Exploration of Conceptual Perspectives of Human Resource Retention in Hospitality Institutions

Rheet Rijal
Mid-West University, Graduate School of Management,
Surkhet, Nepal, +9779843876299
rijalrheet@email.com

Abstract: Human Resources [HR] is the vital capital of an organization. And naturally, it requires continuous investment for capacity enhancement, fulfillment of expectations, and continued retention in the organization. It is more important to retain HR in hospitality institutions as it requires a lot of time, effort, and cost to empower them with technical and human skills competence matching with the nature of service requirement of this special segment of the economy. In this context, the present paper has been crafted on suitable conceptual and theoretical ground to establish relevant pragmatic approaches to promote the retention of HR in the hospitality industry. The primary aim of this work is to explore the underpinning conceptual and theoretical perspectives and pragmatic approaches to staff retention to hospitality institutions. More specifically, the paper examines the retention theories, observes applicable and practiced models with an emphasis on human resource retention in hospitality institutions, and determines the most suitable approaches to HR retention in the light of unique hospitality. Since this study is fully thematic desk research-based, the present scribe has used exploratory research by comprehending the conceptual, theoretical perspectives, standards, and relevant models of staff retention which was assessed through the various secondary sources. The established conceptual perspectives and institutional practices of motivation and retention models can be a benchmark for organizational success and thrive. The suggestions drawn from each theory and model positions staff as a valuable asset that needs to be continuously motivated with the needful intervention of strategies and solutions that best suits them. Many organizations are exploring different concepts and theories, strategies, and established models that explain the application towards better employee retention to gain a competitive advantage. Future research should emphasize the creation and promotion of a sound working environment, better communication, and the rest of human development and motivation-related matters with an aim to retain the trained and matured workforce. Similarly, the culture of inquiry in this respective field of study should be initiated to explore more relevant system approaches to staff recruitment and selection process, empowerment with ownership, and creation of their self-respect and dignity while being the member of an organization so that they would not dare to quit the organization. Of course, any study focused on the long-term cost and benefits of effective staff retention would serve work for both academia and industry. Staff is a prerequisite for the effective management of an organization. They must be empowered and motivated with the right use of resources, strategies, and practiced models of retention. Effective application of the existing theories in the workplace drive HR practitioners to grasp the exact scenarios that could result in desired outcomes leading with positive impacts for staff, organization, society, and hence to the nation.

Keywords: Hospitality, human capital, human resources, retention.

1. Introduction

Human resources [HR] are valuable assets in an organization [1]. They put their efforts into organizational thrive and success. Sometimes, due to several reasons they disconnect from organizational settings and seek a similar type of job or completely different organizations for a better experience. Therefore, it becomes challenging for HR practitioners to uphold the retention rates [2]. One of the scholar has defined retention as the need to avoid the development of a ‘turnover culture’, which may, of course, be particularly prevalent in tourism and hospitality [3]. Thus, most employers believed that well-designed human resource policies, programs, and practices can promote recruitment and staff retention [4]. Definition crafted in has placed effective staff retention as a systematic effort to create and foster an environment that encourages employees to remain employed by having policies and practices in place that address their diverse needs [5]. Successful employee retention requires an understanding of what employees are looking for in a job and what the job is looking for from the employee [6]. Retention a means to hold down voluntary turnover by giving people hope for the future and encouraging them to build their competencies in line with labor market and organizational needs. Being with a company for a long time is just not enough to guarantee success. Today’s workers must learn and prepare themselves constantly if they are to remain employable and be considered for advancement opportunities in the future. And today’s best-practice firms commit to career development programs as a way to retain first-rate workers, improve morale, and encourage people to develop themselves in line with the organization’s future needs [7].

Scholar has stated that retention strategies aim to ensure that key people stay with the organization and that wasteful and expensive levels of employee turnover are reduced [4]. This scholar claimed that retention strategies such as competitive, equitable, or fair pay systems, rewarding, job design, clarity of performance standards, opportunities for learning and development, prospects on career development, effective communication, strong group cohesion, relationship with managers and supervisors, rich recruitment and selection process, effective promotions, and creating attainable and realistic expectations creates staff motivated, satisfied and committed to remain within the organization. One of the best methods this author has proposed is to conduct a staff attitude survey with regular intervals to obtain key information about the position and respective staffs’ intention to remain on the job. In addition, having an exit interview would help collect important information about the prevalent satisfaction of the employee leaving the organization.

Scholars have proposed a number of strategies for effective staff retention at the time of interviewing, hiring, training, and monitoring. At the time of hiring and interviewing, managers must be quick, caring, consistent, and clear. While providing on-the-job and off-the-job training and monitoring, managers
must be directed to build relationships with staff, assist the way on needful places, laying the groundwork, uncovering resources, providing feedback, ongoing staff development, rewarding performance, fulfilling the commitment, paring talent with passion, overcoming external challenges, managing diverse work styles, discovering and respecting staff uniqueness, navigating strengths, and setting unique and fair challenges [8].

A scholar has recognized as many as three core reasons for staff retention in an organization. First, staff have links with people, groups, or organizations, and realize it difficult to leave the current organization as a beloved family. Second, staff senses compatible jobs, organizations, and communities that make fit with an organization. And third, staff cannot sacrifice their current job because of the rewarding nature of the organization [9]. Similarly, scholars have identified the provision of attractive remuneration, reward and benefits, opportunities for career development, challenging and meaningful work, cooperation, and honest communication between management and staff as the links for effective staff retention. Additionally, these scholars have emphasized the need for an effective hiring process, flexible working hours, and building an adaptive and strong organizational culture as equally important strategies for staff retention in any context [10].

Similarly, scholars have clearly stated solutions for staff retention in public service by outlining seven steps to make it work. The seven-step include the promotion of yearly wheel culture, who is an organization looking for? Provide honest information about the job, promote appreciation done by the community, support staff’s families, hire educated and train staff, and invest in staff. Effective design and execution of different administrative jobs including advertising and marketing, administration and organization, service delivery, infrastructure, career development, professional support, domestic and social service, education and training, and web tools were identified as the solutions for staff retention [11].

The vital issues and challenges confronting even nowadays by the organization [12], [2] are staff motivation [13], and staff retention [14], [15]. The hospitality industry has the issue of high staff turnover leading to the downfall of organizational performance [16], [17]. This is because organizational performance is directly linked to staff performance [16]. Thus, one of the scholar has concluded in this study that staff motivation and retention in the hospitality industry must be a crucial focus for HR managers [13].

From these all discourses, the present scribe could realize the need and significance of staff retention as one of the important functions of HR management in an organization. For this, it requires continued research and innovation with a focus on this special function of HR management. Therefore, the present scribe dynamically realized the significance of accomplishing the review of universally applicable conceptual and theoretical perspectives on staff retention in hospitality institutions.

2. Objectives
The primary aim of this work is to explore the underpinning conceptual and theoretical perspectives and pragmatic approaches to staff retention applicable to hospitality institutions. More specifically, the present work intended to--

- examine the retention theories in the light of unique hospitality environment in the knowledge economy,
- observe applicable and practiced models with an emphasis on human resource retention in the hospitality institutions, and
- examine retention strategies with a focus on the hospitality industry in the experience economy.

3. Scope of the Study
This work has adopted the position of pragmatism with the positivist viewpoint. Such intention of empirical approach is expected to provide HR professionals on designing strategies to monitor staff retention, and future generation research studies in this field of inquiry by making them conceptually and pragmatically clear on established theory. Further, the present work will provide scope for strengthening human capital as a source of organizational success, specifically in the hospitality context.

4. Methodology of Works
Since this study is fully thematic review research-based, the present scribe has used exploratory design by comprehending the conceptual, theoretical perspectives, standards, and relevant models of staff retention. Such reviews were accomplished by exploring across various physical as well as virtual library resources.

5. Review of Literature
This section provides a brief review of literature from at least four perspectives underlying HR retention – the concept of staff retention, principle and theories of staff retention, strategies action on staff retention, and models of staff retention.

5.1 Concept of staff retention
Retention has been defined as the responsibility to continue to do business or exchange with an individual or with a particular organization without any breach [2]. Many scholars have defined employee retention, staff retention as a series of motivational ways in which the staff is encouraged to remain within the organization for the maximum period or until the completion of the project [18]. Similarly, Employee retention is an organizational effort to retain its employees [13]. High staff retention means an organization is succeeding to manage the retention of staff [19].

Employee retention can be defined as an organizational ability to retain its employees working for them [14], [12]. The scholar has defined staff retention as the strategy that a manager with his leadership skills applies in the workplace that enables staff to be motivated and to remain in the organization [12]. Moreover, employee retention is the existence of an ongoing employment relationship and an organization’s ability to hold on to employees [20].

The other scholar defines retention as a voluntary shift by an organization to create an environment that engages employees for the long term. However, high performer staff
are always in the target and are attracted by more than one organization, so this becomes a challenge to retain them [21]. Staff retention focuses on two ways. First, crafting recruitment and selection strategies in such a way that prospective employees are attracted to be part of the organization’s story. Second, preserving skilled staff who are already employed [19].

Likewise, retention as “the need to avoid the development of a ‘turnover culture’, which may, of course, be particularly prevalent in tourism and hospitality” [3]. The retention of an organization is the opposite of its turnover. According to scholar yearly staff turnover is calculated through a percentage relation among employee intake and outflow related to the average number of employees, during a year, regardless of the reasons which cause that flow [16]. Turnover is of two types: involuntary and voluntary. It is necessary to identify the reasons of voluntary turnover, because of the importance of retaining better skilled staff. Scholar argued that if organizations can retain their staff, the economic results could be encouraging [2].

5.2 Underlying principles and theories of staff retention
The success of hospitality institutions depends on improving and maintaining staff retention, which an organization achieves by embedding motivational theories [13]. Therefore, the present work comprises systematic reviews of theories of motivation that have been taken into considerations [22], [23], [24], [25].

5.2.1. Maslow’s hierarchy of needs
Needs keep on growing and it never stops. Needs to receive food, shelter, and clothing, physical protection, association with others, receiving acknowledgment from others, and the desire to accomplish or to leave behind the legacy is the bottom-up needs that are represented in form of the pyramid by Maslow– which explains the content of the job. If these needs are exercised in an organization results in staff satisfaction towards their job [24], [25].

5.2.2. Herzberg’s two-factor theory
The theory was proposed by Herzberg in 1964. According to this theory extrinsic elements are linked to job unhappiness whereas intrinsic factors are related to job motivation and satisfaction [20]. Hygiene factors eliminate dissatisfaction. However, motivation factors increase satisfaction at the workplace. Intrinsic factors also known as hygiene factors includes–reasonable salary and wages, employees job security, updated and well-maintained equipment, safe, clean, and hygienic working environment, flexible working hours, work conditions, relationships with peers and boss, adaptable company policies, and health care plans whereas, work itself, job challenge, power and position, the potential for growth, autonomy, and quality of supervisor and coworkers are the listed extrinsic factors also known as motivational factors [16], [26], [27], [28].

5.2.3. McGregor’s X and Y theory
McGregor has developed a contrasting model of motivational theory that is based on clear assumptions. Staff who falls in the category of theory X are not particularly intelligent, they prefer not to like work and attempts to avoid it, belief in being directed, controlled, avoid responsibility, have no ambition, resists change, and want job security. However, theory Y assumes that staff is creative. Staff believes in self-direction, is committed, has self-control and strongly holds job responsibility, and has a hunger to achieve goals [24], [25].

5.2.4. Job embeddedness [JE] theory
JE theory recognized as many as three core reasons for staff retention in an organization. First, staff have links with people, groups, or organizations, and realize it difficult to leave the current organization as a beloved family. Second, staff senses compatible jobs, organizations, and communities that make fit with an organization. And third, staff cannot sacrifice their current job because of the rewarding nature of the organization [29; 9].

5.2.5. Victor Vroom’s expectancy theory
Victor Vroom has proposed motivation theory in the mid-1960s. This theory has three variables. They are Valence, Instrumentality, and Expectancy. Thus, this theory is also known as VIE theory. Vroom stated that if staff could decide their behavior at work would result to increase satisfaction and minimize stress. The Staff retention rate is high if they could find the similar goal of one’s with the goal of the organization. Therefore, organizations need to align their goals with the goals of staff [30], [24], [31].

5.2.6. Equity theory
Equity theory was proposed by Adams in mid-1960, which is based on equity and fairness among staff [20]. Employees are dissatisfied and perceive unfair at the workplace, if they experience their input at the job is greater than the output. Analogously, if employees perceive equity in their input-outcome ratio compared to other employees, they become satisfied and motivated [24].

5.2.7. Value–Percept theory
Value-Percept theory was proposed by Locke in mid-1970s. Locke has stated that each staff has different value systems, and these value systems drive their satisfaction level differently. This theory states that if staff experience differences in their expectation and what they have received that can result in dissatisfaction depending on how important the job is to the individual [23], [24].

5.2.8. Porter-Lawler model
This model is a holistic approach for staff motivation and thereby increasing staff satisfaction. The model stands to provide internal and external factors that lead to human behavior. According to the Porter and Lawler model, job performance and job satisfaction are not directly related. Employee experience satisfaction, if the actual reward received is greater than the perceived level of reward [16]. The model believes that the staff makes their own rational decisions and make their choices on their goals, behavior, desires, and needs. Ultimately, he selects the alternative behavior [24].

5.3 Strategies and solutions for staff retention
The scholar has identified recruitment, selection, training, career growth opportunities, performance appraisal, and compensation as retention strategies in the hospitality industry. However, the study established that the proper selection process “putting the right person at the right place”, a fair performance appraisal system, and an equitable
compensation system were staff-perceived retention strategies in the service industry [6].

Similarly, scholars have discovered staff perceived retention strategies in the hospitality industry were opportunities for training and development, availability of succession planning, comprehensive compensation package, a cordial and resilient culture, and teamwork [32]. Provision of the compensation package, job security at job, leadership and supervision, opportunities for career planning and development, flexible work hours, better working conditions, the culture of staff engagement, Work-life balance, improved labor welfare were identified as retention strategies [14]. The several strategies that improved staff retention working in the hospitality industry were promoting two-way communication, supporting staff training and development, and recruiting and selecting the right staff at the right job [13]. Likewise, scholars have clearly stated solutions for staff retention in public service by outlining seven steps to make it work. The seven steps include the promotion of yearly wheel culture, who is an organization looking for? Provide honest information about the job, promote appreciation done by the community, support staff’s families, hire educated and train staff, and invest in staff. Effective design and execution of different administrative jobs including advertising and marketing, administration and organization, service delivery, infrastructure, career development, professional support, domestic and social service, education and training, and web tools were identified as the solutions for staff retention [11].

Scholars have identified staff perceived major reasons of retention in service organization included provisions of the attractive remuneration package, career development, challenging and meaningful work, and effective communication between management and staff. Moreover, authors have proposed several retention strategies, such as, selective hiring, creation of flexible working hours, and building an adaptive and strong organizational culture [10].

The scholars have clearly stated solutions for staff retention in public service by outlining seven steps to make it work. The seven-step include the promotion of yearly wheel culture, who is an organization looking for? Provide honest information about the job, promote appreciation done by the community, support staff’s families, hire educated and train staff, and invest in staff. Effective design and execution of different administrative jobs including advertising and marketing, administration and organization, service delivery, infrastructure, career development, professional support, domestic and social service, education and training, and web tools were identified as the solutions for staff retention [11].

The retention strategies such as competitive, equitable, or fair pay systems, rewarding job design, clear on performance standards, opportunities for learning and development, prospects on career development, clear, face to face and two-way communication, strong group cohesion, satisfaction and peace with managers and supervisors, rich recruitment and selection process, matching promotions, and creating attainable and realistic expectations creates staff motivated, satisfied and committed and as a result would lead to staff retention. One of the best methods the scholar has forwarded is to organize staff attitude surveys regarding the job at regular intervals as this provides key information about the position. Conversely, the scholar opposes having an exit interview as this would be an unreliable source that lacks complete information [4].

5.4 Relevant models of staff retention
Zinger model, Employee Retention Connection’s [ERC’s] retention model, and Integrated System for retaining Staff are the models discussed below [33], [18].

5.4.1. Zinger model
David Zinger in the mid-1960s established the process model for staff engagement and retention. Such a model-assisted staff to achieve organizational success by exercising the driving strategies as these strategies in place would create a meaningful results for staff and people around them. Staff could develop their career, leverage energies, and experience well-being. Zinger has suggested with a set of 12 indicators to be in practice in an organization for staff retention. These indicators include-- 1. achieve results by proper plan and execution, 2. craft strategies considering both organization and employee requirement, 3. enliven roles by removing the boredom factor from the work, 4. excel at work by rewarding for the hard work which creates self-esteem among employee, 5. get connected or remain connected with organization as well as employee, 6. be authentic by responding genuinely when addressing the problem of employee and do justice, 7. live recognition, 8. creating fully engaged employee with a clear mindset that employees are their greatest assets, 9. serving customers by creating a culture and tradition, 10. develop personally by up-gradation of skill according to the requirement, and 12. attain happiness with satisfied and happy employees.

5.4.2. ERC’s retention model
Employee Retention Connection’s model is the three drivers model for staff retention that encompasses, stimulating work, leadership, and recognition and reward. Work must be made interesting, supportive, and challenging. Motivational leaders must become role models in a way that they reflect the organizational vision, mission, culture, ethics, values, morale, and direction to motive and retain staff. The organization must award their staff who happens to serve the organization’s success and recognition system to keep them motivated.

5.4.3. Integrated System for retaining staff
Analyzing organization climate, designing stimulating work, training motivational leadership, building competency, and opportunities of career development, and recognition and rewarding performance are the areas where various interventions needed to be accomplished for staff retention. This system starts by analyzing the organization’s motivation and retention culture through surveys and focus groups that are the motivating and demotivating aspects of the culture.

6. Learning Reflections
The present work has always been an agent to study profoundly an interesting topic or subject which keeps on inspiring to constantly work till the end. The particular topic researcher has chosen is because it is very pertinent for HR practitioners to know every bit of information on the importance of staff retention that keeps revolving around in the workplace.
The established conceptual perspectives and institutional practices of motivation and retention models can be a benchmark for organizational success and thrive. The suggestions drawn from each theory and model positions staff as a valuable asset that needs to be continuously motivated with the needful intervention of strategies and solutions that best suite them.

7. Implications for Research

Many organizations are exploring different concepts and theories, strategies, and established models that explain the application towards better employee retention to gain a competitive advantage. Future research should emphasize the creation and promotion of a sound working environment, better communication, and the rest of human development and motivation-related matters with an aim to retain the trained and matured workforce. Similarly, the culture of inquiry in this respective field of study should be initiated to explore more relevant system approaches to staff recruitment and selection process, empowerment with ownership and creation of their self-respect and dignity while being the member of an organization so that they would not dare to quit the organization. Of course, any study focused on the long-term cost and benefits of effective staff retention would serve work for both academia and industry.

8. Conclusion

Staff is a prerequisite for the effective management of an organization. They must be empowered and motivated with the right use of resources, strategies, and practiced models of retention. The existing theories and retention models need not necessarily be applied singularly rather it can mixture of them. Effective application of the existing theories in the workplace drive HR practitioners to grasp the exact scenarios that could result in desired outcomes leading with positive impacts for staff, organization, society, and hence to the nation. Creation of sound working environment, better communication right before the hiring process, better and selective recruitment and selection process, opportunities for advancement and development, comprehensive compensation package, fair performance appraisal system, open culture, flexible working hours, two-way communication system, and availability of succession planning are the most demanding retention strategies that can be practiced in the hospitality institution. The idea generated from the present work can be replicated in any type of organization. The inquiry proposed that directors, managers, and supervisors have eternal responsibilities to create circumstances that make staff stay by using the best suitable strategies, models, and underlying theories.

References

[23] S. Brar, "A conceptual stidy of employee satisfaction with its determinants provided at job and work place,"


