability continues to lead to uncertainty and instability in the industry. From a cost perspective, the impact can be very inhospitable as unreasonable expenditure on employee replacement causes a loss of productivity during training. Employee retention is vital for the hospitality sector as it employs more people than any other industry within the private sector both domestically and globally (e.g. Ogbonna and Lloyd 2002; Peric, Mujacevic, and Simunic, 2011; World Travel and Tourism Council, 2012). Achieving employee retention entails effective leadership with long-term vision (Enderwick, 2011). Overcoming organizational challenges including employee retention requires the collaboration of academia, business sector, and the government (Olson, 2010; Cavico and Mujtaba, 2010; Molian, 2012).

Employee retention along with economic stabilization is achievable if employees are equipped with the skills they need (Singh, 2012). The challenge is that today's workers particularly the millennials have different perspectives than those from five or six decades ago (Solnet, Kralj and Kandampully, 2012). The millennial employees are unlikely to remain with the same company or industry for their entire careers. Top management ought to recognize it by acting proactively and retaining talented people (Parry and Kelliher, 2009; Solnet *et al.*, 2012). Because hospitality is an industry that operates all over the world, the researcher considers employee turnover to be a global issue. Employment

instability has a negative impact on any organization and nation (Nwokocha and Iheriohanma, 2012).

From an economic perspective, high employee turnover can have a negative impact on the microeconomic system of any nation as well as the global economy. Countries with employment instabilities such as Greece, Spain, and United States face high unemployment-low economic progress (Economou *et al.*, 2012). In recent years, an estimated 31 million employees have been out of work in the United States (Provitera, Lambert and Neira, 2010). The purpose of this study was to explore the reasons and motivating factors that cause employees to remain in hospitality despite high turnover in the industry. A small number of people remain in this industry; Lo and Lamm (2005) pointed out that less than 12 percent stay.

Little research has been conducted to explore why some employees stay, what motivates them, and what else can hospitality establishments do to attract and retain these employees. Retaining employees contributes to industry progression regarding effectiveness, production, and internal customer satisfaction. When top management strives to fulfill workers' needs and provides some assurance of job security or advancement, the desire to stay augments significantly. The longer employees stay in hospitality organizations the more loyal they can become, which may help those organizations thrive. The hospitality sector should adapt the German model to create a steady workforce in tourism as German does in the manufacturing sector (Dekker, 2011; Silvia,

2010; Cantner and Krüger, 2008; Howden, 2014; Silvia, 2010).

It would be favorable for hospitality leaders to promote a steady workforce by becoming aware of ways to influence workers to stay. The researcher worked in the industry for nearly two decades and learned how challenging it can be to keep employees. This qualitative phenomenological study provides strategic approaches for employee retention to industry leaders and managers. AlBattat and Som (2013) suggest that excellent management–employee relations and employment stability lead to preservation. Therefore, the present study provides recommendations to industry leaders on how to motivate employees to stay in their organizations. This study is significant because offers strategic solutions for employee retention to industry leaders. This study is beneficial because it provides employment strategies the industry needs to succeed regarding employee retention.

### LITERATURE REVIEW

The literature review provides the foundation for the exploration of the topic of employee turnover and retention in the hospitality industry from a global perspective. The objective is to furnish a review of current and past literature on the employee turnover phenomenon guiding this qualitative phenomenological study. Fink (2010) pointed out that the literature review should include scholarly and current sources relating to the research topic. The literature confirms that an organization can form a stable workforce through effective employee preparation (Balán, 2012).

Hospitality employees tend to stay in the industry when leadership commits to working with them (Poulston, 2008). If leaders demonstrate they care, employees would stay there and improve productivity. There are many reasons employees stay in hospitality. Butcher (2012) conducted a qualitative study related to employment turnover in the hospitality industry focusing on Trinidad and Tobago. This qualitative study revealed that devotion contributes greatly to worker retention. Hamington (2010) explained that employment in the tourism business seems cyclically underrated even in contemporary economic scheme causing disappointment to millions of people.

Some employees have remained in the industry for reasons such as personal pride and the desire to thrive. Chuang, Yin and Dellmann–Jenkins (2009) found that employees such as cooks stayed because they liked their work, enjoyed creativity in the kitchen, and felt proud about their work. The hospitality industry has already surpassed other industries in terms of size, for it is becoming dominant (O’ Donovan, Quinlan and Barry, 2012). Retaining hospitality workers as a way of reducing high turnover may entail external participation. Lack of employee retention undoubtedly affects economic growth nationally, regionally, and globally (Hofstede, 1998; Marren and Kennedy, 2010). The researcher adapted prior hospitality models on customer service (e.g. Hsu, Hung and Tang, 2012; Lawrence and Nohria, 2002) and dimensions, expectations of visitors and employees (e.g. Gjerald and Øgaard, 2010) within the hospitality sector. The adaptation of

several models enabled researcher to develop a broader comprehension and concept for the current study.

### **Economic Effects of Employee Turnover**

Employee turnover is expensive for a business organization at any level (Proenca, 2012). The higher level an employee has in an organization, the more expensive it can be when he or she leaves (Olson, 2010). It is estimated that an establishment loses roughly one million dollars when 10 decision-making, skilled employees depart (Ramlall, 2012). Therefore, if a skilled worker departs an organization to join another because of better options, the departure would have a negative impact on the former organization and a positive impact on the new one. The former organization loses its investment on training and the new organization gains because it would get an experienced employee.

An organization should make every effort to keep trained employees; thus, it can avoid significant loses. The mobilization of an employee from one organization to another does not have a negative effect on the economy as long as there is not an employment gap. Employee turnover leads to high unemployment, which leads to slow economic growth. Employee turnover produces less discretionary income, less consumer spending, and less economic activities (Balán, 2012). The link between employee retention and economic stabilization is that to sustain a good economy, a nation needs to have a firm workforce. Managerial inspiration along with employment fulfillment leads to workers wanting to stay.

Business organizations decrease one of their greatest assets, human capital whenever they fail to retain trained personnel (Ramlall, 2012). In early 2012, there were nearly 25 million people jobless within the European Union; the highest number in over a decade and a half (Bonciu, 2012). In recent years, the unemployment rate has been hovering between 17 and 26 percent in Greece and Spain (Economou *et al.*, 2012; Bonciu, 2012). This leads to enormous economic impacts. First, the establishment suffers because it has to invest on training instead of expanding; second, departed employees spend less, and the third impact is that the government collects less tax revenue at least temporarily.

In their retaining talent management research study, Walsh and Taylor (2007) discovered that employee turnover is not only disruptive; it is costly for the hospitality industry. They also discovered a typical organization spends over \$10,000 to replace a manager as it invests significant amount of time training and developing a new one. Training lessens the performance of the trainer as he or she spends more time demonstrating rather than doing. Sturman (2003) found that replacing experienced workers costs thousands of dollars to hospitality organizations because preparing new workers takes time and money. Retaining steady workers would favor the hospitality industry significantly because productivity is likely to increase as a result of employee attachment and loyalty.

Sturman (2003) projected that replacing a worker such as waiter, waitress, or front office clerk costs \$1,500 during the training period. Laddha *et al.* (2012) conjectured that to

recuperate the cost of losing just one employee, a fast food restaurant must sell 7,613 combo meals at \$2.50 each. Companies spend roughly \$25 billion annually in worker turnover–replacement expenses (Davis, 2013). Employee turnover costs companies 30 to 50 percent of the annual salary of entry–level employees, 150 percent of middle–level employees, and up to 400 percent for upper level, specialized employees (Laddha *et al.*, 2012:453). Management needs to find ways to encourage employees to stay as such a high turnover rate may discourage good employees from staying.

### **Economic Benefits**

Globalization creates business mobilization and hospitality along with the tourism industry makes a significant contribution to participating nations. Peric *et al.* (2011) noted that the travel and tourism economy added \$3.5 trillion or 15.7 percent to the international GDP in 2010 despite the worldwide economic calamity of previous years. Ozcelebi (2009) stated that Turkey has enjoyed economic contributions from tourism for over 20 years despite a less than stellar workforce. At a global level, revenue from the hospitality and tourism industry is expected to increase to 36.3 percent by 2021 (Peric *et al.*, 2011). A study conducted by Mujač č evič , Vizjak and Cindrić (2011) revealed more than 25 percent of worldwide employment is generated by the tourism industry.

Employee retention helps both the hospitality industry and the overall economy in terms of globalization. Mustafa (2012) points out that slight joblessness signifies greater consumption, and domestic sightseeing supplies equilibrium to

state economies. Tourism is projected to create over 328 million jobs by 2022 (Bassey, 2012; World Travel and Tourism Council [WTTC], 2012). According to the WTTC (2012), hospitality along with the tourism industry contributed 9.3 percent to the global GDP in fiscal year 2012, representing one in every 11 jobs. The tourism industry sustains roughly 260 million occupations (WTTC, 2012).

The hospitality industry has already surpassed other industries, such as agricultural science, mining, and retail for it is becoming dominant (O' Donovan *et al.*, 2012). However, employee turnover is an enormous problem that requires prompt attention. Hospitality plays a great role in globalization by accommodating tourists, businesspeople, or dignitaries. Tourism is undoubtedly a growing industry and is becoming a significant player in the global economy. Peric *et al.* (2011) discovered that visitors spend over \$200 billion a year in evolving nations. Employee retention is auspicious to any nation, and embracing it is a need.

### **Effective Leadership and Employee Retention**

Effective leadership is the ability to earn respect from followers at the workplace and admirers in the community where an organization operates (Kouzes and Posner, 2008). Leaders should inspire employees and stakeholders to be motivated and stay as long as they can. Employee retention helps stabilize the economy and leads to family unification; managers should empower and motivate employees on a continuous basis. Keeping workers involved or granting them decision–making leverage can boost retention within a business organization

(Parry and Kelliher, 2009; Keeling, McGoldrick, and Sadhu, 2013). Retaining talented workers requires commitment to development from top management or leadership (Govaerts *et al.*, 2011).

Effective training and organizational support go along; there should be a government-private apprenticeship scheme in place to increase employment. Untrained and unsupported employees are more likely to leave their organizations, become unproductive members of society (Erixon, 2010). An effective leader inspires employees, satisfies their desirable wishes, and instills motivation in them (Maslow, 1943). Employee retention is vital; an organization can see positive results from a motivated workforce (Olson, 2010; McShane and von Glinow, 2008; Karthi and Devi, 2012). Good leadership is the ability to wear a different hat for each occasion whenever the leader takes a new approach to strengthen an organization in terms of employee retention.

A good leader is one who leads an organization to achieve financial growth through team cooperation and effective performance (Dike, 2012). An effective performance in a business organization benefits a nation's economic growth for adapting a retention philosophy would satisfy everybody. Lakshman (2007) articulated that efficient leaders strive to build lasting business relations with those they lead. Organizations with efficient leaders tend to perform better when leaders work in conjunction with employees. Contemporary leaders need to combine tactic with managerial edifice; thus, they

can accomplish goals or objectives (Pleshko and Heiens, 2012).

Collaboration leads to succession; however, if there is absence from the leader there is room for disaster (McMullen and Adobor, 2011). Employee retention is vital; an organization can see positive results from a motivated workforce (Olson, 2010). Lack of employee retention leads to personal and national economic insecurity (Davis, 2013; Maddah, 2013). Getting employees to stay requires more than motivation, it requires commitment to self-opportunity; today's employees have big aspirations and hopes for their own growth (Latukha, 2011). Many hospitality personnel tend to view working in the industry as having fun; they see travelers as suppliers of their daily and weekly earnings, which can bring happiness to them (Enderwick, 2011; Sari, 2012).

The literature review suggests employees would stay with the hospitality organizations. Employees would work as long as they receive ample support from management; thus, they bear in mind nationalized pride. Nwokocho and Iheriohanma (2012) stated that employee retention is easier to achieve when there is national contentment; that is, employees feel proud of the job they do in the organization they represent. High employee turnover in hospitality industry can cause organizations to acquire a bad reputation. It can also lead to employment displacement and slower global economic growth.

### **Theoretical Framework**

This study followed the theoretical framework of Dimitrov (2012), Lawrence and Nohria (2002) as

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the foundation. This study is also associated with early theoretical foundations emphasizing on employee retention through motivation, workplace fulfillment, and management support (Gjerald and Øgaard, 2010; Ramlall, 2012; Martins and Hester, 2012). Prior motivational viewpoints (Belbin, Erwee, and Wiesner, 2012; Björn Frank, and Enkawa, 2009; Yang, 2011; Maslow, 1943) were pertinent to this study. Employee inspiration is coupled to employment contentment, which is an important aspect in accomplishing worker preservation in the hospitality sector.

Keeping business relations around the organization can lead to employee motivation and ultimately retention (Kilburn and Cates, 2010). Motivation is a key factor in this industry due to the frequent contact among hospitality personnel and visitors. The happier and more motivated employees are, the more productive they can become to help an organization thrive. The employee turnover phenomenon is a continuing matter affecting the hospitality industry worldwide (Yang, 2011; Poulston, 2008; Slåtten and Mehmetoglu, 2011; Parry, and Kelliher, 2009). Globalization is making the world smaller because business organizations continue to expand in quest of economic success. Globalization is bringing business organizations closer than ever before and with that closeness comes a managerial challenge, managing employees effectively to retain them (Ramachandran, Chong and Ismail, 2011).

Industry leaders need concrete strategies on employee retention. Lawrence and Nohria (2002) offered four important social motivations as follows: motivation to attain, motivation to

pledge, motivation to study, and motivation to preserve. The framework connected with employee retention indicators like social inspiration and association (Carlström and Ekman, 2012). In present study, researcher proposes realistic employee empowerment, motivation, effective leadership, and promotion from within as strategies to encourage employees to stay. Motivation along with empowerment is a strategy management should refocus to obtain a viable employee retention rate (Albrecht, 2012). Empowering creates good image of the institution and employee loyalty to a company (Al-Mbaidin and Ali yousef, 2010; Gill *et al.*, 2012).

According to Sut and Perry (2011), empowering employees generates positive behavior and individual satisfaction. Hospitality is an interactive industry, individual satisfaction leads to employee retention. Achieving employee retention entails the creation of a communal worker–manager agreement and added assurance (Stum, 2001). Getting employees to stay requires management commitment, constant motivation, opportunity for advancement (Latukha, 2011). Moncarz, Zhao, and Kay (2009) argue that effective training is essential to retain workers with long-term objectives. The theoretical framework indicates that retaining employees contributes to industry progression effectiveness in terms of productivity, and greater economic activities.

## METHODOLOGY

The qualitative phenomenological study explored contributing factors through in-depth interviews on why employees stay in the hospitality industry.

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The aim was to find ways in which some establishments motivate employees to stay and make recommendations to the hospitality industry as a whole. The objective was to obtain data from participants (hospitality employees) and describe their lived experiences. The formulation of research questions leads to the selection of an appropriate method such as qualitative (Casey, 2006). The research methodology served as an outline and a firm foundation. Employing a phenomenological methodology lets a scholar clarify assumptions by going beyond his or her own expertise (Creswell, 2009). The selection of an adequate methodology affords the researcher with predetermined interview questions (Seibold, White, and Reisenhofer, 2007).

### Sample

The sample included 12 hotel employees in South Florida. The participants had over five years of experience; all participants were over 25 years old. Out of the 12 employees, five were males and seven females. Five were restaurant servers, four were front desk agents, one was an accounting agent, one was a housekeeping agent, and one was a reservations agent. Table 1 (see Appendix-I) encompasses comprehensive demographic information about employee participants.

A purposeful random sampling technique was employed to collect and analyze data from participants. Creswell (2009) explained that an examiner purposely chooses persons as well as a location to explore or study the main phenomenon. The findings should enlighten industry leaders and managers on the problems

associated with employee retention within the hospitality sector. The findings should be used as guidelines to help leaders of other hospitality organizations thrive on employee retention. This paper employed in-depth interviews as instrumentation for data collection.

### Procedure

Participants who matched the criteria (over 25 years old and over five years in the hospitality industry) were originally contacted in person for participation. The forthcoming members were given a clarification of the research under exploration and then asked to partake. The members who voluntarily decided to participate were given convenient interviewing dates and meeting times. The data collection process created charming conversations between the participants and the researcher. The participants were given a sincere welcome to make them feel relaxed and willing to share the entreated information. For expediency, participants were interviewed at their workplace; the researcher went to meet with them.

Participants were assured that their identities would be kept confidential; they received an explanation and the procedural protocol. The affirmation created comfort, participants responded honestly and wittingly. The creation of an amicable relationship with contributors led to openness and more cooperation from both sides (Clarke, 2006). Each interview lasted an hour and each person was asked the same questions. During the collection procedure, notes were taken and tape recorder was used to capture the interview conversations.

The analyzed data were brought back to the site and presented to participants to ensure they meant what they said during interviews. The researcher prepared eight interview questions by himself. The interview questions were designed to connect with the primary question and phenomenon under research. The researcher used an open-ended question format to interview employees on site at a hotel in South Florida. Conduction and transcription of interviews befell in a 3-week period.

### Analysis

The data were analyzed using a line-by-line technique in addition to techniques used by others (e.g. Moustakas, 1994); the codification process was employed to organize themes. The adaptation of multiple techniques aided with the examination progression. Bergin (2011) mentioned that the analysis of interview data requires the selection of a coding system and appropriate software such as NVivo. Bergin suggested using NVivo could help the researcher put themes in an organized way.

The analysis emulated Dibley's (2011) usage of McCormack's Lenses. It also emulated the van Kaam records examination technique adapted in Moustakas (1994). The "McCormack's Lenses provides a flexible framework for the analysis of complex narrative data to take core themes and stories of experience in the original story" (Dibley, 2011:13). The use of codes helped in establishing and cataloguing transcripts. The coding system helped with finding similar words as well as paths related to formed themes.

Themes originated from participants providing similar or adjacent answers. The themes were formed by rereading answers to every question recurrently.

## RESULTS

Each participant was assigned code for privacy and reliability purposes. HE1 stood for Hospitality Employee 1, 2, 3 and so forth. Participants described the working environment in hospitality as hospitable; the results showed employees had good working relationships and got along well in this organization. Forty-two percent of Participants mentioned the word "teamwork." Thirty-three percent articulated the words "friendly or good" and the rest (25 %) expressed candid responses. The study delivered vital information with regard to having a working environment that employees laud.

### The Reasons and Motivating Factors for Staying in Hospitality Organization

All respondents indicated the ability to make money from tips regularly as a reason for staying in the industry. The majority of the employee participants (50 %) said management had good relationships with them and fifty-percent stated that management support is good. Fifty percent of participants described management support as good. Forty-two percent pointed out professional and mutual respect as motivating factors, (see Table 2, Appendix-II). Another forty-two percent indicated that management is caring. Seventeen percent stated the relationship was pleasant, 17 percent mentioned good downward and upward communication, and another 17 percent mentioned feeling comfortable with managers.

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Seventeen percent of participants mentioned factors like rewards, management wanting to teach everyone the culture of the company, employees feeling happy and passionate about this company and 8 percent indicated that trainers are awesome and thorough. The training effectiveness was the leading factor; 75 percent of respondents stated training was effective. The findings revealed significant measures implemented by management and their importance to employees. All 12 participants stated that safety was a very important policy for both guests and employees. Fifty-eight percent referred to personal appearance and hygiene as effective policies implemented by management. Fifty percent of employee participants said cash incentives for up-selling and upgrading were an important strategy (see Table 2, Appendix-II).

### DISCUSSION

Overcoming the employee turnover phenomenon and implementing a retention strategy in the hospitality industry is achievable. However, industry leaders need to incentivize employees if they want to succeed. Although there is a high rate of employee turnover, employees tend to remain for a number of reasons. The primary reasons for remaining in the industry include the ability to make money regularly, easy to get employment, convenient if most employees reside within minutes from work, and interacting with people. Money motivates employees to stay, to be more productive, and be happier at work.

When people have steady employment, they tend to participate in more economic activities. The more economic activities employees engage

in, the more revenue a nation can receive to grow its GDP. Other reasons included meeting people from different cultures, making customers happy, and the overall environment. Another important reason for staying with an organization is the working environment as well as good relationships between management and employees. When the organization or management supports employees, it becomes another important reason for employees remaining with the hospitality industry. Employee retention can increase organizational performance and strengthen a nation's economy (Olson, 2010). Management can solve this problem by creating new training programs and career opportunities. However, to accomplish it, business organizations would need to invest heavily on personal development. Constant worker separation remains the foremost problematic issue in most hospitality organizations.

The fundamental research question is: In spite of the vast amount of turnover in the hospitality industry, what are some of the various reasons why some employees remain in the industry for years? The study reveals how building a solid business relationship between managers and employees contributes to greater performance, more enthusiasm to perform tasks, and greater employee satisfaction. Kuria, Wanderi and Ondigi (2012) pointed out the importance of promoting from within; employees become loyal to the organization, management, and colleagues. Therefore, researcher recommends building a good relationship with employees. It is auspicious for the business establishment and management

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and leads to a greater retention rate. Hospitality establishments would greatly benefit from the findings especially those relating to training, working environment, policies implemented by management.

The framework followed in this study centered on the humanistic, motivating management approach to achieve employee retention (Dimitrov, 2012). The theoretical framework also followed the model of Lawrence and Nohria (2002). The key to employee retention is developing a pleasant working atmosphere and caring for employees (Karthi and Devi, 2012). The findings show some configurations and misconfigurations. The findings revealed that middle managers have very close relationship with employees, but upper managers do not have very close relationship with employees in general. The findings also revealed that upper level managers are not even supportive of middle managers. Employee retention entails management dedication not only to the organization, but also to stakeholders including employees.

### CONCLUSION

The hospitality industry provides many jobs around the globe and creates economic stability through tourism activities. This qualitative phenomenological study provides strategic approaches for employee retention to industry leaders and managers. The study provides industry leaders the necessary recommendations to get employees to stay in their organizations. Retaining talented workers in the hospitality

industry is essential as it can enable an organization deliver outstanding service to guests.

The study is auspicious for hospitality leaders to have a steady workforce. Recognizing the reasons and motivating factors that contribute to employee retention is very important for managers in the hospitality. Employee retention contributes to economic stabilization in many ways; it means more job security, more personal income, and more expenditure on goods and services. Employee retention is essential to an organization, economic progression because a company spends more time producing and less time training new employees. Retention enhances job satisfaction and customer service.

### IMPLICATIONS

The data from this research specify that in order to obtain long-term retention of talented workers in hospitality establishments, industry leaders ought to create specific retention strategies. Prospective employers, leaders, and managers need to recognize that effective employees may have more employment outlooks than what the employers may be willing to offer. Workers must understand the expectations of prospective establishments and management. Therefore, a mutual relationship needs to exist across the industry if management wants the organization to succeed. Better cooperation among management and employees would lead to an encouraging influence regarding employee turnover, a diminution of the phenomenon. A decrease in employee turnover rate and an increase in employee retention can lead to better organizational performance.

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The longer employees stay in hospitality organizations the more loyal they can become, which may help those organizations thrive. Diminishing employee turnover should be an objective of every organization in the hospitality sector; a firm is in business to make a profit, not to incur preventable losses. Retaining talented employees in the hospitality industry is a challenging task, but achievable if management embraces cooperation throughout the organization. The hospitality industry along with tourism plays a pivotal role around the globe in terms of job creation and economic mobilization. Employee turnover is an issue distressing the industry and one that needs urgent attention. Industry leaders need to make concrete strategies on employee retention as the turnover rate is extremely high. Employee empowerment, motivation, effective leadership, and organizational culture are some needed strategies to encourage employees to stay.

### **LIMITATIONS AND FUTURE DIRECTIONS**

Limitations for this study included lack of financial resources to incorporate a larger sample to gather vast information; the same was reported by Roos, Gustafsson and Edvardsson (2005). The study only comprised 12 hotel employees. Another limitation was the inability to gather data from all over the world given the fact that hospitality is a global industry. The study was limited to a single hotel in South Florida and the data were only collected within a three –week period. Participants may have furnished inaccurate information that could have led to the formation of an erroneous work. Time was

another limitation because the researcher only had a two year timeframe to complete the study.

The management did not provide access to every piece of information within the organization. Management was accommodating, but reluctant to provide or allow participants to provide internal details such as intrinsic benefits that keep employees loyal to the organization.

Second, the hospitality organization permitted only a number of employees to meet with the researcher to participate in a voluntary way. Third, once the association gave the green light, some participants changed their minds and denied being part of this study at any time. Because the hospitality industry has rotating schedules, some participants were not available at a certain time, making it more challenging to gather data in a timely manner.

### **RECOMMENDATIONS**

The recommendations originate from the documents gathered for this research. The chosen hospitality employees confirmed that employee retention is auspicious for the hospitality industry. Based on the findings, the recommendations for hospitality organizations across the board are as follows:

- Selecting talented employees with outgoing personalities and teamwork oriented.
- Formation as well as continuation of internal rapport between top management, middle managers, and entry–level employees.
- Expansion of training.
- Continuous implementation of management policies and procedures.

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- More employee involvement and empowerment.
- Participative leadership, management style.

The study discovered a good alignment among workers, which is positive in hospitality. Industry practitioners should create lasting rapport with employees, which could lead to employee retention. The findings showed that teamwork motivates employees to work diligently and form an amicable setting. Adapting the proposed recommendations would lead to permanent retention; employees need motivation from an organization. Varoglu and Eser (2006) found workers look for different motives to remain with their organizations. An imperative recommendation is to attract talented people or workers with potential talent and then instill the organizational culture in them. Retaining talented workers requires commitment to development from top management and leadership (Lines, 2005; Govaerts *et al.*, 2011). Hospitality is a social industry and selecting workers with outgoing personalities would be advantageous for everybody, including co-workers and managers.

The study revealed developing a good relationship among management and employees is important. Industry leaders should maintain positive rapport and incorporate new relationships as a new generation joins hospitality organizations. Solnet *et al.* (2012) pointed out that employee retention in the 21st century requires management adaptation as new workers demand more accommodations than ever before. Today's leaders should strive to maintain open communication, particularly with entry-level employees. The findings demonstrate that

managers can perform better and obtain satisfactory results when they get everybody involved.

Entry-level employees add value to the organization because they have constant contact with each other and customers. Management would gain valuable insight by maintaining constant communication with regular employees in hospitality organizations. Another recommendation is the expansion of training; industry leaders should conduct internal dialogues to learn the delivery method employees prefer. The findings showed regular workers provide vital information through internal communication; the more management knows about employees, the better training can be. Another recommendation is the inclusion and implementation of incentive programs such as cash bonuses for extraordinary performance. The study revealed employee contentment as a result of cash incentives from up selling or upgrading.

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## Appendix-I

<b>Participant Code</b>	<b>Age Range</b>	<b>Years in Industry</b>	<b>Area</b>	<b>Gender</b>	<b>Education Level</b>
HE1	30-35	8	Accounting	F	AS
HE2	45-50	20	Restaurant	M	Voc
HE3	40-45	6	Restaurant	F	BS
HE4	30-35	12	Restaurant	F	BA
HE5	25-30	7	Front Desk	M	AS
HE6	25-30	6	Restaurant	F	AS
HE7	35-40	9	Housekeeping	F	BS
HE8	60-65	10	Reservations	M	BA
HE9	55-60	36	Restaurant	M	Voc
HE10	30-35	6	Front Desk	F	HS
HE11	25-30	5	Front Desk	M	HS
HE12	25-30	7	Front Desk	F	AS

*Table 1. Demographics of Employee Participants*

<b>Response</b>	<b>n</b>	<b>%</b>
Ability to make money from tips regularly	12	100
Management has good relationship with employees	9	75
The training is effective	9	75
Management support is good	6	50
There is opportunity to grow	6	50
Cash incentives for upselling and upgrading	6	50
Professional and mutual respect	5	42
The relationship is pleasant	2	17
Good downward and upward communication	2	17
Feel comfortable with managers	2	17
There is a team spirit	2	17
Management always rewards and acknowledges employees	2	17
Management wants to teach everyone the culture of the company	2	17
Employees are happy and passionate about this company	2	17
Trainers are awesome and thorough	1	8

*Table 2. Reasons for Staying in the Industry*