

Employee Turnover Intentions and Human Resource Practices in Hospitality Industry

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Abstract

An employee's intention to leave the organisation is a critical issue to be catered to in the hospitality industry. In fact, worldwide, this is a major issue that brings huge losses to organisations. Every growing company, irrespective of any sector, makes every possible effort to maintain its productive employees to lead and succeed in the market and thrive in the business world. This research paper intends to define the determinants of the rising turnover rate of employees' turnover intentions in the hospitality sector. To date, the hospitality industry is still fighting against the increased rate of employee turnover intentions which proves to be the catalyst in the smooth functioning of the companies. The paper intends to address the issues related to human resource practices and their impact on the employees' intentions to leave or stay in the hospitality industry. The methodology adopted by the paper is to review the literature available on employee turnover intentions and human resource practices and use the narrative review approach for the qualitative analysis of the existing literature. A systematic analysis of the published research work is conducted to analyse the correlation between H.R. practices and employee turnover intentions with the objective of getting a more clear and systematic understanding of the correlation.

Keywords: Hospitality Industry, Employee Turnover Intentions, Human Resource Practices, Recruitment and Selection, Training and Development, Performance Evaluation, Compensation Benefits.

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1. Introduction

1.1 Employee Turnover intentions

The relationship is both important and delicate between an organisation and its workers. It is an exchange arrangement in several respects, where both sides give what the other wants or needs on the table. Even then, factors such as organisational culture and social satisfaction have an effect on long-term employer-employee relationships, which will eventually impact if an employee wants to continue with the organisation or quit. Since the turnover intention of high-performing workers is highly crucial to the overall success (Kwon and Rupp, 2013), it is vital to recognise and value potential triggers and predict the causes of employee turnover. Turnover intention refers to the "final cognitive decision-making process of voluntary turnover" (Steel and Ovalle, 1984; as cited in Lambert et al., 2001, p. 234). The voluntary turnover of employees is described as "individual movements across the membership boundary of a social system which the individual initiates- " (Price, 1997, as cited in Gaertner, 1999, p. 479). The turnover intention is defined as people leaving or quitting a company on their own and with their own desire (Mobley, 1997). Price (1981) has defined 'Professional turnover intent' and 'Occupational turnover intent', which are used synonymously where professional turnover intention applies to the employees' voluntary intention to quit one's career or occupation to work in another company. To clarify, it is the cognitive phase of employees' withdrawal where they have thoughts of leaving the workplace and intent to look for a job (Carmeli and Weisberg, 2006).

Scholars have given considerable attention to employee turnover (e.g. Blau, 1993; Campion, 1991; Cohen, 1993; Cotton and Tuttle, 1986; Hom and Griffeth, 1995; Sjoberg and Sverke, 2000). Since employee turnover can be both negative and costly for a company when a worker willingly enforces it, several studies have emphasised voluntary turnover (e.g. Hom and Griffeth, 1995; Lee and Mitchell, 1994). Scholars have attached great importance to employee turnover intention because it is associated with actual voluntary turnover (Lambert et al., 2001). In various studies on employee turnover, turnover intent has been used as the dependent variable (e.g. Lambert et al., 2001).

1.2 Employee Turnover Intentions and Hospitality Industry

As described by Worland and Wilson in 1988, the hospitality industry is a company or an organisation providing services that contribute towards the hospitality functions and includes the major sectors such as hotels, restaurants, licensed clubs and motels. The hospitality industry majorly capitalises on human resources, and this industry has also become one of the largest generators of employment, according to Singh, 1997.

According to Chand and Katou, in 2007, the hospitality sector was labour intensive and effectively used the human capital available in the organisation to gain a competitive advantage. The hospitality sector is a customer service business and generally builds on its human capital to gain a competitive advantage. According to Choi and Dickson in 2009, the hospitality industry, it is a business that is strongly geared towards guest support. It is very important to have proper communication between the employees and the guest, which determines the success of any organisation.

In the success of the hospitality sector, workers play a major role. They are in charge of the brand and the level of service the hotel will provide. A hotel's service is directly related to its staff members' considerate, enthusiastic, demanding jobs, practical and positive approach and standard of service quality offered at the right moment. Therefore, the key is to sustain and inspire the hotel workers. The latest patterns ironically suggest frequent work turnover, withdrawals and incidents of depression. On the other hand, youth are drawn to the glitz and glamour of the hospitality industry. Though a good number of studies focused on employee attrition, the problem of high turnover still persists as a major problem in the hotel industry. As per the Global H.R. Manpower Community, and as per the sixth annual resource shortage report, India ranks second in skilled labour scenarios. The solution, therefore, lies in the immediate need to handle and function on human resources as talents and abilities are responsible for the achievement of the driving business. It is also clear that there is an immediate need to reflect on the variables that can lower the degree of the desire of workers to exit the hotel industry.

Therefore, there is an urgent need to understand the reasons for employee turnover intentions and find the measures to cope with the increasing rate of employee turnover intentions. The present study is thus focused on understanding the various determinants of employee turnover intentions and studying the correlation of H.R. practices on the turnover intentions of the employees.

2. Objectives of the Study

- To determine the reasons for the high rate of employee turnover intentions in the hospitality industry.
- To study the correlation of H.R. practices with employee turnover intentions in the hospitality industry.

3. Research Methodology

This study aims to re-evaluate the published research work on the hospitality industry with special reference to the various determinants responsible for the growing rate of employee turnover intentions such as compensation, performance appraisal, promotion, and training & development. A theoretical framework interpreting the psychological contract between the employers and the employees has been examined. The narrative review method has been used to review the existing literature, focusing on qualitative analysis of prior information. The study aimed to collect and synthesise literature to illustrate the importance of a specific point of view. This analysis method is very useful for collecting and synthesising a large amount of literature in a particular subject field. The main goal is to give the reader a thorough context for comprehending existing knowledge and emphasising the importance of the new study.

4. Determinants of Employee Turnover intentions

The high rate of employee turnover in the hospitality industry is due to the low-skill requirement in most entry-level positions (Taylor and Finley, 2010). The low-skill requirement corresponds to low pay for employees in entry-level positions, which are often easily replaceable. Work-life discord has also been linked to high employee turnover in the hospitality industry. In general, work-life balance is a major factor influencing employee job satisfaction in every

sector (O'Leary and Deegan, 2005). Furthermore, the hospitality industry is much more associated than other industries, with a weak work-life balance (WLB). The work-life conflict has a major impact on voluntary employee turnover in the hospitality industry, according to *Bloome, Rheede, and Tromp (2010)*. The Indian hotel industry is associated with abnormal and ever-changing long shifts, poor health quality, and stress as major contributors to poor WLB (*Mohanty and Mohanty, 2014*). While it is widely assumed that female employees are perhaps the most disturbed by this because of their responsibility to raise children, particularly after birth, as found in the study by *Darcy, McCarthy, Hill, and Grady (2012)*. The hospitality sector is also known for its high volatility in job requirements, which has also been associated with poor job satisfaction (*Chiang, Birtch, and Cal, 2014*). According to *Collins (2007)*, though hotels provide the largest employer in the tourism sector, it experiences a very high employee turnover rate and mobility of employees, which is the major challenge throughout the industry worldwide. *Wood (1997)* found a few negatives, which are very common in the hospitality industry, including the long working hours, high staff turnover rate, low salaries, low status, and a high degree of dissatisfaction with the job. The National Sample Survey data on employment for the years 2004 and 2005 reflect that the hotels and restaurants are considered to be the second-highest employers of the service workers, which includes .1% of technical workers, 1.4 % of clerical workers, 20% of administrative staff, executive staff and managerial workers and 7.6 % of the sales force.

It was found that workers working in the hospitality sector easily get similar jobs in the other companies, as concluded by *Solnet and Hood (2008)*. According to *Getz (1994)*, who has majorly focused that jobs in tourism and hospitality are considered undesirable, and the major characteristics which bring down the reputation of the hospitality sector include desperately poor working conditions, lack of promotion opportunities, job security, low wages, timings of the jobs in terms of shift, have a major impact on the employee turnover intention rate.

Poulston (2009) stated in a study of hospitality workplaces that perhaps the morale of workers in the hospitality sector to serve was much more likely to be seriously affected by discontent with compensation,

their managers, and general workplace conditions. Employee tension in the hospitality sector is also a normal phenomenon. Technological failure and organisational, interpersonal tensions have been listed as the primary causes of workplace stress and may cause workers to reconsider leaving their job (O'Neill and Davis, 2011). In addition, temporary employment is also one of the characteristics for which the hospitality industry is known and which is correlated with negative effects, such as tension, the tension between work and life, and minimal control over working schedules (McNamara, Bohle, and Quinlan, 2011).

5. H.R. Practices

The impact of human resource practices on employee turnover is not a new subject, and there have been numerous studies conducted in this field at the global level. H.R. practices are the ways to enhance the employees' leadership by human capital of the organisation. It undergoes the process of designing rigorous development programs and motivational strategies, such as establishing methods for guiding and assisting management in conducting continuous performance assessments. Human resource management (HRM) functions as a facilitator within companies or industries amid HRM approaches and consequences of HRM. Sheppeck and Militello (2000) emphasised HRM techniques in four different groups: Job skills and job practices, nurturing climate, performance evaluation and business organisation, while Guest (1997) groups into three groups: product differentiation based on innovation, quality focus, and reduced cost. In previous research on HRM strategy, however, several concepts and approaches are used to attain the organisational objectives and goals via HRM methods and approaches. Sivasubramanian and Kroeck (1995) validate the broader perspective of human resources management as a match or inclusion. Guest in 1997 focused that the different forms of management of human resources can be divided into two internal fit elements. HRM defines external fit as a strategic integration and internal fit as a functional ideal. Many academicians have conducted studies to analyse which fit is acceptable. Youndt et al. (1996) analysed the external match, and the outcome suggests a more precise fit among highly efficient HRM activities and quality strategy. Stavrou-Costea (2005) even suggested

that the key reason for a company's performance may be the successful management of human capital. As confirmed by Lee and Lee (2007), human resource practices significantly impact a company's performance, namely training and development, coordination, remuneration / economic benefit, H.R. management, performance evaluation, and employee security, thereby enhancing the performance of the firm, including the productivity of workers, product performance and quality.

5.1. H.R. practices and Hospitality Industry

According to Baum et al. 1997, the hospitality and tourism sector has hardly considered any plans, policies, and proactive approaches to determine the impact of human resource development practices on organisation development and employee performance and intention to leave. Davidson et al. (2010) highlighted this through the research. However, the hospitality sector increases employment opportunities in the country. Still, it was found that the labour market of the hospitality industry faces two major challenges of attracting suitable labour and retaining its employees by decreasing employee turnover intentions. As lots of investment is made in upskilling and training the organisation's employees to build a quality and competent workforce, this investment in human resources is being squandered due to the high turnover rate of the employees. The paper attempts to illustrate a few of the H.R. activities that considerably impact the hospitality industry's employee turnover intentions. The study highlights the major contributions made by scholars and practitioners in the domain of employee turnover intentions and the conclusions made regarding the various determinants for the growing speed of turnover intentions of the employees who work in the hospitality industry.

For long, human resource approaches and practices have played an important role in changing employees' perspectives, ideologies and behaviour. Therefore, turnover intention measured is subjective, which indicates the probability of an individual to leave or stay in the organisation as the reflection of his own attitude and behaviour towards the organisation. In the case of voluntary employee turnover, as concluded by (Redman and Mathews, 1997), it is primarily a reflection of the outflow of

expertise and talent, which has a crucial effect on the output and quality of companies. *Huselid (1995)* stated that certain H.R. practices that focus on high performance, including the labour management participation teams and promotions, have made a great contribution in employee development as they help not only in enhancing the employees' retention but also in the practices that bear a detrimental association with the employee turnover intentions. The high-performance practices invest in improving the service capacity, quality, and capabilities through various practices such as training practices, selection policies, rewards, performance appraisal, employee participation in decision-making, and many more of its kind. It would provide enough support to the human capital of any organisation to satisfy the consumers and successfully perform their tasks and duties as per *Tang and Tang (2011)*. According to *Becker and Gerhart (1996)*, the H.R. practices are majorly dependent on the optimum path selection, which would bring competitive advantage to an organisation and would increase the chances of survival and sustainability for any organisation. Such practices are company-specific and difficult to imitate and cannot be a cup of tea for all organisations. Numerous studies have shown that the management of human resources activities adds to organisational performances (*Gerhart and Milkovich, 1990; Becker and Gerhart, 1996*).

Therefore this research has focused on the antecedents of employee turnover intentions from H.R. perspective. The hospitality industry has the unique feature of it being highly labour-intensive, according to *Nolan in 2002*. Still, only a few studies have been done to highlight the impact of human resource management practices on the firm's overall results, according to *Namasivayam et al. 2007*. Studies conducted so far in the hospitality sector found the effect of human resources approaches on organisational productivity and well-being. But it has not considered many factors, and therefore the result is not concrete and has not given any conclusive evidence for the studies to be relied on (*Cho et al. 2006*). According to *Ghebreorgis and Karsten, in 2007*, there have not been different kinds of research on the employee's reaction and behaviour to the different kinds of Human Resource approaches, which have a deep impact on the employees' turnover intentions. Therefore, it is very

conclusive that there are not enough researches conducted in the hospitality sector to understand the correlation of human resource practices with employee turnover intentions. There are plenty of studies conducted on human resource practices, but similar studies in the hospitality industry are scarce. The major HR practices which have a correlation with the turnover intentions are discussed below.

5.1.1 Recruitment and selection and Employee Turnover intentions

Recruitment is the fundamental platform for the employer's connection with the employee, according to *Rousseau (1994)*. The sources of recruitment also play a very important role and have a strong connection with the employee's performance, attitude and absenteeism. The individuals recruited from the professional bodies and applied to the organisation through the self-initiated contact have more detailed and complete details about the work being performed and about the organisation's culture. This category of employees tends to have a long association and sense of connection with the organisation. But the individuals who are recruited through the newspapers, employment agencies or through college placements, do not have a very long tenure with the organisation because of the lack of understanding of the job and about the organisation culture, as stated by (*Breaugh 1981*). *Bonn and Forbringer (1992)*. *Sims (1994)* stated that practical previews of jobs should be included during recruitment and selection to improve the probability of effective relationships at the entry-level of the employees. Behavioural interviews and bio-data testing are performed during the hiring process, according to *Paraskevas (2000)*, but credentials are not reviewed like they are carried out in other industries.

Cho et al. (2006) stated that internal hiring and inadequate training for newly promoted employees lead to increased employees' turnover intentions. *Ghebreorgis and Karsten (2007)* emphasised that to keep employee morale high, organisations must have proper staffing. The hospitality industry is known for its ill-defined practices during recruitment, and it has also been observed that the hotels' requirement is not met as per expectations because the hiring specifications are unclear. (*Collins,*

2007). In the present scenario, the organisations generally try to get the job fit candidates rather than the organisational fit candidates (Paraskevas, 2000). Dawson and Abbott (2011) stated that if the organisations select the employees according to the organisation fit, it would definitely result in his long-term association with the organisation and intention to perform better. Ghebregiorgis and Karsten stressed that proper staffing would help boost and retain employee morale because, in addition, to finding the right candidates, recruitment has a symbolic significance.

5.1.2 Training and Development and Employee Turnover Intentions

Training has significance to those businesses looking forward to achieving a competitive edge. There is a considerable discussion among the practitioners and academicians about the effect of training on both employees and the company's objectives. There is, on the one hand, a claim that training contributes to increased turnover, while the other claims that training is a mechanism that can contribute to retaining the workers (Becker, 1993; Colarelli & Montei, 1996). Professionals believe that training is a dynamic human resource activity that can have a remarkable impact on the success of the organisation. Allen et al. (2003) have concluded that if the employees are provided with the development opportunities and if the right amount of investment is made on employees, it will have a major impact on reducing the employee turnover rate. Chang et al., 2007; Sherman et al., 1998 concluded in the research that employees were getting an opportunity to manage their career successfully and upscaling their skills helped increase the retention value of the employees. The American Psychological Association conducted a survey on 130 staff of a medical care company in 2001. Given the value of understanding the conditions in which high-performing employees are more likely or less likely to leave an organisation voluntarily, the study discovered that the nature of the relationship between job success and voluntary turnover has been uncertain. In order to highlight the relevance of training for entrants, research by Lam et al. (2002) confirmed that the hotel industry in Hong Kong was afflicted by high turnover, especially among those under a year of experience from 1985-1999, which ranges from 44% to 66%. A survey conducted

on 249 participants demonstrated that training and career development initiatives are directly related to turnover intentions in addition to other HRM activities.

According to Davidson et al. (2010), upskilling the employees and training them to meet the challenges of the hospitality industry has been a major problem. Therefore, considering the major global expansions in the industry, both formal and informal training plays a very important role. This would help in reducing the employee turnover intentions, help in enhancing the career paths to its employees and increase the quality of services to be delivered to the consumers, which ultimately depends on the level of employees employed in the hospitality industry. Getz (1994) identified one of the main causes of high employee turnover as the lack of well-trained and skilled personnel. Solnet and Hood (2008) expressed that the hospitality industry is considered a highly people-intensive industry where the people lack career growth opportunities, resulting in high turnover intentions. (Barrows 2000; Nolan, 2002) highlighted that on the job training methods are primarily used in the hotels, but according to (Poulston 2007), the employers' failure to give training to their employees from the trained professionals has a strong adverse effect on the quality of training and the intellectual manpower available with industry. Therefore non-availability of proper training methods and trained professionals ultimately brings down the career opportunities to the people working in hotels and, as a result making them quit their job (Bagri et al. 2010). Hai-Yan and Baum (2006) found that the hospitality industry needs qualified professionals, so its employers must be provided with the requisite training and professional development to improve the expertise of front-office employees and gain a competitive advantage over other competitors.

Baum (2008) advised that generally, the hospitality and tourism sector has to focus on including its staff in training and development programs and increasing its investment in training and development programs. It is very important to develop the relationship between the employees and the employer and state clearly the expectations of both the parties, i.e. employers and employees, in terms of giving and take relationship which can be discovered and specified clearly through the training relationships (Sims, 1994).

5.1.3 Performance Evaluation and Employee Turnover Intentions

(Nankervis and Debrah, 1995) highlighted the fact that the upper level of management is making increasing use of performance management programs which has not taken their roots in the lower level of management in the hospitality industry. Approaches of performance management and appraisals should be performed on a continuous basis and to receive regular feedback and rewards (Sims, 1994). Rousseau and Greller (1994) laid down that it is important to consider the factors like proper understanding of job roles, unbiased evaluation of performance, and rewarding the fair and just rewards, both monetary and non-monetary, based on the employees' performance evaluation. Redman and Mathews (1998) stated that performance standards of the employees should be realistic, measurable and achievable. Customer service policies should guide performance expectations, which should be used as a benchmark for appraisals.

Poon (2004) found that the ratings are given based on performance appraisal help the management make decisions on promotions, increments, and pay rise. Therefore, it would be right to say that an unbiased rating would reduce the employees' level of morale and satisfaction positive association with the organisations. Browning (2006) stressed that recognition from the boss and superiors during the performance appraisal process would affect the service behaviour of the employees. Performance evaluations must always be backed up with fair justification of compensation and employee development. Aggarwal and Bhargava (2008) insisted that developmental evaluations and assessments associated with long-term and performance assessments, career growth, and skills-based training would lead to better employment ties.

5.1.4 Compensation and Employee Turnover Intentions

HRM must also take notice that compensation is the main factor, as it provides the workers with monetary incentives for their work and is a source of recognition and livelihood. The research conducted on 666 Thai workers concluded that rewards are among the main factors for employee job satisfaction and turnover intentions besides equity and growth opportunity.

Owing to low qualifications and a lack of union support, hotel employees have long been considered as the lowest-paid amongst staff in the other sectors (Nankervis and Debrah, 1995). Employees in the hospitality industry will benefit from financial and educational benefits, according to Bonn and Forbringer (1992). Low morale, work dissatisfaction, high turnover rate, and customer dissatisfaction result from chronically poorly paid and poorly trained workers. According to Hai-Yan and Baum (2006), the hospitality industry lacks good-quality human capital because workers do not like to work at the front desk for long periods of time due to the stressful work, low pay, and unclear prospects for advancement. According to Namasivayam et al. (2007), the connection between compensation and employee engagement and performance is stronger for employees at the management level. It has also been observed that basic and incentives motivate them to perform much better, and the connection between personal benefit and organisational effectiveness and performance is greater for employees at the non-managerial level. They are encouraged to improve with a blend of basic pay and benefits. Workers are more willing to meet different customer requirements if they believe their contributions are valued and recognised, according to Tsuar and Lin (2004). According to Baum (2008), managers should concentrate on improving the workplace culture and environment, particularly in terms of basic pay and benefits, in attracting and retaining skilled workers at all levels. Staff turnover in the hospitality industry is primarily driven by wages and decent benefits provided in other industries, according to Chan and Kuok (2011). Workers are less likely to consider quitting a company if the company offers career advancement opportunities and fair wages, according to Blomme et al. (2010). Breugh (1981) employees concluded that they would be less likely to leave if they were given monetary and educational benefits. Employees in the hospitality industry are underpaid and poorly trained, resulting in low morale, work dissatisfaction, high employee turnover, and ultimately unhappy customers. Employees do not want to stay long in the hotel front office because of the exhausting jobs, low pay, and unpredictable prospects for advancement H.J. Kong and T.G. Baum 2006. Blau's social exchange theory is based on the principle of reciprocity, which can either

be positive or negative, meaning that if one group makes a positive commitment, the other group will also make a positive commitment, and if one group makes a negative commitment, the other group will also make a negative commitment (Cropanzano & Mitchell, 2005). The research has emphasised the compensation benefits, which positively increase the employee's morale. The expectations between both the company and the individual employee, as per *Schein (1978)*, include not only on how much work will be performed for the compensation, but also on the complete set of duties, benefits and privileges.

Proposed Conceptual Model of HRM Practices

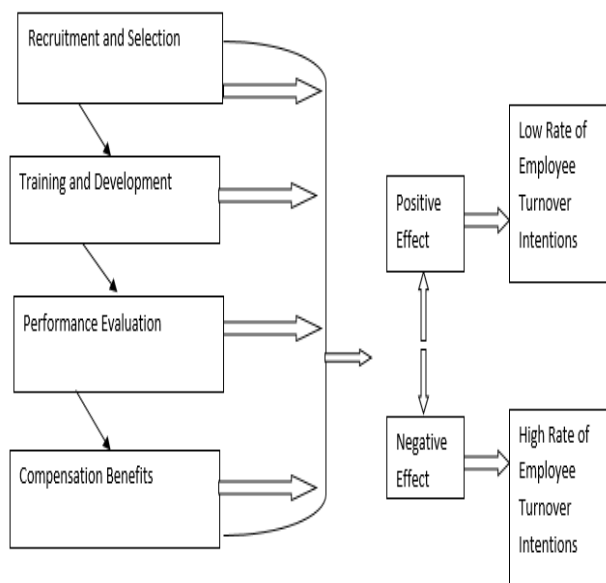


Fig: 1.1 Proposed conceptual model of HRM Practices

The proposed model on the human resource management practices has majorly addressed human resource practices such as recruitment and selection, performance appraisal, training and development and compensation and benefits. The model has clearly depicted the correlation of H.R. practices with employee turnover intentions. Human resource practices of an organisation are the mode through which the organisation's communication takes place in a transactional and relational manner which also shapes the relationship between the employee and the employer. Therefore the proposed model focuses on the correlation of H.R. practices with employee turnover intentions.

6. Findings

Through the studies conducted so far, it was clear that employee turnover is an inevitable part of the hospitality industry. It is important to focus on the employees perspective, mindset and expectations and their connection with the human resource management practices and policies. The hospitality industry is known for low entry-level skill requirements, which directly corresponds to low pay. It was also found that low pay is present not only at the lower levels but also at the managerial levels. Thereby, affecting the employee's connection significantly with the organisation, morale and satisfaction. So far, it has been concluded that various factors such as long working hours, ever-changing shifts, poor health quality considerations, high levels of stress, and highly volatile job requirements considerably affect the work-life balance of the employees working in the hospitality industry. It was also found that women working in the hotels are not able to balance their personal and professional lives effectively, as they have to give reasonable time to their families and raise kids, which does not let them match with the industry expectations. Therefore, the variables mentioned above result in stress and organisational, interpersonal tensions. In taking the study ahead to emphasise the working environment of the hotel industry, it was quite evidently found that the workplace conditions are not friendly. The managers and supervisors do not hold good relations with the employees and fail to understand their requirements and expectations. The industry also faces the problems of technological failures and temporary employment, which again contributes to building up the tensions and adversely affects the work-life balance.

There should be effective recruitment and selection procedures to select the right potential, which will increase the chances of employee's long term association with the company. As one of the H.R. practices, recruitment and selection is given due consideration as the employees selected from the sources such as placement agencies and campus recruitment generally are found not to stay longer with the company compared to the employees selected through self-initiated contracts and professional bodies. It was also found that the employees should be the perfect fit for the companies to increase the

duration of their stay with the company. **Therefore, it was found that there exists a negative correlation between recruitment and selection and employee turnover intentions.** It was also found that to get a positive performance from the employee, the principle of reciprocity plays a crucial role. It was also found that workers can get similar kinds of jobs in other industries. Therefore, it is very important to give the requisite and quality training to the workers from the trained professionals to increase their competencies, thus assuring career opportunities to the human capital. Employee development and systematic training opportunities should be offered on a regular basis to the employees to enhance the skills, abilities, knowledge, and capabilities that directly impact the motivation level of the employees and their turnover intentions. **Therefore it was found that there exists a negative correlation between training and development and employee turnover intentions.** Since the monetary and non-monetary benefits have a considerable impact on the motivation and morale of the employees, therefore performance appraisals should be conducted on a regular basis, and the employees should be awarded in accordance with the results. The findings of the study stress that if the organisation performs regular and unbiased performance appraisals, that would certainly help the employees to stay with the company for a longer tenure. **Therefore it was found that there exists a negative correlation between performance appraisal and employee turnover intentions.** The employees are known as the human capital, and therefore there should be increased participation of the employees in the decision making wherever it is found to be relevant. Salaries and incentives are the key reasons for high employee turnover in the hospitality industry; therefore, the organisations should take the necessary measures to improve the standard of compensation compared to the other service industries. Since low work morale, dissatisfaction, and employee turnover intentions are majorly dependent on the wages and benefits, and the organisations have to take effective steps to match the compensation benefits with the other industries to bring down the rate of turnover intentions. **Therefore, there is a negative correlation between compensation and employee turnover intentions.**

7. Limitations of the Research

The research has been conducted only in the hospitality industry; other industries can also be considered for analysing the effect of Human Resource practices on employee turnover intentions. Since the current study has taken limited variables such as recruitment and selection, compensation, performance appraisal, and training & development affecting the employees intention to stay or leave the organisation, future studies can consider other important variables such as employee empowerment, teamwork, employment security, information sharing, and job description.

8. Managerial Implications

As the research indicates, there is a dire need for the management to understand the employees' perspectives through constant supervision and direct meetings. Organisations policies should be flexible enough to be changed during difficult and changing times to ensure a strong psychological contract between employer and employees. It is also advised to the management for the inclusion of different H.R. practices such as behavioural training and soft skills development which will help in developing employees and should be a major area of concern for management to keep them motivated and committed. The H.R. practices should be reviewed on a timely basis to have the real-time inclusions stay updated. This would not let the companies go out of the latest trends. The existing employee's performance is advised to be reviewed on a regular basis, and results should be correlated to the financial and non-financial incentives. It is also advised to the management to also provide regular performance feedback to help employees understand the performance gaps. This would definitely help the employees to stay motivated and connected with the company. To take it further, the study has identified the major determinants of employee turnover intentions in the hospitality industry, such as low skill requirements, low compensation, work-life conflict, long working hours, poor health quality, high volatility in the job, poor job satisfaction, low morale, interpersonal tensions, work overload and minimum control over work schedules out of which the low compensation is regarded as the critical factor contributing towards employee turnover

intentions. Therefore, the management should look into these factors to reduce the increased intentions of the employees to quit the company. Undoubtedly, major HR practices would definitely affect the overall functioning of employees, security, and employees' well-being. Managers should initiate imparting training and development programs based on the unbiased evaluation of performance, which should also become the basis for identifying the skill gaps. But on the other note, it is also advised to set realistic, measurable and achievable performance standards in order to avoid any false impressions about the employee's performance. For the same, the company can set the customer service policies to guide the performance expectations, which can be used as a benchmark.

Management should opt for the effective mediums of recruitment and selection, which have fetched the company committed and loyal employees in the past and have increased the duration of the employees' stay longer. Management should give due emphasis on maintaining effective communication with employees on a regular basis, for evaluating and appraising the performance, giving incentives and awards accordingly and making performance corrections on time. The management should understand the relevance of the principle of reciprocity to get the desired performance, as there is always a two-way relation in any contract or bond between two parties in question. The employee's participation should be increased in the decision making to make the system more effective through brainstorming of new ideas.

9. Conclusion

In the hospitality industry, employee turnover is widely accepted as unavoidable. The paper concludes that there are various determinants of employee turnover intentions: work-life imbalance due to long working hours, ever-changing shifts, poor health quality considerations, high level of stress, low morale, poor job satisfaction, and highly volatile job requirements. The other determinants being; low skills recruitment at entry-level, low compensation plan, abnormal and ever-changing work shifts, poor health quality, work-life stress, women's incompatibility to balance personal with professional life, highly volatile job requirements,

relations between the employees and managers, organisational, interpersonal tensions, workplace conditions, technological failures, and temporary employment. The employees in the hotel industry perceive the pay to be amongst the main factors for staff turnover; therefore, important changes should be incorporated to enhance salary levels compared to other service-oriented businesses. These determinants have been seen seriously affecting the employee's intentions to quit the company. Besides understanding the reasons for turnover intentions, it becomes relevant to focus on the hospitality industry's major HR practices, which will help bring down the rate of employee turnover intentions if given due consideration. The human resource management practices and policies critically affect the employee's turnover intentions. Therefore it is concluded that the hospitality industry must develop human resource management strategies such as: appropriate methods of recruitment and selection, continuous performance evaluation methods, developing job skills through training and development programs, compensation plans, employee security, workplace climate, manager-employee relationship and management of human capital. In order to hire potential applicants, good recruitment and selection practices are necessary. It was also observed that to improve the employee's expertise, talents, and abilities, structured preparation and career growth opportunities must be provided to workers, inspiring employees to stay committed to the company for a longer period of time. Performance assessments must be done frequently, and evaluation outcomes must be connected to financial and non-financial incentives that will boost the potential performance of employees. Human resource practices also have a significant effect on an employee's psychological contract. Therefore, these should be reviewed on a regular basis to keep up with changing employee standards. Based on the conceptual framework developed in the current study, it is recommended that training and development practices and strong communication between employees and employers can help in lowering down the employee's dissatisfaction and ultimately their intentions to leave.

The model's framework provides a mechanism by which organisations human resource departments could evaluate the system objectively, and human

resource experts could promote the management practices that reduce employee turnover costs. Employee retention and motivation are influenced by the organisation's H.R. policies, which demonstrate to employees how much the company values their employees and the employment relationship. No doubt, the organisations in the hospitality industry face the critical issue of the increased rate of employee turnover, but there are several H.R. practices that would help the industry to deal with the problem and stay competitive with the other industries.

10. References

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