Cape Peninsula
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EMPLOYEE RETENTION IN SELECTED HOTELS IN CAPE TOWN, SOUTH AFRICA

By

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DECLARATION

I, Thandokazi Lulu Mbane, declare that the contents of this dissertation represent my own unaided work, and that the dissertation has not previously been submitted for academic examination towards any qualification. Furthermore, it represents my own opinions and not necessarily those of the Cape Peninsula University of Technology.

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Signed   **Date**

ABSTRACT

The hotel sector has been identified as experiencing the largest numbers of employees leaving their jobs within a short period of employment when compared to other sectors of the economy. The large number of employees leaving hotels within a short period of employment is perceived as detrimental towards business' success. This research is about testing the strength of the relationship between employee retention variables and employee retention in hotels in Cape Town, South Africa. The researcher firstly consulted literature (secondary data) in order to understand the hotel employee retention phenomenon. From the literature findings, the objectives of this research were formulated. The research objectives were built based on the literature findings in order to assess the strength of relationships between employees' perceptions of employee development, employee compensation, work engagement, good working relationship between line managers and subordinates, long working hours on the one hand; and employee retention in the hotel sector on the other hand.

As the research aimed at testing relationships between variables, a quantitative research method was deemed the appropriate approach. Structured questionnaire surveys, using non-probability sampling, were applied in the form of a convenience approach. Hotels willing to participate in the study were selected, as Cape Town has a large population of hotels. Data for this study was collected over a period of ten months. A bivariate analysis was applied in this research in the form of correlation and Chi-square tests, after descriptive statistics were done. Reliability tests also measured the level of internal relatedness of the variables used to explain employee retention and related constructs. The variables and constructs used in this study were tested for relationships. The major results showed that there are highly significant relationships between employee retention, on the one hand, and employee compensation, employee development, working relationship, work engagement, and working hours, on the other hand.

Some of the major recommendations offered by this study are that hotel managers should consolidate the implementation of performance-related pay and performance-related promotions in order to create an environment that supports creativity and ownership of responsibilities among hotel employees. Also, hotel managers should conduct teambuilding activities in their respective hotels to explore differences in perceptions among employees of different cultural groups, departments and positions; and try to address these perceptions, as significant differences between groups may have a negative psychological impact on their performance.

These and other recommendations of this study will enhance employee retention in the hotel sector.

Findings from this study have been recently published in three South African Department of Higher Education accredited academic journals; one regional journal and two international journals. Two international conference presentations were also made from the results of this study.

Key terms: Tourism and hospitality, hotel employees, employee retention, employee turnover, South Africa

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DEDICATION

I dedicate this dissertation to all my children (Indikhumbule, Yolanathi and Yololwethu Mbane). This is what 'mommy' was doing when she spent less time with you guys. I hope this dissertation will give you strength to do even much greater things than I did. Not forgetting all my family members both living and late. I would also like to share this platform with all those who have lost hope and think that they cannot do it. I want to say to you; stand up and do what you have to do to make whatever dream you have a reality. Once you are in motion; you will see things start falling into place. However, things will never fall in their place if you do not stand up and act on what you want to achieve. "***Destiny can never be stopped; it can only be delayed***". Keep pushing for your destiny.

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LIST OF ACRONYMS

Acronyms	Explanation
CBD	Central Business District
DEAT	Department of Environmental Affairs and Tourism
FOE	Front of House Employees
GDP	Gross Domestic Product
HR	Human Resources
HRD	Human Resource Development
IT	Information Technology
LMX	Leader Member Exchange
SA	South Africa
SABS	South African Bureau of Standards
SATOUR	South African Tourism Board
SA Tourism	South African Tourism
SPSS	Statistical Package for Social Sciences
Stats SA	Statistics South Africa
TGCSA	Tourism Grading Council of South Africa
WEF	World Economic Forum

CHAPTER ONE
INTRODUCTION AND BACKGROUND TO THE STUDY

1.1   INTRODUCTION

The operation of hotel businesses is highly service-orientated. This high service orientation is due to the inseparable nature of services in which these services are produced and consumed at the same time. Guests are part of a service production. The close encounter of an employee and a guest plays a significant role in the final decision-making of that guest's inferences on whether to come back to that specific hotel or not. Therefore, the employees' role can lead to the success or failure of the hotel business. In order for hotel businesses to be successful, they need to have employees who are well-trained, well-informed and motivated, with the necessary resources at their disposal (Kusluvan, Kusluvan, Ilhan & Buyruk, 2010:171).

Research however shows that the accommodation sector is filled with the highest numbers of employees leaving these establishments within a short period of employment (Davidson & Wang, 2011:236; Mohsin, Lengler & Kumar, 2013:49; Pearlman & Schaffer, 2013:217). The high turnover of employees in a hotel is perceived to be harmful towards its success. The costs of frequent movement of employees is visible in the organisational success in three dimensions; namely, 1) financial costs (such as advertising, shortlisting, interviews, selection, training and induction of new employees), 2) poor service quality and 3) loss in customer loyalty (Yam & Raybould, 2011:1; Yang, Wan & Fu, 2012:837; Kuria, Alice, & Wanderi, 2012:311; Mohanty & Mohanty, 2014:94).

Although employees seemingly play a big role in a hotel's success, the following variables were found to be associated with the high turnover rate of employees in a hotel establishment: 1) unfair compensation, 2) lack of good working relationships between line managers and subordinates, 3) lack of growth opportunities, 4) unclear work roles and 5) long working hours (Davidson & Wang, 2011:327; Kuria *et al.*, 2012:315; AlBattat, Som & Halalat, 2014:48; Mohanty & Mohanty, 2014:102). These variables associated with hotel employee turnover have been greatly researched worldwide. Although this area has been of interest to researchers across the globe, there is minimal data on this area in the South African context. Mohsin *et al.* (2013:49) found that frequent movement of employees in hotels is not country specific but rather a worldwide problem. AlBattat *et al.* (2014:45) mention that although the frequent movement of employees has been widely researched, further

research is still required, due to the human element and the changing conditions which hospitality is highly dependent on.

This dissertation focused on hotel employee retention in Cape Town, South Africa. This chapter will present the study's problem statement, research questions as well as this research's objectives. A preliminary literature review along with the methodological approach of how the primary data was collected and analysed is introduced. The chapter later discusses the significance of the study, the study's delineation and also shows the structure of this dissertation.

1.2   RESEARCH PROBLEM

Employee retention in the hospitality sector has been a matter of investigation worldwide in countries such as Australia (Davidson & Wang, 2011), China (Hon, Chan & Lu, 2013; Wu, Sturman & Wang, 2013), Cyprus (Zoipatis, Constanti & Theorcharous, 2014), Hungary (Ineson, Benke & Làszló, 2013), India (Mohsin *et al.*, 2013), Kenya (Kuria *et al.*, 2012; Msengeti & Obwogi, 2015), Malaysia (AlBattat *et al.*, 2014), Nigeria (Karatepe & Agbaim, 2012), Republic of Korea (Hwang, Lee, Park, Chang & Kim, 2014, Jung & Yoon, 2015; Kim, Im & Hwang, 2015), and Taiwan (Yang *et al.*, 2012) among others. This is due to large numbers of employees leaving hotels within a short period of employment, mostly within a year of being employed. The hotel sector has been identified as experiencing the largest number of employees leaving their jobs within a short period of employment when compared to other sectors (Mohsin *et al.*, 2013:49). This large number of employees leaving is perceived to be detrimental to the hotel business' success.

The danger of employees leaving their hotel establishments lies in threefold. 1) Within the inseparable nature of hotel services, where production and consumption occur at the same time, it is vital that a guest is attended to in a satisfactory manner if an organisation wishes to have repeat business. An instance where a guest is served by an employee who lacks knowledge about the operations of that hotel due to a high turnover rate; may lead to guests being dissatisfied with the business. The dissatisfaction of guests may lead to negative word of mouth spread to the friends, family and colleagues of that particular client. 2) The financial costs that accompany replacing an employee such as advertising a position, shortlisting, the interview process, screening and selection, training as well as induction of a new employee. 3) Loss of key employees which may occur in two instances. On the one hand, in a case whereby an employee has resigned with immediate effect, this will mean that the remaining employees will be required to do that job and will also need to cover the

tasks that were allocated to the former employee. This may put a strain on the remaining employees as they are required to ensure that there is no breakage in the service delivery system. On the other hand, even if the former employee is replaced immediately, the new incumbent will not be fully cognisant of the hotel operations. From time-to-time, a new employee will need to be assisted by the remaining employees. This may result in role conflict and inefficient service delivery to guests. For that reason, it is imperative that hotels ensure that they retain key employees as their business success depends on how a service is offered by an employee to a guest.

1.3 RESEARCH QUESTIONS

From the problem statement, this study therefore posed these research questions:

- What is the strength of the relationship between employees' perception of fair compensation and employee retention in the hospitality sector?
- To what extent is the strength of the relationship between employees' perception on employee development and employee retention in the hospitality sector?
- What is the strength of the relationship between employees' perception of work engagement and employee retention in the hospitality sector?
- What is the strength of the relationship between employees' perception of good working relationship between line managers and subordinates and employee retention in the hospitality sector?
- To what extent is the strength of the relationship between employees' perception of long working hours and employee retention in the hospitality sector?

1.4 OBJECTIVES OF THE STUDY

The primary objective of this study is to investigate the relevance of hotel employee retention factors that have been investigated worldwide in the South African context. Therefore the study aimed at testing the strength of relationship between related variables in hotels in Cape Town, South Africa. For that reason the following objectives were formulated:

- To determine the strength of relationship between employees' perception of fair compensation and employee retention in the hospitality sector.
- To determine the strength of relationship between employees' perception on employee development and employee retention in the hospitality sector.
- To discover the strength of relationship between employees' perception of work engagement and employee retention in the hospitality sector.

- To establish the strength of relationship between employees' perception of a good working relationship between line managers and subordinates and employee retention in the hospitality sector.
- To ascertain the strength of relationship between employees' perception of long working hours and employee retention in the hospitality sector.

1.5   PRELIMINARY LITERATURE REVIEW

Due to the inseparable nature of the hospitality sector where consumption occurs at the same time as production employees are seemingly playing the most prominent role in these organisations' success (Riley, 2011:2). Yang *et al.* (2012: 846) indicate that employee capabilities are part of an organisation's assets. The loss of these assets may lead to a reduction in organisational knowledge. The hospitality sector is found to be experiencing the highest numbers of employees leaving their jobs within a short period of employment when compared to other industries of the economy (Mohsin *et al.*, 2013:49). The challenge of employees leaving an organisation within a short period of employment has been perceived as detrimental towards service-based organisations.

Researchers such as Kuria *et al.* (2012:311), Yang *et al.* (2012: 837) and Mohanty and Mohanty (2014:94) discovered that the constant movement of employees affects an organisation in threefold; namely through: 1.) financial costs (advertising a position, time consumed in interviews, shortlisting, training and induction), 2.) service quality breakage and, 3.) customer loyalty. The costs (financial costs, service delivery and customer loyalty) associated with employee turnover have been perceived as detrimental to service organisations' success. This challenge of employees leaving a hotel establishment within a short period of employment is widely investigated (Davidson & Wang, 2011:236; Mohsin *et al.,* 2013:49; Pearlman & Schaffer, 2013:217). The high employee turnover has led to developments of studies on how to retain the workforce (Hausknecht, Rodda & Howard, 2008:6; Chen & Wallace, 2011:25; Hong, Hao, Kumar, Ramendran & Kadiresan, 2012:68-70; Karatepe & Karadas, 2012:614; Kim *et al.*, 2015:79; Jung & Yoon, 2015:24; Msengeti & Obwogi, 2015:1). The challenge of losing employees and finding ways of retaining a hotel workforce has been found not to be country specific; but rather a problem that is affecting different parts of the world (Mohsin *et al.*, 2013:49). AlBattat *et al.* (2014:48), Davidson and Wang (2011:327), Kuria *et al.* (2012:315), and Mohanty and Mohanty (2014:102) allude that hotel employment is allied with poor working conditions such as long working hours, unclear workplace roles, lack of good working relationships

between line managers and subordinates, lack of communication from top to bottom organisational hierarchy and vice versa, and unfair compensation.

This study intended to understand the strength of relationship between employees' intention to leave the hospitality sector with regard to a.) fair compensation, b.) employee development, c.) work engagement, d.) good working relations, and e.) long working hours. These aspects are discussed further below:

1.5.1 Fair compensation

People engage in work activities in order to live comfortable and reliable lifestyles. Fagan (2011:241) states that employment offers intrinsic rewards such as self-esteem, fulfillment and satisfaction from doing a good job, social interaction with colleagues and higher social status than the unemployed. Ineson *et al.* (2013:32) say that pay is the factor that most significantly contributes to job satisfaction. Jung and Yoon (2015:22) point out that reasonable reward has the capacity to allow workers to be satisfied with their jobs. Karatepe and Karadas (2012:620) further expand that proper levels of pay and other rewards are an indication of top management's commitment to service quality, leading employees to be satisfied with their job as their efforts are recognised. Jung and Yoon (2015:25) find fair pay to be a strategic policy that has the ability to increase employee job engagement and decrease job withdrawal. Mohanty and Mohanty (2014:108) suggest that management should create reward structures that are lucrative in order to attract and retain their employees.

1.5.2 Employee development

Employees' perceptions of organisational support have to do with opportunities the organisation has for its employees. Employee development programmes then come to surface. Qureshi (2016) articulates that training and development is said to be the formal on-going efforts that are created within the organisation aimed at improving the performance of employees. Qureshi (2016) further expands that development programmes are filled with different types of training, which an interested employee could participate in, in order to grow as an individual as well as to be part of a team that has the mandate of delivering the services to the consumer. Blattman and Ralson (2015:8) indicate that training is possibly one of the most pervasive employment interventions. Houle and Campbell (2016) state that employees are attracted to their jobs because there are visible chances of growing within the company. In addition Houle and Campbell (2016) articulate that employees are attracted to an organisation that makes use of their abilities of being fast learners and multi-talented and which provides challenging work opportunities. If employees feel effectively utilised and valued in an

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organisation, this may lead to job satisfaction. Being utilised effectively may mean that an organisation appreciates its employees. Chen and Wallace (2011:25) identify multiskilling of workers as one of the main reasons of increasing productivity; meaning that if workers are fully aware of what is happening in their organisation and are able to fill in other posts, they will be fulfilled and this may also decrease the likelihood of employees intending to leave.

1.5.3 Work engagement

Msengeti and Obwogi (2015:3) outline that a positive work environment can make an employee feel good about coming to work. Zopiatis *et al.* (2014:130) refer to job involvement as active participation in one's job. This also entails viable communication between managers and subordinates. For example, employees of a hotel establishment need to be kept updated about what is going on in the organisation, in terms of events, special promotions, change of policies or strategies and special arrangements for a particular guest. Employers also need to engage employees with any changes that are linked to them. Although employees may not be able to change any policies of the workplace, if the workforce is informed about those decisions, it then becomes easier to become aligned with whatever changes need to be implemented. Zopiatis *et al.* (2014:130) further indicate that job involvement provides the opportunity for employees to make decisions relating to their work. Chen and Wallace (2011:25) establish that employee engagement improves the productivity and international competitiveness of organisations as it develops the skills of workers. Allowing employees the freedom to take part in decisions that affects them empowers employees. Engaging workers at all levels of the organisation increases the chances of workers staying with the organisation.

1.5.4 Good working relations

Lam and Chen (2012:9) suggest that managers need to guide and support their subordinates in order for these employees to feel wanted and valued in the organisation. Dale Carnegie Training (2012:3) indicates that when employees feel wanted and valued by their managers, negative emotions are eliminated and in most cases employees would work in the organisation as if it were their own company. Dale Carnigie Training (2012:3) adds that feeling valued, inspired, enthused, confident and empowered are key emotions that lead to engagement. Managers however need to be aware of favoritism in the workplace, as it can create animosity amongst employees. Lam and Chen (2012:8) discover that there is a link between supervisory support and interactional justice. Ineson *et al.* (2013:32) mention that job satisfaction is not only driven by financial compensation but that social involvement is equally important.

1.5.5 Long working hours

Fagan (2011:241) articulate that in low income levels people are motivated to work long hours to increase their income. An employee's intention to leave an association with long working hours is highly arguable. The arguments stem from prospective employees' awareness of working hours when applying for a position in the hospitality sector. Educational institutions that offer courses related to the hospitality fields, inform their students about long working hours, weekend and holiday work. Therefore, one can argue that, employees of the hospitality sector enter this market with enough information on how it operates and are willing to work those extra ordinary hours. Long working hours are seen in the hospitality sector as one of the conditions of this sector. Mohanty and Mohanty (2014:102) allude to long working hours as an example of the poor working conditions in the hotel industry.

The literature reviewed shows some level of relationships between employee retention and other constructs in the following Figure 1.1. This will form the background of this study.

1.5.6 Proposed theoretical framework
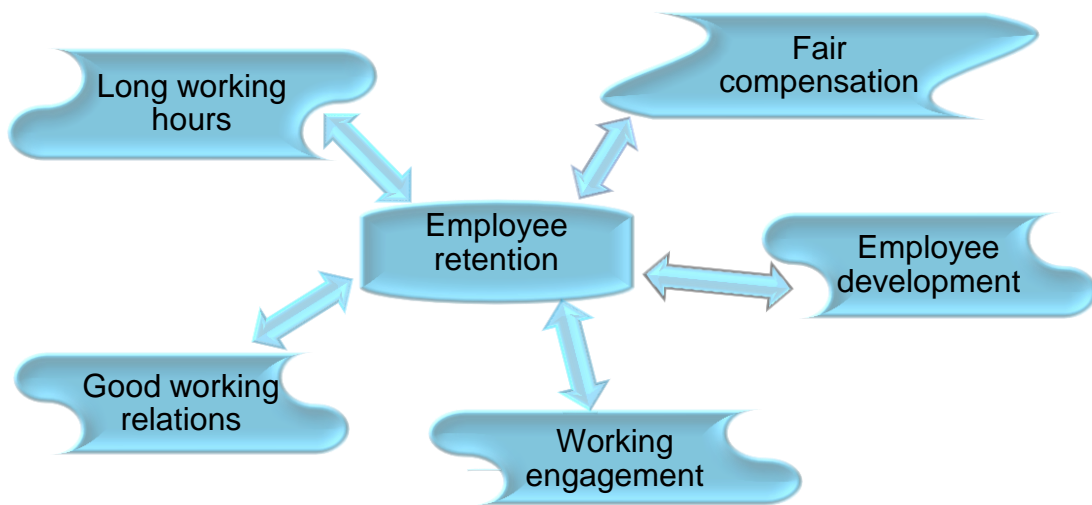
Figure 1.1: Proposed theoretical framework

Findings from the literature assisted the current study in examining employee turnover in relation to selected hotels in Cape Town, South Africa. This study's literature was guided by the dependent and independent variables that are associated with employee turnover in the hospitality sector.

Based on the aforementioned arguments, the following research design and methodology were formulated.

1.6 RESEARCH DESIGN AND METHODOLOGY

This section provides an overview of the research approach and methods which this dissertation employed.

1.6.1 Population, sampling and research design

Sampling is a technique employed to select a small group (the sample) with a view to determine the characteristics of a large group (the population). A sample is used to simplify the research – it is easier to study a representative sample of a population than to study the entire population. Sampling also saves time and costs (Brynard, Hanekom & Brynard, 2014:57).

Sampling involves probability and non-probability methods. Probability sampling entails a sampling method in which all the members of a population have an equal chance of being selected in the study, to reduce bias (Veal, 2011:355). This involves a type of random selection (example, simple random, systematic random, stratified random, and cluster sampling). This study made use of a non-probability sampling method. Non-probability sampling, according to Babbie (2010:197) gives some elements of the population a zero chance of being selected, based on non-random sampling (example, convenience sampling, quota sampling, and purposive sampling). Studies can use non-probability sampling, when probability sampling is not realistic. A non-probability sampling was applied in a form of a convenience approach in this research. Zikmund, Babin, Carr and Griffin (2013:392) and Quinlan (2011:479) describe a convenience sampling as an approach that obtains information from the population that is available. Hotels willing to participate in the study were selected, as some hotels did not feel comfortable having studies conducted with them. Cape Town has a large population size of hotels, and this made it easier to find participating hotels for this research.

This study aims at exploring factors influencing employee retention in Cape Town hotels, focusing on three to five star graded hotels. According to the Cape Town International Convention Centre (CTICC, 2013), there are seventy seven hotels in Cape Town that are three to five star graded (study population). These hotels are dispersed in different areas of Cape Town. A desired sample of 200 respondents (sample size) was aimed for from participating hotels. This sample size was the minimum target for this study, as further explained in the Chapter three (3) - Research Methods section of this study.

This sample size is selected based on Veal's (2011:361-362) proposition that the absolute size of the sample is more important than the sample size relative to the population. There is a general misconception among researchers that the size of a sample should be decided based on its relationship to the size of the population (say 5% or 10% of the population). The criteria for sample size selection should be determined based on the level of precision in the results, the level of detail in the proposed analysis, and the available budget (Veal, 2011:361-362).

1.6.2   Research methods and instrument validity and reliability

The following section will discuss the validity and reliability of the instrument used in this study's research methods.

1.6.2.1 Research methods and data collection

Research methods consist of qualitative, quantitative, and mixed methods. Qualitative methods rely on words and sometimes images, as the unit of analysis, while quantitative methods involves numbers and lends itself to statistical analysis (Veal, 2011:125). Bernard (2013:9) articulates that each scientific discipline needs to develop techniques of gathering and handling data. Contemporary tourism, hospitality and leisure planning require quantified data for decision making, as they are mass phenomena (Ezeuduji, 2013:4). A questionnaire survey is therefore a very common method used in obtaining quantified data. This study therefore used a questionnaire-based survey to obtain quantified information on employment retention and related variables. Statistical tests of the strength of relationships between employee retention variables and related variables can be appropriately done using questionnaire survey information.

A total of about 210 employees in three to five star graded hotels in Cape Town were eventually surveyed using a respondent completed structured questionnaire. Hotel managers identified employees to facilitate the study. Questionnaires were handed out to the Human Resources Departments or related units (for example, reception) in the hotels. The employees facilitating the study at different hotels handed out these questionnaires randomly to other employees who were willing to participate in this study, who became respondents to this study. Completed questionnaires were later collected by the researcher.

About ten (10) questionnaires were used for a pilot study, to obtain feedback from respondents on the clarity of questions and their understanding. Feedback collected

from the pilot study respondents did not come back with any lack of understanding. Consequently, the questionnaires were used without any changes.

1.6.2.2 Questionnaire variables, measure of constructs and data analysis

Previous researchers on employee retention, such as Hausknecht *et al.* (2008:6), Hong *et al.* (2012:68-70), and Jung and Yoon, (2015:24) report different factors impacting on employees' willingness to stay in the workplace. For the purpose of this study, the main factors that can impact on the hospitality sector's employee retention were selected, which relate or encompass the factors identified in existing literature. These are namely; a.) fair compensation (Hong *et al.*, 2012:62; Jung & Yoon, 2015:24), b.) employee development (Hausknecht *et al.*, 2008; Jung & Yoon, 2015:24), c.) work engagement (Hausknecht *et al.*, 2008; Hong *et al.*, 2012:62; Jung & Yoon, 2015:24), d.) working relationships (Hausknecht *et al.*, 2008), and e.) flexible work hours (Hausknecht *et al.*, 2008).

The questionnaire consisted of two sections: a.) respondents profile and general satisfaction level, and b.) employee retention questions and related variables for employee retention. Section A was mostly nominal or categorical questions or variables, while section B included 5 point Likert-scale questions – ordinal variables (ranging from strongly agree to strongly disagree responses).

Data analysis was done using IBM's Statistical Package for Social Sciences (SPSS) Statistics, version 24. After the data had been collected using the questionnaire, the first stage of data analysis conducted descriptive analyses (frequencies, mean and standard deviation). The second stage of data analyses used a non-parametric bivariate analyses (comparing two variables), using Correlation test and Chi Square test. Reliability analysis for the Likert-scale section was done using Cronbach's Alpha. The results were presented using tables.

1.6.2.3 Reliability and validity of research instrument

Reliability is defined by Kumar (2014:7) as a research procedure that has the ability to repeat the same process and obtain similar results. Bernard (2013:45) refers to validity as the accurate trustworthiness of the instruments, data and findings in research. Kumar (2014:7) articulates that validity is about ensuring that the correct procedures have been applied in research. 'External validity' of this research, can be regarded as the extent of generalising the obtained results from the sample size studied to a bigger population increased with the relative large size of the sample size used (200). In social sciences, however, absolute validity cannot be guaranteed (Veal, 2011:46), due to significant social dynamism across groups of people. 'Internal

validity' (the extent to which the study identifies and measures all relevant variables') is enhanced through using variables identified in literature, and other variables emanating from the researcher's personal knowledge (Ezeuduji, 2013:5; Veal 2011:46).

In social sciences also, complete reliability (achieving same results, if the study is repeated later using different respondents) is quite rare. Humans, the subject of this study, live in ever-changing socio-economic situations; therefore further studies are always needed to track human ever-changing conditions and needs (Ezeuduji, 2013:5).

1.7   ETHICAL CONSIDERATIONS

Babbie (2010:64) asserts that each and every person that is involved in social research needs to be governed by general agreements from researchers about what is proper and what is improper when conducting research. For that reason, the Cape Peninsula University of Technology's (researcher's institution) ethical committee controlled and issued ethical clearance to conduct this study, upon receipt of consent letters from hotels (subject to this investigation).

Social research is perceived as interference into people's lives, as it may require participants to respond to questions that they may feel are confidential; implying that participation in social experiments disrupts the subject's regular activities. Consequently, letters of consent to conduct this research were obtained from hotels that were willing to participate in the study.

Veal (2011:392) puts forward that researchers should put necessary precautions in place, such as ensuring that real names of organisations or people are not labelled in the research materials. For that reason, participants who were willing to take part in this study were assured of their responses' anonymity. The respondents were informed that the results from this study will be confidential and their views will not be labelled as 'x said this', but rather the study will use statistics to reveal the entire population's opinions on the matter under investigation. Liamputtong (2011:25) stipulates that confidentiality in research aims at concealing the true identity of the participants. The study also ensured that participants were not deceived about the aims of the research, as stated in the introduction note given to the participants (see Appendix B). The respondents were also informed about their right to withdraw should they wish to do so, at any point in time during the study.

1.8   THE SIGNIFICANCE OF THIS STUDY

Hotel employees' intentions of leaving their jobs have been explored in the international academic arena. However, there is minimal availability of data related to hotel employee retention in South Africa's context. For that reason, this study has assessed variables that can influence employee retention in the South African context. This study will not only benefit hospitality enterprises but would also benefit policy makers in ensuring that relevant policies are made and executed in the hospitality sector.

The investigation of employee retention will be of great significance in South Africa as it intends on revealing ways of improving service delivery in hotels. This paper will therefore, enlighten hotel management on strategies of maintaining and retaining a skilled workforce within the hospitality sector. This study should be viewed as a starting point for Cape Town, South Africa in developing theory about employee intentions to leave their hotel jobs and also learning ways of improving the working conditions of this market. This study, therefore, will benefit employees, hotel organisations and customers.

1.9   DELINEATION OF THE STUDY

With regard to the research objectives, the study focused solely on the selected graded three, four and five star hotels in Cape Town areas. These areas consisted of Cape Town Central Business District (CBD) and Atlantic Seaboard (Green Point, Sea Point, Bantry Bay and Camps Bay).

The study adopted a quantitative approach of data collecting methods. The designed questionnaire was distributed to the employees of the targeted three, four and five star hotels in Cape Town.

1.10   EXPECTED OUTCOMES, RESULTS AND CONTRIBUTIONS OF THE RESEARCH

The research will bring about knowledge on the strength of relationships between employee retention variables using hotels in Cape Town, South Africa, as points of departure.

1.11 CHAPTER OUTLINE

The study was divided into five chapters, as outlined below:

Chapter One

Chapter one is introductory in nature. In this chapter the research problem is discussed. This is followed by the research questions, objectives as well as the reviewed preliminary literature. The methodological approach of the data collection is then discussed. Thereafter the research's significance and how the study was delineated are made known. Lastly the chapter shows the expected outcomes of the study as well as how the subsequent chapters are structured.

Chapter Two

Chapter two discusses the literature reviewed. The chapter provides an overview of the hospitality sector. In this section the hotel and employment relations are defined. This is followed further by the discussion of labour turnover as well as the manner in which turnover affects a business. This section discusses different aspects of how to retain this workforce.

Chapter Three

This chapter outlines the methodological approach to this study. The section discusses the sampling technique applied in this research and the manner in which the data was collected. Data analyses methods and justifications are also discussed.

Chapter Four

In this chapter, the results are presented using tables, discussed, and compared, where relevant, to other scholar's studies.

Chapter Five

Chapter five outlines conclusions and recommendations for this study.

1.12   CHAPTER SUMMARY

The first chapter served the purpose of introduction and background to the study. The chapter showed the research problem, research questions and objectives proposed by the study. In addition, a preliminary literature review was introduced, followed by the methodological approach of how the primary data was collected and analysed. The chapter further provided the significance of the study as well how the research was delineated. This was shortly followed by the chapter outline of the dissertation.

The chapter that follows will provide an in-depth review of the literature.

CHAPTER TWO
LITERATURE REVIEW

2.1 INTRODUCTION

A literature review is perceived to be an evaluation of available information in relation to the research under investigation. According to Tummons and Duckworth (2013:50) a literature review is a way of demonstrating to the reader that the researcher has a good and a critical working knowledge of the subject under investigation. Hart (2011:13) points out that a literature review is about expressing certain views through a selection of available information and ideas. The information can be mostly gained from journal articles, internet websites, books, newspaper articles, archived documents and different kinds of reports (such as government gazettes and unpublished reports). Baggio and Klobas (2011:5) report that the attained information needs to be associated with existing entities and concepts in order for it to be useful.

Tummons and Duckworth (2013:53) express that a literature review is an essential part of an investigation as it allows the researcher to demonstrate a wide and deep reading about the area of investigation. As this research is about employee retention in selected hotels in Cape Town, South Africa, the reviewed literature was structured as follows: this chapter firstly provides a brief overview of the tourism industry in South Africa. The chapter further discussed the South African hospitality overview, along with the context of hotel employment and its relevance to hotel success or failure. From hotel employment and employee role discussions, factors leading to hotel employee retention or turnover were discussed. The reviewed literature also reflects on studies conducted in some other nations, based on availability of literature, with regard to hotel employee turnover or retention. Lessons learned from the reviewed literature on employee retention or turnover in hotels form the basis for this research.

2.2 THE TOURISM INDUSTRY IN SOUTH AFRICA

The global travel market is one of the fastest growing economic sectors in the world (South African Tourism Review, 2015:ii). The growing technological change and the easy connectedness of transportation networks have led to the growth of tourism in a global scale. Tourism has remained the key economic sector in the world economy (Martins, 2014:61). To date, tourism is considered to be the fastest growing industry worldwide (World Economic Forum, 2015:3) and is renowned as an economic driver of the 21st century based on its spill overs to other sectors of the economy. Roday, Biwal and Joshi (2012:12) confirm that the tourism industry is a wide industry which

constitutes of different sectors of the economy, whose main objective is the provision of services to meet the needs of travellers. The sectors of the economy which the tourism industry is connected to are: transportation, hospitality, arts and crafts, travel agencies and tour operators, game parks, attractions, events, meetings as well as the public sector support services.

Dao Truong and Hall (2013:2) elucidate that tourism significantly contributes to many national and regional economies and it is one of the largest global economic sectors. According to the South African (SA) Tourism Review (2015:6), South Africa has experienced a remarkable growth in international tourist arrivals over the past two decades. Additionally, the SA Tourism Review (2015:vi) states that South Africa has successfully capitalised on its post-liberation status and steadily grew the international market to a total of 9.5 million tourists in 2014. Stats SA (2015:3) reveals that in September 2015 alone, South Africa received a total of 3 308 607 travellers (arrivals, departures and transits). The figures show a domestic market increase in arrivals of 2.1% (from 432 682 in September 2014 to 441 941 in September 2015), departures also increased by 4.1% (from 431 199 in September 2014 to 448 673 in September 2015), and transits increased by 13.5% (from 825 in September 2014 to 936 in September 2015) (SA, 2015:3). These increases were also seen from international arrivals that experienced a 1.3% (from 1 210 682 in September 2014 to 1 226 735 in September 2015) accumulation, while departures increased by 0.8% (from 1 101 855 in September 2014 to 1 110 258 in September 2015), and transits increased by 12.6% (from 71 116 in September 2014 to 80 064 in September 2015) (SA, 2015:3).

South Africa is prominent for its beautiful beaches, a variety of wildlife within the luxurious game lodges, shopping malls, extensive sports and recreational facilities as well as world class casinos and resorts (Kleynhans & Zhou, 2012: 11343; Naude, Kruger & Saayman, 2013:331). The World Economic Forum (WEF) (2015:5) specifies that the South African tourism competitiveness stands at the ranking number of forty eight when compared to one hundred and forty-one other countries world-wide. Taal (2012:3) states that tourism in South Africa is the fourth largest generator of Gross Domestic Product (GDP) following mining, quarrying and manufacturing.

Arrays of different kinds of tourism are pursued in South Africa in order to promote economic development (Rogerson & Rogerson, 2014: 94). The national government in 2015 invested R1.6 billion in tourism growth and development as compared with the R81 million budget allocation in 1994 (South African Tourism, 2015:2).

The above cited statistics portray that the tourism capacity in South Africa has expanded immensely. Even though South African tourism has seen an increase in terms of visitor numbers, Kleynhans and Zhou (2012:11343) lament that the country is faced with challenges that can affect the long-term growth of this industry. These include the negative perceptions of crime and remoteness of the country from Europe and North America as well as rising oil prices and subsequent increased costs of air travel (Kleynhans & Zhou, 2012:11343). The SA Tourism Review (2015:vi) finds immigration laws, airlift, safety concerns and xenophobia to be challenges that tourism in South Africa is confronted with, and may hold back further growth in the industry. The SA Tourism Review (2015:22) also mentions that a challenge faced by tourism is the weakening South African Rand against a number of foreign currencies which eroded SA Tourism's marketing budget in these markets.

Anderson (2015:1) suggests that tourism be backed with collaborative efforts from all stakeholders, increased investment in key areas, a well-trained tourism workforce and appropriate policies. It seems as if South Africa is aligned with this recommendation as SA Tourism (2015:3) conveys that tourism growth in the country is the result of collaboration of Government, the industry role-players and SA Tourism. SA Tourism also suggests that this relationship needs to be maintained in order to sustain and enhance the further growth and competitiveness of the country (SA Tourism, 2015:3). Zopiatis, Constanti and Theocharous (2014:129) posit that the sustainability of the tourism and hospitality sector depends highly on the performance of its human resources' effective and efficient practices.

2.2.1 The hospitality sector in South Africa

South Africa Info (2012) posits that the South African tourism industry has the capacity of connecting different sectors of the economy. Hospitality forms part of the tourism industry, along with accommodation, food and beverage services. The accommodation component includes hotels, bed and breakfasts, caravan parks, camping sites, inns, game lodges and time sharing of apartments at resorts. The food and beverage component includes restaurants, coffee shops, tearooms, fast food outlets as well as other catering services (Ford, Sturman & Heaton, 2010:4; South African hospitality outlook; 2013-2017:1; Taal, 2012:3).

According to Van der Sandt (2012:1) the hospitality sector in South Africa is an integral part of the country's growing economy. The Department of Labour (2006:3) states that the hospitality sector is accepted as being one of the growing engines of the South African economy. Taal (2012:4) adds that the hospitality sector in South

Africa forms the largest part of the tourism industry (where hospitality sector contributes 67% towards the industry and travel sector, only 16%). Taal (2012:4) further posits that the vast majority of hospitality businesses in South Africa are small, micro and medium-sized enterprises (making up 90% of the sector), with very few large enterprises.

Roday *et al.* (2012:6) put forward that the hospitality sector is concerned with providing the necessary services with a welcoming attitude within defined levels of service which the customer has to pay for. However, competition is fierce in the hospitality sector as a large number of businesses operate under this umbrella. Communications' technology and air travel have compressed the world into an accessible global village, and competition has also heated up (SA Tourism Review, 2015: ii). Noruwana and Tanner (2012:41) attest that organisational operations in the modern world are faced with uncertain and dynamic competitive environments. Organisations operating under the hospitality sector need to ensure that customer needs and wants are met on a consistent basis. Ford, *et al.* (2012: xii) indicate that hospitality products are intangible and the hospitality experience may not physically exist.

Noruwana and Tanner (2012:41) found that new technologies, diversified demand, reduced lead-time and intensified global competition form part of the external environmental pressure impacting on the hospitality sector. Anderson (2015:2) proposes that in order to function and participate successfully in the global market, tourism service providers need to have employees who are creative and innovative, highly skilled and who are able to respond to the ever emerging challenges of globalisation. The success of the hospitality sector depends on good word of mouth, referrals and returning customers. Customers in the hotel and hospitality sectors are referred to as guests, Ford *et al.* (2012: xiii) mention that it is a fundamental concept that the hospitality sector creates a culture of treating each customer as a guest. Additionally, Ford *et al.* (2012: xiii) suggest that the term 'guest' must always be used by hospitality organisations instead of 'customer'; so that a guest-focused culture can be created in this sector.

2.2.2 Hotel business in South Africa

According to Kleynhans and Zhou (2012:11343), hotels form the largest component of the hospitality sector. The hotel sector is formed by businesses whose primary focus is the provision of shelter to travellers. Page (2011:154) mentions that hotels not only meet the traveller's core basic requirement which is shelter for the night but

also provide secondary services and products. These secondary services may include food and beverages, shuttle services, business services amongst others. The Tourism Grading Council of South Africa (TGCSA, 2013) describes a hotel as a formal accommodation with full or limited service to the traveling public, reception area, dining facility, and a minimum of four rooms. According to Phạm (2012:10) hotels can be categorised into three fundamental service levels. Namely: 1) economy class, 2) mid range and 3) luxury. These service levels may be offered in a resort, commercial, transit or residential hotels (Phạm, 2012:11).

Rogerson (2013: 115) mentions that from the 1920s to the late 1960s, the South African hotel industry was linked primarily to the liquor sales and only after 1960s it began to focus on providing accommodation as the core service. In addition, Rogerson found that the liquor domination of the early hotel industry was a consequence of government policy which aimed at controlling the places in which alcohol was consumed. The 1976 Soweto uprising led to the country's disconnection from the international tourism market and this led to hotels focusing on the domestic South African tourism market (Rogerson, 2013: 115). During the 1990s, a collection of new innovative hotel products were initiated in South Africa; such as the airport hotels, the all- suite hotels, the boutique hotels, the limited service hotels and large luxury hotels (Rogerson, 2013:113).

To date, a mix of business and holiday travellers are found in South Africa; hence the wide variety of hotel classes and accommodation (South African Hospitality Outlook; 2013-2017:2). Various hotel chains are also found in South Africa. These hotels offer consistent standards throughout their properties, allowing travellers to anticipate the level of comfort and service at other hotel chains (South African Tourism, n.d). A hotel chain is identified by Andrews (2011:19) as a series of hotels operating under a certain brand name and can be found on a national, provincial and international scale. Local and international hotel chains that dominate the South African hotel sector include the Southern Sun, Sun International, Protea Hotels, City Lodge Group, Legacy Hotels and Resorts, Accor Hotels, Rezidor Hotel Group, Hyatt, Hilton and Sheraton (Naude *et al.*, 2013:331). Categories of travellers that may make use of hotels are depicted in Table 2.1.

Table 2.1: Categories of travellers that may make use of hotels

Business traveller	Leisure traveller

• Corporate traveller
    ○ Business, persons, company and executives
• Commercial group traveller
    ○ Delegates to: conventions, training programmes, meetings and seminars
• Institutional traveller
    ○ Government associations, societies and educational institutions
	• Family traveller
	    ○ Vacationers, family reunions, sightseers
	• Single traveller
	    ○ Hitch-hikers, youths, students
	• Special interest traveller
	    ○ Sports, architecture, wildlife, health, fishing, shopping and culture

(Adapted from Andrews, 2011:107)

Table 2.1 shows the different markets that make use of hotels. Hotels are mostly categorised based on the service standards (star grading) of their operations and in some cases the carrying capacity of that specific establishment. SA Tourism emphasises that star grading systems provide an assurance in the mind of guests concerning different accommodations' level of comfort and service to be anticipated. Star grading systems for accommodation exist in many countries (SA Tourism Review, 2015:27). Britain for instance, makes use of AA hotel services to inspect and give assurance of a certain quality standard of that specific accommodation establishment (AA hotel services, 2011:2).

Over the past decade, the South African tourism industry also recognised the importance of quality assurance as a means of gaining a competitive advantage (Du Plessis & Saayman, 2011:131). Grading in South Africa dates back to 1965 where only hotels were graded. Then in 1992 the South African Tourism Board (SATOUR) took over this responsibility, allowing hotels to voluntarily register for grading, and this only received a small percentage of willing participants (Du Plessis & Saayman, 2011: 131). In 1999 this system was claimed to be ineffective by some major hotel groups, which led to it being discontinued.

The Tourism Grading Council of South Africa (TGCSA) was established in 2000 in order to implement and manage the tourism grading system (Tourism Act No 3, 2014:24). The TGCSA was then registered by the then Department of Environmental Affairs and Tourism (DEAT) as a Section 21 Company in August 2000 and was officially launched as a national star grading scheme on 29 November 2001 (Du Plessis & Saayman, 2011:131). The South African Tourism Act No.3 (2014:22)

indicates that the national grading system for tourism scheme may classify tourism services, facilities and products classes based on the ground of their nature, variety, availability, extent and quality.

In 2002 the TGCSA grading facilitators were introduced in South Africa (TGCSA, 2013). According to Du Plessis and Saayman (2011:131) the aim of TGCSA is to ensure that a process of quality accuracy is continuously sought across tourism facilities and services offered to consumers in South Africa. Kleynhans and Zhou (2012:11343) indicate that the functional and physical characters of an establishment, including the range and level of service that an establishment provides for the guests, are the main determiners for the star grading criteria of the TGCSA.

The star grading ranges from one star to five star, where one star reflects an acceptable standard, and five star portrays an international first class standard (South African Tourism, n.d:71; AA hotel services, 2011:20; Kleynhans & Zhou, 2012:11343). According to the TGCSA (2013) all star- graded establishments need to have on-site personnel that can be contacted at any point in time, with a formal reception area, en-suite bathroom facilities, housekeeping, food and beverages services; while four and five star hotels need to have an addition of onsite parking with security for guests, valet service, room service, concierge, and luggage handling. In these establishments central business centres need to be provided with a range of miscellaneous services e.g. baby/child minding service, massage service, shoe polish, delivery of newspapers, full housekeeping and laundry services (TGCSA, 2013).

The business environment nowadays is unpredictable, thus hotels are competing for a larger share in the market and customer- driven quality management is becoming an ideal method of improving performance (Kleynhans & Zhou, 2012:11342). Nasurdin, Ahmad and Tan, (2015:344) stipulate that the hotel industry has become one of the most competitive of all service industries. Therefore, a viable way to combat competition is to increase the level of service quality through the performance of employees, including extra work related behaviour. Abukhalifeh and Som (2014:41) insist that hotels worldwide pay attention to detail in their service quality as it reflects their standard and also creates a positive image of their product and service. However, Mohanty and Mohanty (2014:94) allude that the accommodation sector is highly dominated by private entrepreneurs, offers low pay, has low career opportunities, poor employment conditions, has low job security and more labour management is needed in this sector.

Luoa, Qub, and Marnburgd (2013:456) indicate that human resource management is crucial to increase hotel competitiveness due to increasing globalisation and international competition. Moreso, the online databases of peer reviewed products and experiences seem to be taking over the market (SA Tourism Review, 2015:27). The SA Tourism Review (2015:viii) articulates that the Star Grading system has been eroded and replaced by market instruments such as Trip Advisor, and as a result, industry participation has steadily declined in South Africa. According to the United Nations World Tourism Organisation (UNWTO), report on online guest reviews, hotel classification systems and consumer reviews should complement the grading programs of different countries (South African Tourism, 2015:15). Abu Dhabi was the first city to integrate consumer reviews with quality assurance (SA Tourism, 2015:15).

South Africa is also trying to integrate the online reviews with the quality assurance due to the problems that the TGCSA has been experiencing (a number of graded establishments pulling out of the association). The duty of integrating online reviews and quality assurance was assigned to the SA Tourism by the South African government. However, SA Tourism seems to be under the impression that they are not the correct institutional home to be assisting with this dilemma. Rather, they recommended that this duty be assigned to the South African Bureau of Standards (SABS) as they have the necessary competencies and institutional mechanisms to grow star grading into a successful and largely self-sustaining tourism certification system and is already home to the Responsible Tourism Standard (SA Tourism Review, 2015:viii). The use of internet and social media has shortened the purchase-decision process, as value-seeking consumers are able to collect information, read reviews, compare prices, and buy products and services online (South African Tourism, 2015:13). That being the case, prospective guests are interested in features depicted in the following Figure 2.1. The figure shows the perceived elements that have the capacity to make a hotel business a success.
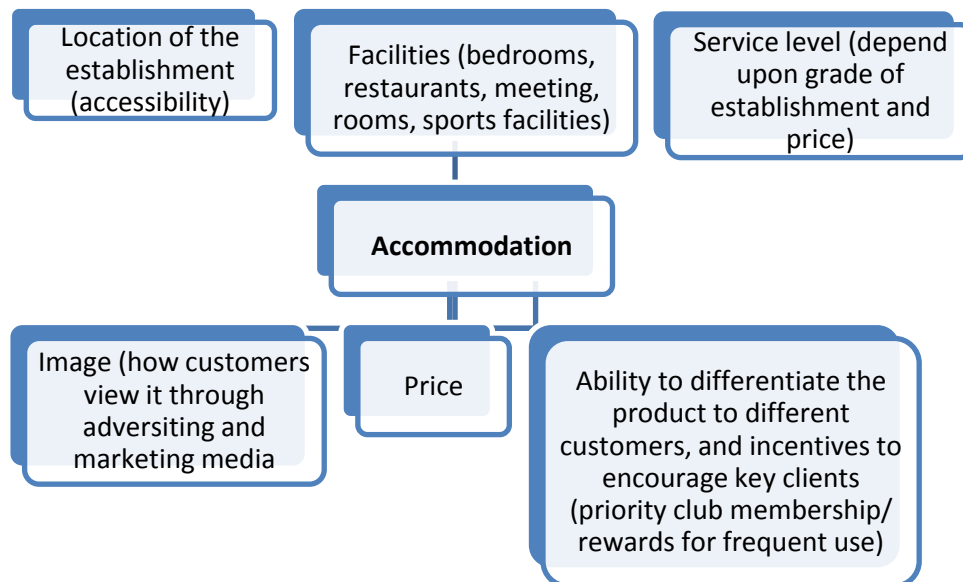
Figure 2.1: Important elements of operating a successful accommodation business (Adapted from Page, 2011:157)

Hotel establishments should therefore continually pay attention to the features depicted in Figure 2.1 above, in order to maintain their competitiveness within the hotel sector.

2.3   THE CONTEXT OF HOSPITALITY AND HOTEL EMPLOYMENT

According to the Department of Finance (2012:4), tourism in South Africa has the prospective to foster development and create new employment opportunities. Employment and tourism are intrinsically co-related to each other as tourism has long-term socio-economic impacts on the host economy and community (Shukla & Ansari, 2013:1). The impacts of tourism on employment go beyond employment in sectors that tourists directly spend their money on, such as hotels, restaurants and airlines (Shukla & Ansari, 2013:1). Over 260 million jobs worldwide are provided by the tourism industry, either directly or indirectly including other related sectors (Department of Finance, 2012:4). Tourism's direct and indirect impacts in South Africa contribute over 9% to the country's GDP and support over 1.4 million jobs (South African Tourism, 2015:2).

Hotels, being part of the hospitality sector, play a major role in employment contribution either directly or indirectly. Direct employment is pointed towards those jobs that the hotel establishment performs on its own. For example, a hotel is operated by different departments (such as, human resources, food and beverage, finance, marketing, legal and operations departments). The people performing in these departments are directly employed by that specific hotel. The establishments which receive tourists also buy goods and services from other sectors that generate

employment in those sectors through multiplier effect (Shukla & Ansari, 2013:1). This refers to indirect employment pointed towards revenues earned from a hotel but not necessarily employed by the hotel. For example, suppliers of inventories (such as toiletries, cleaning detergents, fruits and vegetables, meat, beverages, and in some cases gas and generators) to a hotel are not directly employed by that establishment however they receive income based on the payment receipts from the hotel business.

Direct employment by hotels has been recorded as offering poor working conditions. Ford *et al.* (2012:188) mention that hospitality jobs often involve working in unpleasant conditions or during undesirable hours, often paying less than other industries, short-term job commitment or where career aspirations cannot be met. Hon *et al.* (2013:422) articulate that working in hotels entails pressures of heavy workloads, insufficient time, high responsibility, role ambiguity, role conflict and job insecurities. O'Neill and Davis (2011:389) additionally state that hotel employment is strenuous and has a direct effect on employees' health. According to Naude *et al.* (2013:331), research has found that workers in the hospitality sector are three times more likely than other industry employees to drink alcohol regularly; often in an effort to deal with the stress associated with their occupation.

Taal (2012:12) affirms that in South Africa, the hospitality sector is increasingly serviced by informal employees who have far less secure conditions of employment, working side by side with permanent employees, often in the same jobs. Informal employees are migrants, both cross border and internal who travel to cities for work and are made vulnerable to exploitation through either their lack of documentation or their lack of permanence and no family in their place of employment. Migrant employees are perceived to be prepared to work for a lower pay, pick up anti-social shifts on public holidays and also work for managers in a private capacity for no extra pay in order to keep their jobs (Taal, 2012:13).

The Department of Labour (2006:24) makes known that sub-contracting through outsourcing to external companies is reportedly common in the hospitality sector. A large and growing number of employees in this sector are labour broker workers, or outsourced workers, which is an additional form of informalisation and vulnerability as employees no longer work at the companies that employ them (Taal, 2012:13). Informalisation does not only refer to outsourced employees but also to employees that are put on flexible time shifts and schedules that change from week to week, casual and short contract employees who are never sure of when they will have work and all workers who are increasingly expected to move around the workplace and

fulfil various tasks for a single rate at the whim of the employer (Taal, 2012:3). South Africa is claimed to be one of the most unequal societies in the world.

Unemployment and poverty remain structurally intertwined. As a result, a total of 5.1 million South Africans were unemployed in June 2014 (Kumo, Omilola & Minsat, 2015:13). The hospitality sector is labelled as a sector in which unskilled employees are prevalent. However, the nature of services in this industry needs highly skilled and motivated employees as its success is performance driven. McNamara, Bohle and Quinlan (2011:231) state that jobs are readily available in the hospitality sector due to work intensity and burnout as well as a high employee turnover rate. Shivers and Halper (2012:9) indicate that human resource management in the hospitality sector is of infinite importance as it involves interpersonal relationships with employees, which includes stimulation, morale, co-operation, creativity, flexibility and receptivity to change.

2.3.1 Employees in hotel business

Accommodation establishments are renowned for being labour-intensive and being entirely dependent on employees' performance for success or failure (Naude *et al.*, 2013:331; Shukla & Ansari, 2013:1). Nasurdin *et al.* (2015:344) indicate that many of the attributes and services that hotels offer can be easily imitated by competitors (for example price of rooms & decoration can be copied), thereby suggesting that hotels pay attention to their employees particularly those at the frontline by developing a good relationship with them, which ultimately will encourage them to continually improve the way they treat and serve customers. Ford *et al.* (2012:13) articulate that service encounters are of crucial importance to the guest's evaluation of service quality as they can make or break the entire guest experience. Front of house employees (FOE) are employees who have extensive interaction with guests (Naude *et al.*, 2013:331).

Extensive interaction with guests is perceived to be one of the most stressful environments as it requires working with varied preferences and choices. Employees meeting customer demands means the expectation of flexible working hours, irregular working patterns, enduring confrontational interactions with guests, long and unsocial working hours in very stressful circumstances (Naude *et al.*, 2013:331). Li, Sanders and Frenkel (2012:1059) report that fulfilling customer needs is difficult and relies on the co-ordination of highly motivated employees. Hon (2012:135) denotes that employees are a competitive commodity in the global market. In this day and age,

human capital is vital as it is a critical asset that creates sustainable competitive advantage (Bednarska, 2013:1).

Ford *et al.* (2012:6) describe employees in a hospitality organisation as internal customers. Based on the nature of operations of the hospitality products, FOEs are the focal point for all guests' requests (Naude *et al.*, 2013:331). Hai-yan and Baum (2006:517) articulate that employee skills are a vital tool as a good service determines the success of the hospitality sector. The success or failure of a hotel business significantly depends on how the FOEs project and sell the product to the guests. Hai-yan and Baum (2006:509) refers to the FOEs as the "brain" in the hotel. Furthermore, Hai-yan and Baum (2006:509) state that these employees function the roles of reception and marketing as well as the center liason and communication of operating the hotel business. In addition, Hai-yan and Baum (2006:509) allude that employees within these ranks undertake a big task of building image and reputation of the hotel. A competitive advantage can be gained if all departments in the hotel establishment work hand in hand with each other. For example, the functions of FOEs are to sell hotel rooms, register guests and assign rooms to them, provide room keys, provide in- house and external information to guests, maintain guest accounts and settle their bills accurately, while the other departments need to ensure that the guest experience is met by offering support services to the FOEs.

In support of the FOE's the marketing department needs to ensure that they advertise the hotel, in order to gain publicity and attract potential guests to the establishment. The finance department needs to ensure that the operations of the hotel are met through paying suppliers and employees, having petty cash available as well as the monitoring of profits or lack thereof. Safety and security departments oversee the safety and security of every person that comes in to the business. Some establishments make use of surveillance cameras that monitor the comings and goings of people in the establishments. The food and beverage department is concerned with ensuring the quality of food and beverages as well as the professional production of food. The legal department ensures that the legal aspects of operating a business are well adhered to. The housekeeping department needs to ensure that the hotel property is well maintained and clean at all times. The housekeeping department is perceived to be a very important element in hotels (Shawky, Aziz & Aleem, 2015:62)

Phạm (2012:25) specifies that departments within the hotel need to integrate and adjust specific functions or activities with the business so to reach corporate

objectives. The interrelationship of hotel departments is of most importance as it enables the smooth and successful operation of a hotel establishment. Employees need to understand that all their roles are important for the delivery of good service to guests. Employees working in conflict with each other can affect the final output, that is the delivery of service to the guest. Thus, employees must understand that they need to work hand in hand with each other regardless of their positions. Phạm (2012:25) adds that managers need to articulate and deliver a clear vision and implication of the scope or direction so to obtain an integrative movement. In the hospitality sector, employees must be taught how to provide good service while customers, guests or clients are watching, asking questions and changing their minds about what they want (Ford *et al.*, 2012:xii).

Thus employees are seen as internal customers in an organisation and their management determines the organisation's success. Employers need to pay attention to their internal customers (employees) in order for them to be able to do the same to guests. Abukhalifeh and Som (2014:37) highlight the practices of people and quality strategy to include placing customer needs first thereby seeking suggestions from employees, developing corporate quality and people philosophy, training and empowering staff, benchmarking, and reviewing.

2.3.2 Competencies for hotel employment

The success of an organisation cannot be reached without the contribution and support of employees (Mohanty & Mohanty, 2014:94). Chan and Kuok (2011:426) indicate that employers are looking for good technical skills, soft skills such as problem solving skills, teamwork, collaboration, planning, leadership, presentation skills, transferable information technology (IT) and adaptability. Ford *et al.* (2012:189) further state that organisations need employees with the right knowledge, skills, abilities and attitudes in order to provide excellent service.

Competencies required for hotel employees are as follows; 1) addressing guest problems with understanding and sensitivity; 2) maintaining professional and ethical standards; 3) positive customer relations development; 4) effective communication both verbally and written; 5) possession of leadership qualities in meeting organisation's objective 6) creation of positive working relations with colleagues 7) motivation of employees to obtain performance desired (Johanson, Ghiselli, Shea & Roberts, 2010:5).Hai-yan and Baum (2006:511) add that frontline skills include being quick-witted, sociable, be good at foreign language and communication. Chan and Kuok (2011:426) state that many employers place emphasis on the values of a

person's intrinsic qualities and less on examination results. Intrinsic qualities such as a positive attitude are one of the major elements of making a hotel business a success.

Attitude is described by Andrews (2011:148) as an outlook towards life. Ineson, Benke and Làszlo (2013:32) add that employee attitudes may be aggravated by cultural background, the type of a job, as well as the position held in the organisation. Extra work-related behaviours have been recognised as having the ability to increase a firm's competitive advantage through the provision of functional outcomes such as enhanced reputation, greater customer satisfaction and retention, and higher profitability (Nasurdin *et al.*, 2015:344). Bednarska (2013:1) states that the tourism industry is extremely labour intensive and thereby requires employees to be well-equipped with appropriate competencies so as to compete successfully with rival organisations.

Frontline service jobs require frequent interactions between customers and employees and failure to deliver effectively during these service encounters will result in employees' emotional exhaustion (Nasurdin *et al.*, 2015:348). Zopiatis *et al.* (2014:137) indicate that if management fails to grasp the realities of life at the coal-face; that organisation is likely to aggravate turnover and the subsequent costs to operations. Kong, Cheung and Song (2012:712) indicate that in order to be competitive, organisations have to speedily respond to erratic market conditions.

2.4   EMPLOYEE RETENTION OR TURNOVER IN HOTELS

Employee turnover is referred to as the voluntary and involuntary permanent withdrawal of employees from an organisation (Zopiatis *et al.*, 2014:131). Ford *et al.* (2012:188) indicate that the hospitality sector is known for having a high employee turnover. Hwang, Lee, Park and Kim (2014:60) add that hotel employee turnover is a distinctive feature that the sector is faced with and it remains the greatest challenge. Mohsin *et al.* (2013:49) further state that employee turnover in hotels is one of the most pressing issues, as turnover rates are much higher than in other industries. Studies have shown that employee turnover is not country specific but rather a worldwide phenomenon (Mohsin *et al.,* 2013:49).

According to Pearlman and Schaffer (2013:217), and Gialuisi and Coetzer (2013:55-56), employee turnover in hotels have both direct costs (recruitment, hiring and training) and indirect costs (overtime and reduced customer satisfaction). Wells and Peachey (2011:24) state that voluntary employee turnover can be detrimental to an

organisation as it is often dysfunctional. The dysfunctional feature is described by Choudhury and McIntosh (2013:261) as an emotional cost that includes a reduction in service quality and employee morale. Ford *et al.* (2012:188) state that employee turnover costs can also lead to indirect costs such as disappointed customers, as guests frequently build relationships with employees. Being served again and again by the same person forms a valuable part of a guest's interaction with employees and his/her experience within an organisation. Ford *et al.* (2012:118) further state that if employee turnover is high then these relationships are destroyed and means of retaining repeat guests is lost.

Luoa *et al.* (2013: 456) and Kuria *et al.* (2012:311) bring to surface that a high employee turnover rate may lead to poor service quality as newly appointed employees may be unfamiliar with their work. This lack of knowledge from new employees on certain services offered within the same business may also lead to dissatisfaction among guests and lack of self-esteem from the employees. In the hospitality sector, training occurs at the same time as offering a service to the guest. This has ripple effects on employees' self-esteem as well as dissatisfaction from the guest perspective. The lack of control in a situation is also one of the reasons that could lead to occupational stress. Hwang, Lee, Chang and Kim (2014:61) indicate that occupational stress could lead to anxiety, health problems and depression. Chiang, Birtch and Kwan (2010:25) add that occupational stress could affect the employee through sickness (anxiety, depression and other health problems), which leads to high sick leave numbers, lack of interest in the job, poor service quality and a bad reputation.

McNamara *et al.* (2011:225) state that there is escalating medical and psychological research that links work organisation to health outcomes due to job strain. In addition, McNamara *et al.* (2011:225) state that jobs that are characterised by low levels of control over work and a high expenditure of psychosocial effort in completing assigned tasks expose employees to mental and physical health risks. Hon *et al.* (2013:416) add that occupational stress is associated with negative outcomes which include disloyalty, low morale, burnout, absenteeism, job seeking and voluntary turnover. McNamara *et al.* (2011:226) support the notion that a large number of studies show that low levels of control at work are associated with outcomes such as distress, disease, high absenteeism and increased turnover. Occupational stress is perceived to be detrimental to the service quality and organisational effectiveness. Choudhury and McIntosh (2013:261) enlighten that a high level of employee turnover

makes it difficult to provide consistent service and ultimately hinders the business's ability to remain competitive.

Poor service quality occurs even further in a case whereby an employee resigns with immediate effect. The unforeseen resignation of an employee leads to staff shortage which puts more pressure on remaining employees, due to the additional duties of the former employee. Heavy workload pressures are some of the factors hotel employees are confronted with and it appears as one of the main reasons that lead to job dissatisfaction. Zopiatis *et al.* (2014:137) add that extrinsic job satisfaction leads to turnover intentions which are aggravated by management style and reward strategies, which present both challenges and opportunities to industry stakeholders.

The dissatisfaction of employees in the service based environment could lead to the dissatisfaction of guests as well. There may be delays in the service delivering process and unnecessary costly mistakes. In some instances, guests may not be served with enthusiasm, but rather with negative behaviour and body language. According to Choudhury and McIntosh (2013:261) employee retention is worth addressing because of the financial expense of recruiting, training, and retaining employees. Factors leading to employee turnover in hotels are discussed below.

2.4.1 Factors leading to employee turnover in hotels

Karapete (2011:10) comments that variables such as low pay, long working hours, aggressive customer demands, job insecurity, excessive job demands, and emotional dissonance are all the stresses and demanding situations that hotel employees are faced with. McNamara *et al.* (2011:226) mention that job insecurity is less of a problem and the overriding issues are work over-load and burnout. Employees working in hotels are confronted with negative environments. However, they need to compose a positive, friendly and smiling disposition even though they might be feeling the opposite. Chu, Baker and Murrmann (2012:906) indicate that employees are expected to smile and be cheerful regardless of personal feelings or emotions. The following factors among others were found to be main reasons that drive employees into leaving a hotel organisation.

2.4.1.1 Leadership

Ford *et al.* (2012:253) put forward that leaders have many responsibilities such as to inspire, challenge and create a shared purpose among employees, to promote employee engagement, set goals, offer feedback, provide inspiration and set the example that motivates employees to go their extra mile. Ford *et al.* (2012:118) state

that the most important influence on organisational culture is the behaviour of the organisation's leader. Maxwell (2011:4) articulates that the most common leadership challenge is the creation of change and growth facilitation. Abib-Pech (2013:26) emphasises that leaders should know their surrounding environment if they are to perform adequately and successfully. A respectable atmosphere and culture is important in the workplace as employees learn good values and exemplary behaviour from seniors in the organisation (Permarupan, Saufi & Mahmud, 2013:473).

Cheng, Yang, Wan and Chu (2013:109) articulate that seniors in an organisation play a significant role in an organisational climate. Organisational culture is found by Hwang *et al.* (2014:72) to be an element that has the capacity of affecting the company's performance through personality, attitude, work habits and the manner in which they treat other people within the organisation. Kim and Brymer (2011:1020) add that ethical guidance and behaviour in an organisation is modelled by its leaders. Huimin and Ryan (2011:876) found the appearance of ethical practices to be shaped by at least three factors, which are (a) compliance with a legal framework, (b) an identification of what is thought to be right and (c) an ability to implement what are considered to be ethical standards of behaviour. The management ethos of how employees are treated sets the tone and conditions for the employee-employer relationship (Nasurdin *et al.*, 2015:345).

In addition, Kim and Brymer (2011:1020) state that ethical leaders demonstrate honesty, trustworthiness, fairness as well as caring. If the senior members of the organisation unfairly treat other members of the team and behave unjustly, this manner of behaviour could lead to employees feeling unhappy in their jobs. The behaviour which is received from seniors could also filter to guests as well as other colleagues. Cheng *et al.* (2013:113) denote that managers need to emphasise organisational support when implementing ethical climate if they want to enhance their organisational performance. Managers need to also be cognisant of how they treat their subordinates, as their outputs depend on how they are feeling.

Employee negative emotions could have bad implications on the service rendered to the guests of the hotel establishment. Hon *et al.* (2013:416) suggest that supervisors provide useful feedback to subordinates, as this allows employees to be effective and creative when they are on their own without supervision. Additionally, Hon *et al.* (2013:416) state that useful feedback is seen as a (1) tool of alleviating pressure and improving job performance from service employees; and (2) a way of increasing employee confidence in their creative ideas being supported by their supervisors and

subsequently implemented. Abib-Pech (2013:25-26) points out that it is important to analyse the contemporary world and assess how it impacts the roles and attributes of future leaders in order to develop them into the leaders of tomorrow. Herington, McPhail and Guilding (2013:74) convey that in an organisation there is a need to place leadership, metric development, strategic thinking and negotiating training on human resources (HR) managers (Hon *et al.,* 2013:416).

This study investigated the effect that employees' working relationship (in three to five star hotels in Cape Town, South Africa) with their leaders can have on employee retention. It is common knowledge that when employees leave an organisation, they mostly leave with the decision that they do not want to work with their supervisors or leaders. Hence they resign from their managers, not their work. Experienced employees' freedom of independently solving customer problems, working sometimes without close supervision, and receipt of constant feedback from their leaders or line managers reflect the level of trust they have from their managers. This in turn enables employees to perform at their full potential as they may feel valued and trusted by their organisation.

2.4.1.2 Fair compensation

According to Blattman and Ralston (2015:ii); Permarupan *et al.* (2013:464) a career is a major life constituency as employment provides a sense of purpose, brings about challenge, and leads to self-fulfilment and get compensated in return. Nasurdin *et al.* (2015:349) associate compensation with the extrinsic rewards employees receive in exchange for their work; which are usually composed of base wage or salary, incentives or bonuses and any benefits resulting from employment and position within the organisation. Nasurdin *et al.* (2015:349) add that monetary rewards are highly relevant to frontline service employees working in hotels, since these positions are associated with low-paying positions and minimal tangible rewards despite having to work long hours.

According to Wu, Sturman and Wang (2013:193) compensation is a complex HR system thereby requiring sufficient attention to better maximise its return on investment. Wu *et al* (2013:185) postulate that how employees are paid also matters as it is not only what they are paid. Ineson *et al.* (2013:32) state that pay significantly contributes to job satisfaction. Jung and Yoon (2015:22) point out that reasonable reward have the capacity of allowing workers to be satisfied with their jobs. Nasurdin *et al.* (2015:349) state that hotel compensation can be divided into direct (salary and

pay incentives like bonuses and profit-sharing) and indirect compensation (health insurance and unemployment insurance).

Taal (2012:15) argues that the wage level in the hospitality sector depends on the size of the enterprise. There are two sets of minimum wages, one referring to companies with less than 10 employees and one referring to companies with more than 10 employees. Till and Karren (2011:51) state that pay level satisfaction is positively impacted by the provision of thorough information about pay differences. Yang, Wan and Fu (2012:847) communicate that understanding employee expectations of a reasonable level of salary and promotion opportunities can increase employee commitment towards an organisation. Karatepe and Karadas (2012:620) further expand that proper levels of pay and other rewards are an indication of top management's commitment to service quality; leading employees to be satisfied with their job as their effort are recognised. Wu *et al.* (2013:193) articulate that when employees perceive their pay as fair they will make efforts to do a good job. Jung and Yoon (2015:25) found fair pay to be a strategic policy that has the ability to increase employee job engagement and decrease job withdrawal. Pay satisfaction is perceived to be a function of discrepancy of perceived pay level and the amount the employee believes their pay should be (Till & Karren, 2011:42).

According to Wu *et al.* (2013:186) the conceptualisation of pay fairness is based on the following dimensions: 1) distributive fairness (distribution outcomes), 2) procedural fairness (procedures in the distribution outcomes), 3) interactional fairness (decision making fairness) and 4) informational fairness (transparency as to why procedures were applied in a particular manner). Till and Karren (2011:42) state that the determination of pay satisfaction is modelled by pay fairness and pay comparisons. Ford *et al.* (2012:253) state that employees who feel fairly treated are more motivated to perform on behalf of their organisation than employees who feel unfairly treated. Promotion opportunities, better pay and better working hours may also cause employees to leave their jobs (Yang *et al.*, 2012:847). Wu *et al.* (2013:193) stress that without a fair compensation system, even a great employee selection system will eventually fail. Mohanty and Mohanty (2014:108) suggest that management should create reward structures that are lucrative in order to attract and retain their employees.

This research therefore examined the relationship between hotel employees' perception of receiving fair compensation in their organisation, and their likelihood to stay on their job for a long time.

2.4.1.3 Employee development

According to Bednarska (2013:1) the attractiveness of the career offered by employers has the ability to motivate and engage employees. This way, an organisation can retain skilled workers. Stewart and Rigg (2011:23) state that human resource development (HRD) is defined as the integrated use of training and development, organisation development and career development to improve individuals, group and organisational effectiveness. Kong *et al.* (2012:78) indicate that organisations try to improve employee career satisfaction by providing effective career support, such as training, performance appraisal and challenging jobs.

Training helps an organisation respond to effective change. Kong, Cheung and Song (2011:117) indicate that employees are eager to be educated and empowered with further training. Yang *et al.* (2012:837) articulate that motivated compensation policies and well- established training and development programs have the ability to minimise turnover. Kong *et al.* (2012:83) state that promoting training and development programmes, co-learning between co-workers, developmental assignments, on-line internet training and career assessments, are activities that can assist employees to remain marketable and updated with knowledge of current industry developments. Career training plays a pivotal role in career development (Kong *et al.*, 2011:117). Stewart and Rigg (2011:25) express that learning appears to be a new or improved way of thinking or feeling about something or of perceiving it or even doing it.

Kong *et al.* (2012:712) state that career management and lifelong learning opportunities are now expected to be steered by individuals. In spite of career management being dependent on employees, Kong *et al.* (2012:712) further encourage organisations not to neglect their function in the career management of its employees. Gialuisi and Coetzer (2013:62) note that employee empowerment instils a sense of personal fulfilment that induces efforts of ownership in their work.

Permarupan *et al.* (2013:467) heighten that it is pivotal that employers know the needs and wants of employees that work for them in order to have a better quality of work-life balance. Kong *et al.* (2011:112) stipulate that career development refers to programmes, processes as well as other forms of support provided by organisations in order to enhance employees' career success. Solnet, Kralj and Kandampully (2012:45) specify that opportunities for training and development make employees feel valued by their organisation, which in turn improves their confidence and up-selling and offers the highest levels of service quality that lead to customer

satisfaction and increased revenues. Kong *et al.* (2012:78) state that career satisfaction is positively related to job rotation schemes, career sponsorship, as well as training and career development programmes. The benefits of training employees include improved productivity, increased retention, higher satisfaction and greater commitment. Hence it can be regarded as a worthwhile investment (Nasurdin *et al.*, 2015:345).

According to Stewart and Rigg (2011:25), learning is one of the concepts frequently used as self-evident. Employees' perceptions of organisational support have to do with opportunities the organisation has for its employees. Yang *et al.* (2012:847) articulate that HR managers' starting point is the effective development of employees in the understanding of their career interests, aptitude and needs. Baum (2012:124) states that the management and development of employees is a critical function that ultimately determines whether a tourism establishment is competitively successful or not. Jung and Yoon (2012:375) stipulate that educational training and rewards enable employees to understand the emotions of colleagues and customers; thereby reducing counterproductive work behaviours.

According to Nasurdin *et al.* (2015:345) training activities influence performance in two-folds: 1) it improves the skills and abilities relevant to employees' tasks and development, which in turn, lead to greater job performance, and 2) it increases employees' satisfaction and other positive attitudes related to their jobs and workplace, which eventually lead to a greater display of positive behaviours. The development programmes are filled with different types of training that an interested employee could participate in, in order to grow as an individual as well as part of a team. Chen and Wallace (2011:25) have identified the multiskilling of workers as one of the main reasons of increased productivity. Lam and Chen (2012:9) suggest that managers guide and support their subordinates in order for these employees to feel wanted and valued in the organisation. Cloete and Allen-Payne (2012:40-41) assert that it is management's responsibility to employ, develop and promote their staff, thereby suggesting that managers perform a skills audit with designated employees in their departments and ensure that development plans are in place for these designated employees e.g. mentoring, coaching and managing development programmes.

Kim, Im and Wang (2015:68) describe a mentoring process as that which involves a superior assisting a less experienced employee with fitting in to that specific organisation's culture in performing tasks better and developing a better career path.

Weinberg and Lankau (2011:1528) indicate that there are two types of mentoring namely: 1) formal mentoring and 2) informal mentoring. Formal mentoring is understood to be a more structured type of coaching, which normally happens within a stipulated period of time. Whereas, informal mentoring occurs in an unstructured form and could occur at any situation or venue and is not time bound. Kim *et al.* (2015:79) add that a mentor (senior employee) and mentee (junior employee) working approach is a psychological support function that helps to diminish role ambiguity and it builds psychological stability to the lower level staff members.

This study will check the impact that employee development programmes initiated by hotel managers will have on employees' perception of being valued by their organisation, and hence their willingness to work for the hotel for a long time.

2.4.1.4 Work engagement

Karatepe and Ngeche (2012:441) define employee work engagement as a positive fulfilling, work-related state of mind, characterised by robustness, devotion and absorption. Zopiatis *et al.* (2014:130) refer to work involvement as an active participation in one's job and enabling individuals to make decisions. Ford *et al.* (2012:189) indicate that employees need to be trained on how to do their jobs first and from there they need to be kept motivated to perform their jobs well. Ford *et al.* (2012:245) mention that the clarification of jobs as well as how an employee fits within the overall organisational effort and providing clear job descriptions, setting clear and specific goals, reinforcement of cultural norms and values, continuous communication of the expected role behaviours of employees through doing, saying and in writing, are all managers' responsibilities. High work involvement by employees may lead to better work satisfaction, increased outputs and improved loyalty to the organisation (Permarupan *et al.*, 2013:467). Karatepe and Ngeche (2012:441) state that engaged employees have high levels of energy; are excited about their work and are often fully absorbed within it. Zopiatis *et al.* (2014:137) however, view job involvement as being strongly associated with organisational commitment rather than job satisfaction.

Msengeti and Obwogi (2015:3) outline that a positive work environment can make an employee to feel good about coming to work. Active participation at work entails viable communication between managers and subordinates. For example, employees of a hotel need to be kept updated about operations such as events, specials, change of policies or strategies and special arrangements for a particular guest. Ford *et al.* (2012:245) say that employees who know and understand their roles are better able

to focus their efforts on productive activities and by doing so they avoid wasting energy on unproductive activities. Karatepe and Ngeche (2012:441) indicate that work engagement leads to high excellence performance in the workplace. Chen and Wallace (2011:25) support this notion by stating that employee engagement improves the productivity and international competitiveness of organisations as it develops the skills of workers.

Park and Gursoy (2012:1196) studied the generational differences (Baby Boomers, Generation X and Millennials) on work engagement in their jobs. Park and Gursoy (2012:1196) found that the Millennials got disoriented in their engagement when the rewarding structure was not fulfilling. Furthermore, the study found that if Millennials lose their sense of significance, enthusiasm as well as challenging work, they will have stronger intentions to leave. However, if they find their work fulfilling and significant, they become deeply dedicated to their work roles. When Millennials are satisfied with their work, they will be less likely to leave their jobs, as compared to Generation X and Baby Boomers respectively. The study suggested that it is paramount that a manager understands the different generational work values of his/her employees. The understanding of the different dynamics in today's workforce will equip the manager with the necessary skills to retain all the generations involved in that specific hotel. Millennials, to be specific, are identified as the ones influxing the hotel sector, therefore, forcing managers to be fully aware of how they function. This generation is found to be the most committed, even when compared to the Baby Boomers and Generation X. Wells and Peachey (2011:33) articulate that when employees are granted a platform to express their views in organisational issues such as strategies, goals and structure, they are less likely to leave the organisation as they feel their opinions are valued.

Zoipatis *et al.* (2014:136) suggest that organisations share information, involve employees in decision making and empower employees in order to win their hearts and minds. Employers can create and maintain a positive working environment by ensuring that proper communication across organisation levels is created, thereby allowing access of information to all staff members. Although proper communication channels need to still be maintained whilst ensuring that communication is viable, all staff members need to be fully cognisant of what their role is and what is expected of them. Yeh (2014:230-231) recommends that hotel firms provide employees with job resources in order to promote work engagement. Karatepe and Ngeche (2012:441) indicate that the accessibility of job resources (e.g. work social support, job autonomy) in an organisation boosts employees' work engagement. Mohsin *et al.*

(2013:55) found that positive recognition of employees' work for the organisation by the managers raises employee enthusiasm and self-esteem. Yang *et al.* (2012:837) add that the underlying expectations of job responsibility, job challenges, and sense of achievement can increase employee commitment to the organisation. Karatepe and Ngeche (2012:456) indicate that work engagement of employees influences turnover intentions and job performance directly and indirectly through job rootedness.

This research examined the likelihood of hotel employees who feel that they are actively involved in their jobs, to stay on their jobs on the long-term.

2.4.1.5 Working relations

Lee, Teng and Chen (2015:399) state that high cooperation and interaction among leaders, subordinates and co-workers is crucial for the hospitality sector. Solnet *et al.* (2012:45) state that hospitality managers/owners need to constantly improve the working environment of their employees as this is directly linked to desirable organisational outcomes such as customer satisfaction, customer loyalty and profitability. Lam and Chen (2012:3) assert that a hotel employee's work environment requires specific rules to be adhered to when an employee is at a place of employment.

Kim *et al.* (2015:79) postulate that a working culture of hotels requires team play, cooperation among team members, as well as mentoring relations that can eliminate role ambiguity and role conflict. Lee *et al.* (2015:399) articulate that employees who have a high quality relationship with their leader normally received preferential treatment, growth opportunities and higher levels of support. O'Neill and Davis (2011:389) indicate that although working with guests may at times be challenging and difficult, arguments and tensions among fellow employees turned out to be more dominant than tensions and stresses related to guests. Problems with other people have more effect on hotel employees' emotions and as a result, have a more critical effect on their health as well (O'Neill & Davis, 2011:389). Lam and Chen (2012:9) stipulate that hotel managers/owners need to reduce negative emotions from their employees by guiding and supporting them through fair treatment. Dale Carnegie Training (2012:5) states that negative emotions can spiral from an individual to impact the co-workers, the organisation and also spread to clients. Lee *et al.* (2015:399) indicate that high-quality relationship exchanges among co-workers lead to positive influences and co-ordination between teammates. Hwang *et al.* (2014:72) articulate that the provision of better services in the hotel industry can be achieved by means of

coordination between departments, therefore interdepartmental communication is vital. Unclear communication between employees can lead to problems in the organisation.

O'Neill and Davis (2011:389) indicate that guest-related tensions and stresses are far less than employee-related tensions and stresses. Lam and Chan (2012:9) postulate that encouragement and support from supervisors raises positive perceptions of interactional justice while at the same time decreasing employee negative emotions. Hon *et al.* (2013:422) state that immediate managers (team leaders or supervisor) influence an employee's work motivation and job performance. The relationship needs to be that of showing friendship without invoking seniority in position or rank (Kim *et al.*, 2015:79). Lee *et al.* (2015:413) indicate that Leader Member Exchange (LMX) is positively related to job performance, job satisfaction and organisational commitment. Furthermore, employees with high-quality LMX demonstrate strong evaluations on job performance, high job satisfaction, and increased commitment and loyalty to leaders or organisations (Lee *et al.,* 2015:413).
This research will investigate the impact that hotel employees' working relationship with their leaders can have on employee retention.

2.4.1.6 Working hours

Long and antisocial working hours are factors aligned with work environments in hospitality organisations (Davidson & Wang, 2011:237). Furthermore, Hwang *et al.* (2014:71) add that some of the common occupational stresses faced by hotel employees include heavy workloads and long working hours. Working hours are found to be among the factors that lead to employee turnover in hotels. Mohsin *et al.* (2013:55) state that the amount of work expected, scheduled working hours, job pressures and personal life have an impact on employee intentions of leaving the hotel. Davidson and Wang (2011:237) articulate that employees in the hotel sector are often not compensated for the long working hours that they have worked. McNamara *et al.* (2011:226) indicate that stress in hotel employment may be aggravated by a combination of long and irregular working hours, bad job design and duties, insufficient training, excess workloads, outsourcing spiralling and poor management.

McNamara *et al.* (2011:231) indicate that causal employees are commonly used to meet variable demands in the hotel industry. Additionally, McNamara *et al.* indicate that lower stress levels are experienced more by temporary employees than by permanent workers. The employee's intention to leave due to long working hours is

highly arguable, as the long hours of the hotel and hospitality sectors are regarded as one of the conditions of this sector. Mohanty and Mohanty (2014:102) state that long working hours is one aspect of poor working conditions in hotel employment. Hon *et al.* (2013:422) state that pressures such as insufficient time, heavy workloads, role conflict, high responsibility, role ambiguity and job insecurities are frequently experienced by hotel employees. Kim *et al.* (2015:79) support this notion by stating that employee intentions of leaving a hotel organisation are determined mainly by working hours, salary, promotion, shift assignment or other job-related requirements.

McNamara *et al.* (2011:226) state that there is substantial evidence that temporary employees have less control over timing of their work, work methods, assortment of tasks performed and may also experience fewer demands compared to permanent workers. McNamara *et al.* (2011:225) additionally state that in hotels, work schedules for the following week are posted at most a week in advance in many organisations, consequently allowing employees a very limited chance to balance work, social and family responsibilities.

According to the South African Basic Conditions of Employment Act (1997) every employer must regulate the working time of each employee. However, an employer may not require or permit an employee to work more than a.) 45 hours per week b.) 9 hours per day if an employee works for 5 days or c.) 8 hours if the employee works for more than 5 days a week. The SA Basic Conditions of Employment Act further expands that employers may not pay an employee less than the ordinary wage for overtime, and employees cannot work for more than ten hours overtime a week or more than three hours overtime a day. Although the South African constitution has created laws that employers need to adhere to, it is a known fact that the hotel sector workers put in long working hours (Davidson & Wang, 2011:237; Hwang *et al.*, 2014:71; Mohsin *et al.*, 2013:55; McNamara *et al.*, 2011:226; Mohanty & Mohanty, 2014:102). However, this study investigated whether this working condition has a significant impact on employee retention or turnover in Cape Town, South Africa.

2.5   EMPLOYEE RETENTION OR TURNOVER: INDIA AND CHINA CASES

The following section will introduce literature on hotel employee retention or turnover from two specific countries. In this section, the study brings forth the impact of employee retention in India and China. The study had hoped to cover Brazil, Russia, India and China (BRIC) countres. However, due to minimal availability of data at the time only two contries could be covered from this group. The BRIC countries were chosen based on their economic relations with South Africa. Therefore, Brazil,

Russia, India and China (BRIC) are the contries in which operate under the same umbrella with South Africa.

2.5.1 Employee retention or turnover in hotels: the case of India

In India, Mohsin *et al. (2013)* found that in four and five star hotel environments there is a positive relationship in the connection between non-management position holder's intentions of leaving due to a lack of stable roles and responsibilities. Mohsin *et al* found their results to be similar to Slatten's *et al.* (2011) research that suggested that the lack of stable roles and ambiguity could cause stress and subsequently the intention to leave. The research discovered that employees who perceived their work as stimulating had lower intentions of leaving the organisation. Their study also found that employees in India prioritised their jobs more than the social and family life. Therefore their social environments had no impact on their intentions to leave. However, employee perception on organisational support and commitment had a positive impact on their loyalty to the organisation. Research on hotel employees in India also showed no relationship between earnings or benefits and intention to stay or leave hotel employment. There is also a lack of relationship between their intention to leave their job and their personal relationship with supervisors. Mohsin *et al.* (2013) suggest that this finding compared to previous findings, may have been aggravated by the cultural difference between India and other countries. In India generally, the relationship between a subordinate and a superior has to be maintained even if that superior may be unjust.

2.5.2 Employee retention or turnover in hotels: the case of China

Kong *et al.'s* study in 2011 on organisation career management in hotels in China, found that career development programmes/processes/platforms are one of the greatest motivators among hotel employees. The study found that hotels in China favour internal promotion over recruitment from outside the company. The research also found that promotions occur based on the results from the appraisal process which is normally given by the direct manager, peers, assessment committee or a combination of several sources. The study found that these hotels have relatively comprehensive appraisal systems and make use of performance appraisal as the basis for employees' career planning and promotion. This suggests that these hotels create regular career appraisal programmes, development systems and training activities in order to attract and retain their qualified hotel employees. Kong *et al.* (2011) further recommend that hotels implement career counselling conducted by managers, as well as mentoring, in order to evaluate the potential of present or future managers.

2.6   IMPLICATIONS OF EMPLOYEE TURNOVER IN HOTELS

Hwang *et al.* (2014:71) state that the provision of products and services to valued customers in hotels is highly dependent on employees. In a service based organisation, it is important to have a stable and sustainable workforce. The reason for sustainability and stability in the workforce is based on the fact that guest perceptions about the hotel business play the most important part in the success of the hotel business. If regular guests get to see the same employees every time they visit the hotel that indicates balance within that hotel. The perception of balance within the business also creates a sense of belonging to the customer which in turn results in loyal customers. However, the literature about employee retention reveals that, the hotel sector is unable to keep employees (Ford *et al.*, 2012:188; Hwang *et al.*, 2014:60; Mohsin *et al.*, 2013:49; Zopiatis *et al.*, 2014:131). Ineson *et al.* (2013:32) make known that employee turnover substantially affects a company's profits, operational costs and impacts negatively on customer experience and value, due to the low level of service it carries. Kuria *et al.* (2012:311) support this notion by adding that indirect costs are associated with decreased levels of employee motivation, absenteeism, tardiness, leading to customer dissatisfaction and ultimately customer defection.

There are a number of possible implications of employee turnover in hotels. However this study has identified the following pointers as this research's focus; inadequate service quality, lack of customer satisfaction, loss in customer loyalty as well as loss of key employee loyalty.

2.6.1   Inadequate service quality

Karatepe and Douri (2012:7) indicate that customer requests and problems are effectively handled by employees who are customer- orientated. Karatepe and Douri (2012:1) define customer orientation as an employee's propensity to meet customer needs within the job context. In hotels, the manner in which the service will be provided depends entirely on the behaviour (this may include the conduct, the body language, willingness to assist, friendliness among others) and product knowledge (which may include giving valid and accurate information to guests, sending guests to the right direction should there be a need, proper allocation of resources where applicable among others) of the employee. Should there be a lack of product knowledge and unacceptable behaviour from an employee towards a guest, negative perceptions about the hotel may be created by the guest.

Karatepe and Douri (2012:7) state that customer orientation is gained via an increase in job resourcefulness. Ford *et al.* (2012:9) indicate that each and every guest served or that needs to be served is unique as guests have different needs, wants, and expectations. Therefore, it is imperative that hotel establishments positively and fairly treat their employees well in order to stimulate motivation. The perceived quality of service relies on the success of the dialogue between an employee and a guest.

2.6.2 Lack of customer satisfaction

Jazwiec (2014:viii) postulates that making people less anxious, making them feel better about themselves, making them feel noticed and special, improves a team's morale and these become the components of any good service rendered to guests. Oki (2014:140) describes guests as the life blood of an organisation. Thus their satisfaction is top priority for an organisation as hotels are ranked by their satisfaction score which includes repeat purchases, loyalty, positive word of mouth and increased long- term profitability. The process of guest satisfaction occurs during the receipt of the service, performed by an employee. In this phase, an employee has total control over guest interactions, and can either make or break a hotel business. Each encounter between an employee and a guest is therefore beyond the direct control of the supervisor or manager.

Jazwiec (2014:3) states that guest experiences are made up of a combination of quality (outcomes and results) as well as service (impressions and perceptions). Jazwiec describes service and quality as two sides of the same coin. Dusek, Ruppel, Turova and Clarke (2014:88) indicate that high levels of guest satisfaction are key performance indicators which have been found to intensify the competitiveness and brand consistency in the hospitality sector. Dusek *et al.* (2014:88) additionally state that the turnover rate needs to be controlled in order to improve the consistency of service, to improve and retain guests and to gain the economic benefits associated with increased competitiveness, which is driven by brand consistency that brings about loyalty.

Yee, Yeung and Cheng (2011:236) indicate that the analysis of the service-profit chain by Heskett *et al.* found that there is a close link between employee satisfaction, loyalty, service quality, customer satisfaction and loyalty and firm profitability. Ford *et al.* (2012:xiv) state that creating an experience is important to turn guests into regulars instead of merely selling a product or a service. According to Yee *et al.* (2011:236), when guests are satisfied in a service business, they become loyal to the organisation and that impact positively on the business performance. Excellent

hospitality organisations know that it is cheaper to keep loyal guests than it is to attract new ones and that repeat business is key to long-term profitability (Ford *et al.*, 2012:xiv). High levels of service quality play a major role in guest satisfaction. Guest inferences about whether to come back to that business or not depend highly on how employees conduct themselves, as well as on how they treat guests.

Yee *et al.* (2011:236) articulate that service employees connect organisations to their guests while operations managers rely strongly on service employees' personal interactions to attract customers. Ford *et al.* (2012:5) state that expectations of a first time guest of a major hotel may include a nice room, a comfortable mattress, clean surroundings, satisfactory meals with a reasonable price. Whereas, a repeat guest may have more specific expectations based on past experience. This shows that the existence of a hotel business is highly affected by how the service is received by its recipients.

Unfortunately, if guests are not satisfied with that business, the implications are that the business will be at a loss not only with that guest, but also with all the people connected to that guest. For example, if a guest is dissatisfied, he/she will spread this experience to friends, families, colleagues and may also share the experience on internet websites such as TripAdvisor. Jazwiec (2014:i) notes that the way customers do business and how they view a service they receive is now guided by the global economy and social media. This implies that not only has the business lost that particular guest, but rather, has lost each and every person that is connected with that particular guest. In the service type of business, it is understood that one guest equals many guests.

2.6.3 Loss in employee loyalty

Cardy and Lengnick-Hall (2011:213) state that human capital to-date remains one of the few resources that can provide a sustainable competitive advantage. Thus it is essential that valuable employees be obtained. Employees' roles in a service organisation are critical to both service discovery and service production (Oki, 2014:140). McNamara *et al.* (2011:226) indicate that an autocratic management style, emphasising managerial control, traditionally used in the hospitality sector may add to employee stress because of insufficient feedback on performance and lack of consultation and communication. Ford *et al.* (2012:7) state that the way in which an organisation treats its own employees will inevitably spill over onto the way their employees treat guests and each other. What employees show to the customers is what the customers will use to perceive and evaluate the service experience of that

organisation (Oki, 2014:141). Cardy and Lengnick-Hall (2011:213) indicate that looking at employees as internal customers can provide insight and value for managers resulting in proactive techniques to employee retention rather than a reactive response to employee turnover.

Employee behaviour is driven by a general sense of fairness and they are able to distinguish between various types of fairness (Wu *et al.*, 2013:193). Yee *et al.* (2011:243) suggest that organisations create programmes aimed at enhancing employee satisfaction and loyalty in order to satisfy customers and create customer loyalty towards that organisation. High levels of job satisfaction and employee loyalty lead to higher quality in services (Yee *et al.*, 2011:243). Having a relevant, reliable, committed and loyal workforce in the hotel industry is perceived as vital for successful operations. A sound workforce stands as a competitive advantage over the organisations' rivals.

Satisfied and loyal employees can deliver high service quality that can fulfil customers' needs (Yee *et al.*, 2011:236). Karatepe and Ngeche (2012:441) state that employees who are rooted in their jobs have less intention to leave the organisation and report higher job performance. Competing effectively with rival organisations requires not only a sufficient number of employees but also employees that are equipped with appropriate competencies. Nowadays, human capital is of vital importance as it is a critical asset in creating sustainable competitive advantage. Cardy and Lengnick-Hall (2011:213) state that factors that lead an employee to stay and be committed to the organisation may be different from factors that lead an employee to go. Ford *et al.* (2012:7) state that a smart hospitality organisation is aware that their employees must acquire the same care and consideration that they want their employees to extend to their guests. Baum (2012:124) states that the management and development of employees is a critical function and one that, ultimately, determines whether the hotel is competitively successful or not. According to Wu *et al.* (2013:193) employees' perceptions of fairness do not occur in isolation, but rather as a system of events. Employee satisfaction on a business performance has the ability of self-sustainability (Yee *et al.*, 2011:243).

Service quality is achieved through employee satisfaction which leads to employee loyalty. Therefore customer satisfaction induces higher sales performance through customer loyalty (Yee *et al.*, 2011:243). Albattat *et al.* (2014:48) denote that employee loyalty is influenced by the following variables: 1) compensation and rewards; 2) career development; 3) job security and; 4) workplace environment. Wells

and Peachey (2011:33) indicate that dissatisfaction in the workplace can be addressed by employees either by voicing their problem to their supervisor/organisation or choosing to leave the organisation. Thus it is perceived that these variables - compensation and rewards, career development, job security and workplace environment are associated with employee loyalty and need to be taken as a high priority in hotels in order to retain a competitive workforce.

2.7   CHAPTER SUMMARY

The tourism industry is connected to many sectors of the economy and has been experiencing growth on a global scale. The interconnectedness of the global economy and the use of information technology have made travelling much easier. South African tourism has also seen a significant increase in visitor numbers (in 2014, South Africa received a total of 9.5 million tourists). The increased numbers of tourists in South Africa during 2014 contributed 9% towards the country's GDP and supported over 1.4 million jobs country wide. The hospitality sector, being a part of the tourism industry, has also been receiving growth. The hospitality sector in South Africa is operated by small, medium and large organisations. The South African hospitality sector has been recorded as the largest contributor to the business activities of the tourism industry, having 67% of businesses that are hospitality-linked and 16% that are travel-linked (Taal, 2012:4).

The hospitality sector's primary operation is the provision of services to travellers within defined levels of services at a minimal charge (Roday *et al.*, 2012:6). High levels of competition in this sector have made things tight for operating businesses. Based on the high levels of competition and the easy replication of hospitality products, employees were identified as an important resource in gaining a competitive advantage towards rival organisations (Hwang *et al.*, 2014:71). Employees are core to service delivery through the manner in which they serve the guests. Employees can develop the capacity of treating customers with care, respect and delicacy. Although employees are identified as the most important element of operating a successful service business, hotels have been recorded to be experiencing the highest number of employee turnover when compared to other industries (Mohsin *et al.*, 2013:49).

Employee turnover in a hotel business is regarded to be detrimental towards its success. High rates of employee turnover in hotels are linked to poor working conditions which the hotel employees are subjected to. The following variables were identified as this study's main focus: 1) leadership; 2) fair compensation; 3) employee

development; 4) work engagement; 5) working relations; and 6) working hours. Employee turnover has been found to be a world-wide phenomenon. For example, in Australia (Davidson & Wang, 2011), China (Hon *et al.*, 2013; Wu *et al.*,2013), Cyprus (Zoipatis *et al.*, 2014), Hungary (Ineson *et al.*, 2013), India (Mohsin *et al.*, 2013), Kenya (Kuria *et al.*, 2012; Msengeti & Obwogi, 2015), Malaysia (AlBattat *et al.*, 2014), Nigeria (Karatepe & Agbaim, 2012), Republic of Korea (Hwang *et al.*, 2014, Jung & Yoon, 2015; Kim *et al.*, 2015), Taiwan (Yang *et al.*, 2012) and U.S (Dusek *et al.*, 2014) among others. Variables associated with employee turnover were found to be similar in most countries in the world. However, a study on hotel employees in India produced slightly different results in some aspects. Earnings, benefits, subordinate-employee relationship and social life have no influence on employee retention in India. However, the Indian workforce was found to be sensitive to lack of stable jobs, role ambiguity and non-stimulating work as well as inadequate organisational support (Mohsin *et al.*, 2013).

Ineson *et al.* (2013:32) state that employee turnover substantially affects the company's profits, operational costs and impacts negatively on customer experience and value due to low levels of service. The research found that employee turnover could affect a hotel business' success by having: 1.) inadequate service delivery; 2.) lack of customer loyalty; and 3.) loss in employee loyalty, all which hinders the long term sustainable profitability of an organisation.

Consequently, this study is aimed at testing hotel employee retention variables identified from the literature to be affecting different parts of the world, in a South African context. The following chapter will discuss how the primary data was collected and analysed as empirical evidence of this research (methodological approaches). The study further aimed at testing the strength of relationships between hotel employee retention and related variables in South Africa with specific reference to hotels in Cape Town.

CHAPTER THREE
RESEARCH DESIGN AND METHODOLOGY OF THE STUDY

3.1   INTRODUCTION

If research is to be robust and rigorous, it has to be carried out in a way that applies scientific principles (Tummons & Duckworth, 2013: 30-31). The methodology section is of most importance as it demonstrates the plan to address research objectives (Tummons & Duckworth, 2013:55). This study was aimed at testing employee retention variables identified from the literature, in a South African context. Therefore, this chapter will provide the methodological approach applied in this empirical investigation. The study made use of a quantitative research method and data was interpreted by means of statistical analyses. In the application of a quantitative research method, a Likert-type scale questionnaire was used as a measurement instrument. The Likert-type questionnaire was structured using strongly agree, agree, neutral, disagree and strongly disagree as a measurement scale and values were coded from one to five. This chapter further discusses the study's population, sampling, piloting, field study procedure, data collection and analysis, instrument validity and reliability as well as the ethical consideration of the empirical process of this research. Hereunder, the research methods and data collection processes are discussed.

3.2   RESEARCH METHODS AND DATA COLLECTION

According to Bernard (2013:9) each scientific discipline needs to develop techniques of gathering and handling data. Research methods consist of qualitative, quantitative and mixed-methods procedures. Qualitative methods rely on words and sometimes images, as the unit of analysis, while a quantitative method involve numbers and lends itself to statistical analysis (Veal, 2011:125). For a mass phenomenon such as contemporary tourism, hospitality and leisure planning quantified data for decision making are required (Ezeuduji, 2013:4). Abbott (2010:17) brings to surface that quantification is limited and unobservable realities are not easily captured in objective form. However, quantification can detect meaningful patterns of data despite its weaknesses (Abbott, 2010:17). A questionnaire survey is therefore a very common method used in obtaining quantified data. Tummons and Duckworth (2013:32) state that a questionnaire is an appropriate tool for gathering quantitative data in two ways: 1) questions can be set in such a way that the responses people give are numerical; 2) questionnaires are cheap and easy to use for a large scale study. Consequently, this study has made use of a questionnaire-based survey to obtain quantified information on employment retention and related variables. Statistical tests in the

strength of relationships between employee retention variables and related variables can be appropriately done using information collected through questionnaire survey. The following section will further discuss the choice behind the quantitative method instead of a qualitative approach.

3.2.1 Quantitative Methodology

A quantitative method is communicated by Creswell (2014:4) as an approach that tests objective theories by examining the relationship among variables. Quantitative research uses data that is routinely gathered which can then be analysed using statistics so as to answer particular questions (Tummons & Duckworth, 2013:31). This study employed a quantitative research technique as means of finding the strength of relationship between hotel employee perception variables and employee retention in the hospitality sector. A structured set of closed-ended questions were identified from the literature as the basis for the data collection process of this research. Jackson (2011:110) indicates that closed-ended questions are questions which participants choose from a limited number of alternatives. This type of questionnaire provides a greater uniformity of responses and is more easily processed than open-ended questions.Creswell (2014:4) adds that the quantitative approach uses instruments that measure the data so that numbered data can be analysed using statistical procedures.

Argyrous (2011:9) state that the measurement of data is the process of determining and recording which of the possible traits of a variable an individual case exhibits or possesses. Thus, this research made use of a Likert-type scale questionnaire as a measurement instrument. Argyrous (2011:9) adds that a scale of measurement specifies a range of scores that can be assigned to cases during the process of measurement. According to Babbie (2010:186), a Likert-type scale is used to calculate an average index score for those who agree, disagree, strongly agree or strongly disagree with each of the individual statements. Furthermore, Babbie (2010:186) adds that a Likert-type scale questionnaire is regarded as reliable because respondents respond to each statement that is included in the instrument. The data obtained from this study was analysed using non-parametric bivariate analysis (comparing two variables), such as Correlation test and Chi Square test. Argyrous (2011:17) states that a question that addresses the possible relationship between two variables leads to bivariate statistical analyses. The following subsection discusses how the qualitative method was not deemed as an appropriate tool for measuring the strength of relationship between related variables.

3.2.2   Qualitative Methodology

Kumar (2014:14) states that a qualitative approach is a flexible and unstructured approach that aims at exploring diversity. Kumar further states that this approach puts emphasis on describing and narrating feelings and experiences rather than their measurement. Kumar (2014:14) additionally states that a qualitative approach places less emphasis on generalisations as it communicates its findings in a descriptive and a narrative manner. Brynard *et al.* (2014:39) support this notion by stating that a qualitative methodology allows the researcher to know people personally, to see them as they are and to experience their daily struggles when confronted with real-life situations. However, this phenomenological qualitative strategy was not employed in this study. Abbott (2010:17) asserts that qualitative methods phenomenologically discuss the meaning of studied reality rather than to present quantified facts responsive to statistical analyses. This study aimed to test the strength of relationship between related variables. Therefore the qualitative approach does not fit the desired outcomes of this study. This study will further hold discussions on this study's population size showing how the possible number of participants was sampled.

3.3   POPULATION AND SAMPLING

A research population is described by Argyrous (2011:281), Blankenship (2010:82), Tummons and Duckworth (2013:33) as the number of possible participants in any area of investigation. Japheth (2014) articulates that it is impossible for a researcher to study an entire population due to a number of reasons. The population could be either large therefore impossible to manage. It could also be that the population is too small. Additionally, Japheth (2014) states that other reasons for dividing the population could be the financial constraints or limitation in time of the study among others. Argyrous (2011:282) supports this notion by adding that it is impossible to locate all members of a population based on number of reasons: 1) a complete list of a population may not be available to the researcher; 2) some of the population members may be difficult to reach or 3. The population may be unwilling to participate in the study. Therefore, the large number of possible participants (population) requires a division in order to be a more manageable number when collecting the data (Argyrous, 2011:281).

Sampling is a technique employed to select a small group (the sample) with the view to determine the characteristics of a large group (the population) (Hanlon & Larget, 2011:7). A sample is used to simplify the research as it is easier to study a representative sample of a population than to study an entire population. Brynard *et al.* (2014:57) articulate that sampling saves time and costs.

Sampling also involves probability and non-probability methods. Probability sampling entails a sampling method in which all the members of a population have an equal chance of being selected in the study, to reduce bias (Evans & Rooney, 2011:126; Tummons & Duckworth, 2013: 79; Veal, 2011:355). Daniel (2012:126) articulates that probability sampling involves a type of random selection (for example, simple random, systematic random, stratified random, and cluster sampling). This study made use of a non-probability sampling method. According to Babbie (2010:197), and Polit and Bech (2014:196), non-probability sampling gives some elements of the population a zero chance of being selected, based on a non-random sampling technique (example, convenience sampling, quota sampling, and purposive sampling).

Studies can use non-probability sampling, when probability sampling is not realistically possible. Argyrous (2011:284) stresses that there is no inherent reason why probability sampling should be considered better than non-probability sampling. Argyrous (2011:384) further adds that each method is appropriate for different research questions. In this research, a non-probability sampling was applied in the form of a convenience approach. Tummons and Duckworth (2013:80) affirm that a convenient approach can work if a researcher is finding it difficult to get to people to take part in his/her research. A convenience sampling is described as an approach that obtains information from the population that is available (Zikmund *et al.*, 2013:392; Quinlan, 2011:479). Tummons and Duckworth (2013:79) indicate that researchers use a convenient sample when they include people who are easily recruited, easily available and who are happy to participate. Hotels willing to participate in the study were selected, as Cape Town has a large population size of hotels.

As aforementioned, this study aimed at investigating employee retention variables at hotels in Cape Town, focusing on three to five star graded establishments. According to the Cape Town International Convention Centre (CTICC, 2013), there are about seventy-seven hotels in Cape Town that are three to five star graded. These hotels are dispersed in different areas of Cape Town (see appendix 1). This study contacted fifty seven hotels in the Cape Town CBD area and twelve hotels in the Atlantic Seaboard area. Only twelve hotels (eight in the CBD area and four in the Atlantic Seaboard area) agreed to participate on this study. Thus the study's sampling was based on the twelve willing hotels.

In as much as this study used a non-probability method of data collection, it endeavoured to address the weakness of this method through gathering responses from a relatively large sample. Hence, a desired sample of 200 (sample size) was aimed for from these hotels, with a rough estimate that no more than 7000 (77 hotels) guests may stay in these hotels concurrently. This sample size was set as the minimum target for this study (purely based on non-probability and not on probability sampling). A sample size of 200 was selected based on Veal's (2011:361-362) proposition that even in probability sampling, the absolute size of the sample is more important than the sample size relative to the population. There is more so a general misconception among researchers that the size of a sample should be decided based on its relationship to the size of the population (say 5% or 10% of the population). The criteria for sample size selection should indeed be determined based on the level of precision in the results, the level of detail in the proposed analysis, and the available budget (Veal, 2011:361-362). Being that this study is non-probabilistic in design, a total of 330 questionnaires were distributed to participating hotels. The researcher only received a total of 217 questionnaires, however only a total of 210 questionnaires were usable for analysis. Thus, a total of about 210 employees in three to five star graded hotels in Cape Town were successfully surveyed using respondent completed structured questionnaire.

The researcher communicated with human resources managers and general managers at these hotels, after obtaining a consent letter to conduct this study from them. The researcher liaised with the managers about the duration and the logistics of the research. The hotels along with the researcher agreed that the researcher agreed that he researcher would drop-off questionnaires and collect them at a later stage. Managers from the participating hotels identified suitable employees to facilitate the study. During the actual study, the researcher communicated directly with the employees facilitating the study in each hotel. Questionnaires were handed-out to the Human Resources Departments or related units (example, Reception), and the employees facilitating this study handed out these questionnaires randomly to other employees, who became respondents to this study. Completed questionnaires were collected by the researcher. The field study procedure of this convenience sampling method is hereafter discussed.

3.4   FIELD STUDY PROCEDURE

This section discusses how the fieldwork of this study was conducted. The section firstly elaborates on how the questionnaire was constructed. From there the pilot procedure along with how the data was collected will be discussed.

3.4.1 Questionnaire variables and measure of construct

Previous researchers (such as Jung & Yoon, 2015:24; Mohsin *et al.*, 2013:49; Wells & Peachey, 2011:24) on employee turnover report different factors impacting on employees' willingness to stay in the workplace. For the purpose of this study, the main factors that can impact the hospitality sector's employee retention are selected according to their relation to existing literature or on whether they encompass the factors identified in existing literature. These are namely; a.) fair compensation (Hong *et al.*, 2012:62; Jung & Yoon, 2015:24), b.) employee development (Jung & Yoon, 2015:24; Kong *et al.*, 2012:78), c.) work engagement (Hong *et al.*, 2012:62; Jung & Yoon, 2015:24; Karatepe & Ngeche, 2012:441), d.) working relationships (Lee *et al.* 2015:399; O'Neill & Davis 2011:389), and e.) flexible work hours (Davidson & Wang, 2011:237; Mohanty & Mohanty, 2014:102; Hon *et al.* 2013:422). Consequently, the Likert-scale type of a questionnaire that was used in this study consisted of the variables explaining these aforementioned factors. Hereafter, the questionnaire design, how this data was collected, analysed and presented are discussed.

3.4.2 Questionnaire design

The research made use of self-administered questionnaires that consisted of the employee retention variables mentioned above. The questionnaire consists of two sections: a.) general satisfaction level and respondents' profile, and b.) employee retention questions and related variables for employee retention. Section A consists of mostly nominal or categorical questions or variables, while section B included 5 point Likert- scale questions – ordinal variables (strongly agree to strongly disagree). Each main question in section B consists of six sub-questions aimed at testing the employee retention variables. The questionnaire used can be found in the Appendix 2 section of this study.

3.4.3 Data preparation

A convenience sampling approach was applied in this study. This approach was chosen based on the willingness of hotels to participate in the study. All the hotels around the Cape Town Central Business District (CBD) and Atlantic Seaboard areas were consulted four months prior to the actual data collection. The consultation was conducted in order to gain consent for conducting research in these establishments. The total number of hotels contacted in the Cape Town CBD area was fifty-seven ranging from three to five star establishments. From the fifty-seven hotels contacted in the CBD, nine hotels agreed to participate. In the Atlantic seaboard area, a total of twenty hotels were approached and a total of four participated. A total of thirteen hotels agreed to participate in this research. However, during the data collection

period, one hotel pulled out from the study. Therefore, the total number of hotels that participated in this study was twelve. The number of questionnaires distributed was based upon the capacity of the hotel. For example, at larger establishments, a maximum of fifty questionnaires were distributed whereas in smaller hotels a maximum of ten survey questionnaires were distributed. The survey questionnaires were directed to employees from different departments in each hotel.

3.4.3.1 Piloting

A pilot test was conducted beforehand in order to test the understanding and accuracy of the questionnaire. Feedback collected from the pilot study would be used to update and clarify the questionnaire for the large scale study. Piloting was conducted in two establishments, one in Cape Town CBD and the second in the Atlantic Seaboard area. The researcher dropped seven questionnaires in each of the two participating hotels. These questionnaires were later collected after a period of one week. In each of these two hotels, a total of five fully completed questionnaires were received back. The total number of respondents for the pilot test was ten.

Respondents for the pilot study stipulated no lack of understanding of questionnaire content and agreed that questionnaire is also easy to complete. Thus, there were no changes made on the questionnaire used in the actual surveys.

3.4.3.2 Data Collection

Data collection for this research was conducted over a period of ten months (between October 2015 and July 2016). The researcher along with the hotels' management had an agreement that the questionnaires will be dropped off and collected upon completion. As per the arrangements/agreement with participating hotels, the researcher dropped an appropriate number of survey questionnaires based on the hotel's capacity and agreement with the HR managers and in some cases with the front office employees. These questionnaires were later collected based on the completion period from the specific participating establishment. The researcher communicated with the contact person of the hotels and discussed the completion and collection of questionnaires on a regular basis (weekly and at times after two weeks). The received information was immediately evaluated for quality purposes and only fully completed questionnaires were used. The following table 3.1 shows the number of questionnaires received back from the participating hotels and those usable for analyses in this research.

Table 3.1: Questionnaire distribution

Hotel	Distributed questionnaires	Collected Questionnaires	Valid questionnaires
Hotel 1	50	35	35
Hotel 2	50	40	38
Hotel 3	20	17	17
Hotel 4	20	18	17
Hotel 5	20	20	20
Hotel 6	10	5	5
Hotel 7	10	7	7
Hotel 8	50	27	26
Hotel 9	20	15	15
Hotel 10	20	18	18
Hotel 11	20	0	0
Hotel 12	20	10	7
Hotel 13	20	5	5
Total	**330**	**217**	**210**

3.5   DATA ANAYLYSIS AND PRESENTATION

According to Argyrous (2011:17), the most widely used statistical package in research is SPSS. Abbott (2010:31) describes SPSS as the most versatile and responsive statistical program even though there are several statistical software packages available. Furthermore, Abbott (2010:31) states that generations of social science students and researchers have used SPSS, making it a standard in the field of statistical analyses. Therefore, the researcher made use of IBM's SPSS Statistics, version 24 (IBM Corporation, 2016). The received questionnaires were coded into numbers so that they could be easily digitised on the computer software. Abbott (2010:7) denotes that the use of SPSS is a valuable tool of understanding statistical patterns. Tummons and Duckworth (2013:31) specify that the use of statistical tools can allow the researcher to combine and compare different bodies of statistical data in order to look for relationships between them.

The Post-Graduate Statistics Consultant resident at the researcher's university was consulted during the questionnaire design and data analyses.

Accordingly, this study's first stage of data analysis a descriptive analyses was conducted (frequencies, mean and standard deviation). The second stage of data analyses conducted a bivariate analysis (comparing two variables), using Correlation test and Chi Square test. Abbott (2010:49) indicates that correlations are valuable for

several reasons: 1) they express visually and numerically what the relationship may be between the researcher's study variables; 2) they further express the strength of these relationships and 3) They allow the researcher to predict outcomes more accurately given their relationship to study inputs. A relationship between two variables can be done using Spearman's rank-order correlation coefficient (Argyrous, 2011:245). Spearman's basic logic measurement is to predict the ranking pairs of cases on the dependent variable given their ranking on the independent variable (Argyrous, 2011:245). Veal (2011: 480-483) supports the use of Spearman's correlation test for ordinal and/or ranked variables (all variables are not normally distributed, as very common in social sciences), which was done in this data analysis. Abbott (2010:14) points out that a correlation approach allows the researcher the ability to see how all variables of interest affect the outcome and one another.

Veal (2011:466-470) calls for the use of Chi-square test to examine relationships between nominal and/or categorical variables. Argyrous (2011:421) describes a Chi-square test as a non-parametric test for multinomial frequency distribution of cases across a range of scores for a single variable. This study subsequently recoded ordinal variables into nominal variables, to allow for the Chi-square tests. All Chi-square and correlation tests were subjected to a 95% confidence interval.

Reliability analysis (multivariate) for the different subsets of variables used in the Likert-scale section was done at the last stage, using Cronbach's Alpha. Cronbach's Alpha was used for reliability tests to check for internal consistencies of variables used to measure different constructs (Gliem & Gliem, 2003:83). The constructs measured in this research include employee retention, fair compensation, employee development, work engagement, working relationships and flexible work hours. Cronbach's Alpha coefficient is useful in estimating reliability, where item-specific variance in an un-dimensional test is required (Cortina, 1993: 103). Gliem and Gliem, (2003:87) stipulate that the Cronbach Alpha reliability coefficient, in many cases ranges between 0 and 1, where scores of 0.7 and above show consistency in measurement scale.

Peterson (1994:385), in comparing recommended benchmarks of reliability scores from different authors with high citation index, responded that in as much as the reliability test is important, there are no definitive set of parameters that indicate the reliability of scale used. Peterson observed that Nunally, the most referenced author on Cronbach Alpha, at the time of writing, recommended a score of at least 0.5 in 1967, but subsequently, without much explanation, advised a score of 0.7 and above

to be minimally acceptable in 1978 (Nunally, 1978: 301). Peterson therefore suggested that Cronbach's Alpha coefficient scores that are 'acceptable' have no empirical evidence but emanate from experience or intuition. George and Mallery (2003:53-55) state that in many cases a cut-off point of between 0.5 and 0.7 is applied for Cronbach Alpha coefficient values. Tavakol and Dennick (2011:53-55) stipulate that a low Cronbach's Alpha coefficient is likely to be due to a small number of variables or a weak interrelatedness between variables used in analysis. This study therefore considers a Cronbach Alpha score of 0.6 and above to be acceptable due to the relatively small number of items used in each subset analysis (employee retention, fair compensation, employee development, work engagement, working relationships and flexible work hours). George and Mallery (2003: 53-55) accepted this cut-off point.

3.6 INSTRUMENT VALIDITY AND RELIABILITY

The validation of the instrument used in conducting a research study is found to be pivotal for any research activity (Kumar, 2014:7). Thus this section covers the validity and reliability of the instrument pertaining to this research.

3.6.1 Validity

Kumar (2014:7) articulates that validity is about ensuring that correct procedures have been applied in research. Tummons and Duckworth (2013:98) report validity in research as truthfulness. Bernard (2013:45) however refers to validity as the accurate trustworthiness of instruments, data and findings in research. 'External validity' of this research can be regarded as the extent of generalising the obtained results from the sample size studied to a bigger population increased with the relative large size of the sample employed (210 respondents). In social sciences, however, absolute validity cannot be guaranteed (Veal, 2011:46). 'Internal validity' (the extent to which the study identifies and measures all relevant variables') is enhanced through using variables identified in literature, and other variables emanating from the researcher's personal knowledge (Ezeuduji, 2013:5; Veal 2011:46). Bernard (2013:46) further states that if the researcher asks its respondents about categories that are alien to their culture, then the instrument used to measure is invalid. Using relatively large sample size in this study and using variables emanating from previous research thus increased the validity of this study.

3.6.2 Reliability

Reliability is all about consistency (Tummons & Duckworth, 2013:99). Research results are reliable if a researcher repeats the same process, followed by a previous researcher and is able to obtain similar results (Kumar, 2014: 7). In the social sciences, complete reliability (achieving same results, if the study is repeated later using different respondents) is also quite rare. Humans, (the subject of this study) live in ever-changing socio-economic situations. Therefore, further studies are always needed to track ever-changing human conditions and needs (Ezeuduji, 2013:5). In testing the reliability of this study the Cronbach's Alpha reliability tests were applied to measure constructs used in this study, and these were found to be reliable. This is shown in the data presentation section (Chapter 4) of this research.

3.7 SECONDARY RESEARCH SOURCES

Relevant studies on tourism, hotels and employment, employee retention and turnover variables in hotels were sourced from journal articles, internet websites, books, and published government documents. These are cited accordingly.

3.8 RESEARCH LIMITATIONS

This study focuses solely on three, four and five star hotels, based on the perception that they may be larger in size and may employ non-family members. In many studies a probability sampling is more favoured than a non-probability sampling. For this study, a probability sampling was not possible as some hotels in Cape Town rejected taking part in the research. Therefore, a non-probability sampling, as mentioned earlier, does not give an equal chance to every employee to take part in the study. This is a limitation to this research, which was however addressed by using a relatively large sample size (210 respondents) from many hotels (12).

Honesty in the part of the respondents may have equally affected the findings of this study. This is beyond the researcher's control. However, questionnaire was structured to be simple in language and uncomplicated in filling-in.

3.9 ETHICAL CONSIDERATIONS

According to Bernard (2013:23) ethics are part of the method in any discipline of science. Babbie (2010:64) as well as Tummons and Duckworth (2013:52) assert that each and every person involved in social research needs to be governed by general agreements from researchers about what is proper and what is improper when conducting research. Furthermore, Babbie (2010) adds that social research is viewed

as an interference in people's lives, as it may require participants to respond to questions that they may feel are confidential. Tummons and Duckworth (2013:53) state that proposals for research studies require approval via a rigorous process before being allowed to begin. For that reason, the Cape Peninsula University of Technology's (researcher's institution) ethical committee was consulted prior to conducting the study. The ethical committee granted this study permission, after the researcher consulted and obtained research permission from several hotels in Cape Town, in form of consent letters. The ethical clearance certificate was issued to the researcher (see Appendix 3 of this study).

Veal (2011:392) puts forward that researchers should take necessary precautions such as ensuring that real names of organisations or people are not used in the research materials. Thus, participants who were willing to take part in this study were assured of anonymity. Liamputtong (2011:25) stipulates that confidentiality in research aims at concealing the true identity of the participants. The respondents were informed that the results from this study will be confidential and that the study will use statistics to reveal the entire population's opinions on the matter under investigation. Tummons and Duckworth (2013:52) stress that it is imperative that respondents are protected in any research. This study also ensured that participants were not deceived about the aims of the research. Consequently, letters of consent to conduct this research were obtained from some of the participating hotels in Cape Town (see Appendix 4).

3.10 CHAPTER SUMMARY

This chapter explains the research methods used in conducting this empirical investigation. This research made use of a quantitative research method in the form of a structured self-administered questionnaire. Employees in hotels in the Cape Town CBD as well as in the Atlantic Seaboard areas were surveyed. Only willing hotels participated in this study. Upon agreement to take part in the study, consent letters were obtained from the willing establishments. A total of twelve hotels participated in this study (eight in the CBD area and four in the Atlantic Seaboard area). A pilot test was conducted in order to check the understanding of the questionnaire used in this investigation. Respondents from the pilot project showed full understanding of the questionnaire. Thus no amendments were made for the actual data collection. A total of 210 hotel employees in Cape Town, South Africa, were surveyed. Data analyses procedures used descriptive analysis, Correlation test, Chi-Square test and Reliability test to arrive at research results. The following chapter presents findings of the analysed data.

CHAPTER FOUR
RESULTS AND DISCUSSION

4.1 INTRODUCTION

This chapter presents the results of the questionnaire survey done in Cape Town regarding hotel employee retention. These results are further discussed and compared with previous literature to confirm or disconfirm study findings. Managerial issues raised by the results will be subsequently addressed in the conclusions and recommendations section (Chapter 5) of this study.

4.2 PROFILE OF THE RESPONDENTS AND GENERAL LEVEL OF SATISFACTION

This study surveyed 210 respondents (hotel employees) from 3 to 5 star hotels, whose socio-demographic characteristics are depicted in the following Table 4.1.

Table 4.1: Profile of the respondents (N = 210)

Variable	Category	Frequency (%)
Gender	Female	63.8
	Male	36.2
Age group	18 – 25 years old	16.7
	26 – 35 years old	41.4
	36 – 45 years old	30.5
	46 – 55 years old	8.6
	56 – 65 years old	2.4
	65 + years old	0.4
Cultural group	Black	35.7
	Coloured	35.2
	Indian	5.2
	Asian	1.4
	White	13.0
	Immigrant	9.5
Highest level of education attained	Matriculation or below	46.7
	College	25.2
	University national diploma or first degree	26.7
	University Master's degree or above	1.4
Number of years working in hotel	1 – 5 years	63.6
	6 – 10 years	19.5
	10 years and above	16.9
Current department	Food and Beverage- food production/food services/room service/convention and catering	20.5
	Rooms- reservations/front office/housekeeping/laundry	45.2
	Personnel- employee relations/recruitment/training	7.6
	Finance / accounting	6.7
	Marketing and sales- sales	4.8
	Maintenance and Security – maintenance / security	9.5
	Other[1]	5.7
Current position	First line staff- reservations/bell	41.0

	service/concierge/valet/waiter/waitress/counter reception	
	Grassroots leader or supervisor	13.7
	Unit chief (deputy manager or manager)	6.7
	Department supervisor	11.0
	General manager	1.4
	Other[2]	26.2

[1] 'Other' here denotes managerial staff and staff in specialised units such as Spa and games
[2] 'other' here denotes managerial staff and staff in specialised units such as Human Resources, Spa, Accounts, Kitchen, Maintenance, Housekeeping and Security.

The results show that female hotel employees dominated the sample. More than 50% of the surveyed respondents were relatively young (less than 36 years of age). Black and Coloured respondents represented more than 70% of the sample. Almost 50% of the sample only has a matriculation (high school) education, denoting the dominant education level of hotel employees in South Africa. Yang *et al.* (2012:846) articulate that the capabilities of employees form part of an organisation's assets. The loss of these assets may lead to a reduction in organisational knowledge. Ford *et al.* (2012:189) affirm that in order for organisations to provide excellent service, their employees need to be equipped with the right knowledge, skills, abilities and attitudes. It is generally believed however that a combination of education and experience are critical for organisational success and employee morale. About 64% of the respondents have worked in a hotel for 1 – 5 years. Much of the sample size (about 45%) works in the Room Service sections of the hotels, and another significant size in the Food and Beverage sections (about 21%). Much of the respondents are Front-line staff, Managerial staff and staff in specialised units such as Human Resources, Spa, Accounts, Kitchen, Maintenance, Housekeeping and Security.

A significant number of surveyed employees (about 60%) stated that they are either mostly or totally satisfied with their jobs. This is good news for the hotel managers. Yee *et al.* (2011:236) suggest that satisfied and loyal employees can deliver high service quality that can fulfil customers' needs. It follows therefore that many hotel employees (about 60%) would generally want to keep their jobs, versus about 14% who responded that they were either mostly dissatisfied or totally dissatisfied (see Table 4.2).

Table 4.2: Hotel employees' level of satisfaction in their jobs

Variable	Category	Frequency (%)
Level of satisfaction	Totally satisfied	21.9
	Mostly satisfied	37.2
	Neutral	27.1
	Mostly dissatisfied	9.5
	Totally dissatisfied	4.3

Several factors were identified in this study that relate to hotel employee retention. These are namely; a.) fair compensation (Hong *et al.*, 2012:62; Jung & Yoon, 2015:24), b.) employee development (Jung & Yoon, 2015:24; Kong *et al.*, 2012:78), c.) work engagement (Hong *et al.*, 2012:62; Jung & Yoon, 2015:24; Karatepe & Ngeche, 2012:441), d.) working relationships (Lee *et al.*, 2015:399; O'Neill & Davis; 2011:389), and e.) flexible work hours (Davidson & Wang, 2011:237; Mohanty & Mohanty, 2014:102); Hon *et al.*, 2013:422). These factors along with 'employee retention' factor form a central part of this study. Respondents were asked about their level of agreement to variables explaining these factors, and these results are presented in Tables 4.3 through 4.8.

Reliability statistics, validated by Cronbach's Alpha scores denote that all these variables are good enough to explain the respective factors identified, owing to the acceptable level of Cronbach's Alpha coefficient of 0.6 used in this study, as the reliability analysis scores exceed the 0.6 benchmark score for all factors in Tables 4.3 through 4.8 (see Chapter 3).

4.3   EMPLOYEE RETENTION

Hwang *et al.* (2014:60) report that hotel employee turnover is a distinctive feature the industry is faced with and it remains its greatest challenge. Mohsin *et al.* (2013:49) further state that employee turnover in hotels is one of the most pressing issues as turnover rates are much higher than in other industries. In Table 4.3 below it shows that respondents were more positive than negative towards the 'employee retention' variables. However 32% of employees responded that 'it would be easy for them to leave the hotel' they are working for. About 31% of employees disagreed stating that 'they want to remain in the hotel for a long time'. They (Mohsin, *et al.*, 2013:49) reiterated that some studies have shown that employee turnover is not country specific but rather a worldwide phenomenon. However, the amount of work expected, scheduled working hours, job pressures and personal life have an impact on employee intentions of leaving the hotel. Karatepe and Ngeche (2012:441) state that employees who are rooted in their jobs have less intention to leave the organisation and report higher job performance. Kim *et al.* (2015:79) state that employee intentions of leaving a hotel organisation are determined mainly by working hours, salary, promotion, shift assignment or other job-related requirements. Employee satisfaction on a business performance has the ability of self-sustainability (Yee *et al.*, 2011:243). Dusek *et al.* (2014:88) additionally state that the turnover rate needs to be controlled in order to improve consistency of service, to improve and retain customers and to gain the economic benefits associated with increased competitiveness, which

is driven by brand consistency that bring about loyalty. This result is not surprising owing to the fact that only about 64% of employees indicated they have worked between 1 – 5 years in the hotel (see Table 4.1).

Mohanty and Mohanty (2014:94) allude that the accommodation sector is highly shared by private entrepreneurs, offers low pay, has low career opportunity and poor employment conditions, has low job security and the labour management is greater in this sector. Ford *et al.* (2012:188) mention that hospitality jobs often involve working in unpleasant conditions or during undesirable hours, often pay less than other industries, have short-term job commitments, where high career aspirations cannot be met. Literature about employee retention reveals that the hotel sector is unable to keep employees (Ford *et al.*, 2012:188; Hwang *et al.*, 2014:60; Mohsin *et al.*, 2013:49; Zopiatis *et al.*, 2014:131). Kim *et al.* (2015:79) support this notion by stating that employee intentions of leaving a hotel are determined mainly by working hours, salary, promotion, shift assignment or other job-related requirements. Yee *et al.* (2011:243) suggest that service quality is achieved through employee satisfaction which leads to employee loyalty; and customer satisfaction induces sales performance through customer loyalty. Albattat *et al.* (2014:48) denote that employee loyalty is influenced by the following variables: 1) compensation and rewards; 2) career development; 3) job security and; 4) workplace environment.

Table 4.3: Respondents' level of agreement (%) towards 'employee retention'

Variable	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1.1 I feel attached to this hotel	24.3	39.0	20.0	10.5	6.2
1.2 It would be difficult for me to leave this hotel	14.8	23.8	32.4	18.6	10.4
1.3 Working in this hotel is a labour of love for me	18.1	36.7	28.6	10.5	6.1
1.4 It would be easy for me to leave this hotel	9.1	22.5	30.1	23.4	14.9
1.5 I want to remain in this hotel for a long time	20.0	22.4	26.7	19.0	11.9
1.6 I cannot wait to leave this hotel	8.2	5.8	18.8	33.6	33.6
Reliability Statistics (employee retention), Cronbach's Alpha =.857, N of Items = 6 *Valid cases = 207(98.6%), Excluded cases = 3(1.4%), Total = 210*					

The section that follows will reveal results pertaining to compensation and rewards variables.

4.4   EMPLOYEE COMPENSATION

Ineson *et al.* (2013:32) suggest that pay significantly contributes to job satisfaction. Jung and Yoon (2015:22) add that reasonable rewards have the capacity of allowing workers to be satisfied with their jobs. Therefore, it is perceived that hotels need to ensure proper levels of pay towards their employees, in order to eliminate job

withdrawal. Jung and Yoon (2015:25) found fair pay to be a strategic policy that has the ability to increase employee job engagement and decrease job withdrawal. Respondents were asked to denote how they regard employee compensation in their hotels. They were requested to tick their level of agreement or disagreement to a set of variables depicting 'compensation'. Table 4.4 below shows that employees generally had more positive than negative answers to these variables. Till and Karren (2011:42) state that the determination of pay satisfaction is modelled by pay fairness and pay comparisons. Ford *et al.* (2012:253) state that employees who feel fairly treated are more motivated to perform on behalf of their organisation than employees who feel unfairly treated. Wu *et al.* (2013:193) articulate that when employees perceive their pay as fair, they will make efforts to do a good job. Majority of respondents about 68% perceived their pay to be relevant to industry wage. However, about 34% of the respondents disagreed with the statement that 'their salary in the hotel is fair for their responsibilities'. 41% percent of the employees responded that 'their pay in the hotel is not necessarily subject to organisational performance'; and about 27% disagreed that 'employee initiative in the hotel is always compensated'.

Ineson *et al.* (2013:32) further add that job satisfaction is not only driven by financial compensation, but that employee involvement is equally important. The results show that 71% of respondents perceived their benefits package to be offering them stability.

Table 4.4: Respondents' level of agreement (%) towards 'compensation'

Variable	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
2.1 The amount of pay I receive in this hotel is the industry wage for my position	15.2	42.8	21.0	11.0	10.0
2.2 My monthly salary in this hotel is not satisfactory	10.5	19.0	23.8	35.2	11.5
2.3 My salary in this hotel is fair for my responsibilities	7.1	35.2	23.8	20.0	13.9
2.4 Benefits provided as a package in this hotel (e.g. sick leave, maternity & paternity) give me stability	25.2	46.2	19.0	6.2	3.4
2.5 My pay in this hotel is not necessarily subject to organisational performance	10.5	30.5	33.3	19.0	6.7
2.6 Employee initiative in this hotel is always compensated	12.9	29.5	31.0	16.6	10.0
Reliability Statistics (compensation), Cronbach's Alpha =.676, N of Items = 5 (when item 2.5 in the Table – 'pay', is deleted) *Cronbach's Alpha =.616, N of Items = 6 (when all items in the Table are included)* Valid cases = 210(100%), Excluded cases = 0(0%), Total = 210					

Jung and Yoon (2015:22) point out that reasonable reward have the capacity of allowing workers to be satisfied with their jobs. Pay satisfaction is perceived to be a

function of the discrepancy of perceived pay level and the amount the employee believes their pay should be (Till & Karren, 2011:42). Yang *et al.* (2012:847) communicate that understanding employee expectations of a reasonable level of salary and promotion opportunities can increase employee commitment towards an organisation. Nasurdin *et al.* (2015:349) connected compensation with the extrinsic rewards employees receive in exchange for their work. This compensation is usually composed of base wage or salary, incentives or bonuses and any benefits resulting from employment and position with the organisation.

The section that follows will discuss results from employee development variables.

4.5   EMPLOYEE DEVELOPMENT

Bednarska (2013:1) states that the tourism industry is extremely labour intensive, thereby requiring employees to be well-equipped with the appropriate competencies so as to compete successfully with rival organisations. Kong *et al.* (2012:78) indicate that organisations try to improve employee career satisfaction by providing effective career support, such as training, performance appraisal and challenging jobs. Career training plays a pivotal role in career development (Kong *et al.*, 2011:117). Solnet *et al.* (2012:45) articulate that opportunities for training and development make employees feel valued by their organisation which in turn improves their confidence and up-selling and also offers high levels of service quality that leads to customer satisfaction and increased revenues. The benefits of training employees include improved productivity, increased retention, higher satisfaction and greater commitment.

Hence, it can be regarded as a worthwhile investment (Nasurdin *et al.*, 2015:345). According to Nasurdin *et al.* (2015:345) training activities influence performance in two folds: 1) it improves the skills and abilities relevant to employees' tasks and development, which in turn, leads to greater job performance, and 2) it increases employees' satisfaction as well as other positive attitudes related to their jobs and workplace. This eventually leads to a greater display of positive behaviours. Chen and Wallace (2011:25) have identified multiskilling of workers as one of the main reasons of increasing productivity.

The respondents for this study were asked to show their level of agreement or disagreement with a set of variables that denote 'employee development'. Once again, the respondents were more positive than negative in their answers, as can be

seen in Table 4.5 below. However, it is also important to point to the 30% of respondents who disagreed with the statement that 'If they do good work in the hotel, they can count on being promoted'. Lam and Chen (2012:9) suggest that managers guide and support their subordinates, in order for these employees to feel wanted and valued in the organisation.

About 24% of the respondents disagreed with the statement that 'support for their long-term career development is provided in the hotel'. About 21% also disagreed that 'the hotel has opportunities for skills development'. Cloete and Allen-Payne (2012:40-41) assert that it is management's responsibility to employ, develop and promote their staff, thereby suggesting that managers perform a skills audit with designated employees in their departments and ensure that development plans are in place for these designated employees e.g. mentoring, coaching and managing development programmes.

Table 4.5: Respondents' level of agreement (%) towards 'employee development'

Variable	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
3.1 If I do good work in this hotel, I can count on being promoted	21.9	28.6	19.5	17.6	12.4
3.2 I did not receive extensive customer service training in this hotel	7.1	9.5	21.9	39.0	22.5
3.3 Continuous training is provided in this hotel	31.4	42.9	10.0	5.7	10.0
3.4 Support for my long term career development is provided in this hotel	20.0	36.2	20.0	11.9	11.9
3.5 My supervisors in this hotel explain the key success factors on the job	23.8	43.3	15.7	7.6	9.6
3.6 This hotel has opportunities for skills development	32.9	33.3	12.9	10.5	10.4
Reliability Statistics (employee development), Cronbach's Alpha =.829, N of Items = 6 *Valid cases = 210 (100%), Excluded cases = 0(0%), Total = 210*					

The following section will discuss results pertaining to work engagement variables.

4.6   WORK ENGAGEMENT

Respondents were asked to denote their level of agreement or disagreement with a set of variables depicting 'work engagement' factor, according to literature. Again the employees responded more positively than negatively to these set of variables as can be seen in Table 4.6 below. However, about 60% of the respondents feel they 'need to be empowered to solve customer problems'; and about 46% of the respondents reported 'strict supervision by superiors'.

Table 4.6: Respondents' level of agreement (%) towards 'work engagement'

Variable	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
4.1 In my job in this hotel, I have sufficient opportunities to use my initiative	15.2	48.6	19.0	10.5	6.7
4.2 For a large part I determine how I work in this hotel	11.9	39.5	26.2	12.4	10.0
4.3 I am not empowered to solve customer problems in this hotel	6.2	13.8	20.0	42.9	17.1
4.4 I am not strictly supervised or controlled in this hotel	8.6	23.8	21.9	25.7	20.0
4.5 I enjoy meeting and serving customers in this hotel	49.5	37.6	8.1	3.3	1.5
4.6 I am afforded an opportunity to decide how to do my work from time to time in this hotel	22.4	41.9	16.7	9.5	9.5
Reliability Statistics (work engagement), Cronbach's Alpha =.639, N of Items = 6 *Valid cases = 210 (100%), Excluded cases = 0(0%), Total = 210*					

Zopiatis *et al.* (2014:130) refer to work involvement as active participation in one's job and the ability for individuals to make decisions. According to Bednarska (2013:1) the attractiveness of the career offered by employers has the ability to motivate and engage employees. In this way, an organisation can retain skilled workers. Karatepe and Douri (2012:7) indicate that customer requests and problems are effectively handled by employees who are customer-oriented. Frontline service jobs require frequent interactions between customers and employees, and failure to deliver effectively during service encounters will result in employees' emotional exhaustion (Nasurdin *et al.*, 2015:348). The success of an organisation cannot be reached without the contribution and support of employees (Mohanty & Mohanty, 2014:94). High work involvement by employees may lead to work satisfaction, increase outputs and improved loyalty to the organisation (Permarupan *et al.*, 2013:467).

4.7   WORKING RELATIONS

The management ethos of how employees are treated sets the tone and conditions for the employee-employer relationship (Nasurdin *et al.*, 2015:345). Respondents for this study were asked to show their level of agreement or disagreement with a set of variables that denote 'working relations'. Respondents were generally much more positive than negative in their answers as can be seen in Table 4.7 below. This study's results show that hotel employees have good working relations with line managers as well as with each other. Thus, this study disagrees with AlBattat *et al.* (2014:48), Davidson and Wang (2011:327), Kuria *et al.* (2012:315), and Mohanty and Mohanty (2014:102) with regard to reported poor working relations in the hotel sector. In the South African context, the positive results may be linked to the nation being regarded as a rainbow nation; meaning that South Africa is rich with different cultures.

The understanding of each other's (employees) differences could thus have been the explanation for these good working relations.

Table 4.7: Respondents' level of agreement (%) towards 'working relations'

Variable	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
5.1 I have a good working relationship with my supervisors in this hotel	30.0	42.4	11.4	8.1	8.1
5.2 I work very well with everyone in this hotel	43.3	42.9	8.6	3.8	1.4
5.3 I enjoy good communications with my supervisors in this hotel	28.1	41.0	15.7	8.1	7.1
5.4 I enjoy good communications with my colleagues in this hotel	48.1	42.9	8.1	0.5	0.4
5.5 I think of the workplace as my second home and my colleagues as my family in this hotel	29.5	33.3	20.0	10.5	6.7
5.6 I have good working relationships with my colleagues in this hotel	41.4	43.8	12.9	1.4	0.5
Reliability Statistics (working relations), Cronbach's Alpha =.803, N of Items = 6 *Valid cases = 210 (100%), Excluded cases = 0(0%), Total = 210*					

Hon *et al.* (2013:416) suggest that supervisors provide useful feedback to subordinates, as this allows employees to be more effective and creative when they are on their own without supervision. Hon *et al.* (2013:416) state that useful feedback is seen as a (1) tool of alleviating pressure and improving job performance from these service employees, and (2) increasing employee confidence in their creative ideas being supported by their supervisors and subsequently implemented. O'Neill and Davis (2011:389) indicate that guest-related tensions and stressors are far less than employee-related tensions and stressors. Lam and Chan (2012:9) postulate that encouragement and support from supervisors raises positive perceptions of interactional justice and at the same time decreasing employee negative emotions. Ford *et al.* (2012:245) mention that the clarification of jobs as well as how an employee fits within the overall organisation, providing clear job descriptions, setting clear and specific goals, reinforcing cultural norms and values, continuously communicating the expected role behaviours of employees through doing, saying and in writing, are all managers' responsibilities. Kim *et al.* (2015:79) postulate that a working culture of hotels requires teamwork, cooperation among team members, as well as mentoring relations that can eliminate role ambiguity and role conflict. Lee *et al.* (2015:399) state that high cooperation and interaction among leaders, subordinates and co-workers is crucial for the hospitality sector. They further indicate that high-quality relationship exchanges among co-workers lead to influence and co-ordination between teammates.

4.8   WORKING HOURS

Mohsin *et al.* (2013:55) state that the amount of work expected, scheduled working hours, job pressures and personal life have an impact on employee intentions of leaving a hotel. Respondents were asked to denote their level of agreement or disagreement with a set of variables depicting 'working hours' as an employee retention factor, according to literature. Again, the employees responded more positively than negatively to these set of variables as can be seen in Table 4.8 below. However, about 34% of employees responded that 'long working hours are a problem to them'; about 40% indicated that 'working hours in the hotel infringe on their personal quality time with friends' and about 30% affirmed that 'their job schedule in the hotel does interfere with their family life'.

Table 4.8: Respondents' level of agreement (%) towards 'working hours'

Variable	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
6.1 My working hours are adequate in this hotel	17.1	51.4	17.6	7.6	6.3
6.2 My job schedule in this hotel does not interfere with my family life	11.4	36.2	22.9	18.1	11.4
6.3 In this hotel, I am given enough time to do what is expected of me in my job	19.0	47.6	19.5	6.7	7.2
6.4 Working hours in this hotel infringe on my personal quality time with friends	10.0	21.0	28.6	27.6	12.8
6.5 Long working hours are not a problem to me	11.4	30.0	24.8	21.0	12.8
6.6 The hotel's long working hours are unreasonable	6.2	18.6	22.4	34.3	18.5
Reliability Statistics (working hours), Cronbach's Alpha =.717, N of Items = 6 *Valid cases = 210 (100%), Excluded cases = 0(0%), Total = 210*					

Mohanty and Mohanty (2014:102) state that long working hours is an indication of the poor working conditions in hotel employment. Hon *et al.* (2013:422) state that pressures such as insufficient time, heavy workloads, role conflict, high responsibility, role ambiguity and job insecurities are frequently experienced by hotel employees. McNamara *et al.* (2011:225) additionally state that in many hotels, work schedules for the following week are posted, at most, a week in advance, consequently allowing employees a very limited chance to balance work, social and family responsibilities. Long and antisocial working hours are among the factors aligned with the work environment of hospitality organisations (Davidson & Wang, 2011:237). McNamara *et al.* (2011:226) indicate that stress in hotel employment may be aggravated by a combination of long and irregular working hours, bad job design and duties, insufficient training, excess workloads, and outsourcing spiraling and poor

management. Hwang *et al.* (2014:71) add that some of the common occupational stresses faced by hotel employees are heavy workloads and long working hours.

4.9   RELATIONSHIP AMONG FACTORS OF EMPLOYEE

To further validate the employee retention factors used in this study, a correlation test was conducted among factors such as employee retention, employee development, work engagement, work relations, working hours and compensation. Strong correlations were found among these factors (all p-values < 0.001, Spearman's correlation, two-tailed), confirming a relatedness in these factors influencing employee retention in hotels (see Table 4.9). These factors, when implemented positively, can enable hotel employees to stay longer on the job. This means that when strong employee development, effective work engagement, cordial work relations, favourable working hours and fair compensation are in place, the effect on employee retention will be positive.

Further data analyses as seen in Table 4.10 checked for relationships between employee retention and related factors on the one hand, and the employees' profile and level of satisfaction on the other hand (using Chi-Square test for categorical / nominal variables and Correlation test for ordinal / ranked variables). The following interesting results were revealed:

- The more satisfied employees were, the more they felt attached to the hotel;
- The longer employees worked in the hotel, the harder they found it to leave the hotel;
- Satisfied employees believed they were fairly remunerated in the hotel, according to the industry wage for their positions;
- Employees are more satisfied when their initiative in the hotel is compensated and chances of promotion is high;
- When continuous training is provided in the hotel, and support for long term career development is provided, employees are more satisfied;

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Table 4.9: Non-parametric correlations among factors (Spearman's rank correlation) (N = 210)

			Employee Retention Factor	Employee Development Factor	Work Engagement Factor	Work Relations	Working Hours	Compensation (without 2.5)
Spearman's rho	Employee Retention Factor	Correlation Coefficient	1.000	.521**	.473**	.509**	.476**	.575**
		p-value (2-tailed)	.	.000	.000	.000	.000	.000
		N	210	210	210	210	210	210
	Employee Development Factor	Correlation Coefficient	.521**	1.000	.625**	.600**	.436**	.556**
		p-value (2-tailed)	.000	.	.000	.000	.000	.000
		N	210	210	210	210	210	210
	Work Engagement Factor	Correlation Coefficient	.473**	.625**	1.000	.631**	.533**	.470**
		p-value (2-tailed)	.000	.000	.	.000	.000	.000
		N	210	210	210	210	210	210
	Work Relations	Correlation Coefficient	.509**	.600**	.631**	1.000	.541**	.443**
		p-value (2-tailed)	.000	.000	.000	.	.000	.000
		N	210	210	210	210	210	210
	Working Hours	Correlation Coefficient	.476**	.436**	.533**	.541**	1.000	.409**
		p-value (2-tailed)	.000	.000	.000	.000	.	.000
		N	210	210	210	210	210	210
	Compensation (without 2.5)	Correlation Coefficient	.575**	.556**	.470**	.443**	.409**	1.000
		p-value (2-tailed)	.000	.000	.000	.000	.000	.
		N	210	210	210	210	210	210

**. Correlation is significant at the 0.01 level (2-tailed). All p-values < 0.001. Spearman's Rank correlation coefficient was used as all variables were not normally distributed.

Table 4.10: Employee statements compared with employee profile and level of satisfaction

1 Employee retention	
Statements	**Compared with employee profile and level of satisfaction**
1.1 I feel attached to this hotel	***the more employees agree, the more they are satisfied.
1.2 It would be difficult for me to leave this hotel	***the more employees agree, the more they are satisfied; *the more employees agree, the longer they have worked in hotel.
1.3 Working in this hotel is a labour of love for me	***the more employees agree, the more they are satisfied.
1.4 It would be easy for me to leave this hotel	*Rooms- reservations/front office/housekeeping staff agreed less than staff in other departments.
1.5 I want to remain in this hotel for a long time	***the more employees agree, the more they are satisfied; *the more employees agree, the longer they have worked in hotel. *Finance / accounting; Food & Beverage- food production/food services/room service/ convention & catering staff agree less than staff in other departments
1.6 I cannot wait to leave this hotel	***the more employees **disagree**, the more they are satisfied.
2 Compensation	
2.1 The amount of pay I receive in this hotel is the industry wage for my position	***the more employees agree, the more they are satisfied.
2.2 My monthly salary in this hotel is not satisfactory	*the more employees **disagree**, the more they are satisfied.
2.3 My salary in this hotel is fair for my responsibilities	***the more employees agree, the more they are satisfied. *Food & Beverage- food production/food services/room service/ convention & catering staff agree less than staff in other departments ** Immigrants agreed less than South Africans
2.4 Benefits provided as a package in this hotel (e.g. sick leave, maternity & paternity) give me stability	**Food & Beverage- food production/food services/room service/ convention & catering staff agree less than staff in other departments **Females disagree more than males
2.5 My pay in this hotel is not necessarily subject to organisational performance	N.S.
2.6 Employee initiative in this hotel is always compensated	***the more employees agree, the more they are satisfied. *Black and Coloured employees agree less than other cultural groups
3 Employee development	
3.1 If I do good work in this hotel, I can count on being promoted	***the more employees agree, the more they are satisfied. *Coloured employees agree less than other cultural

	groups
3.2 I did not receive extensive customer service training in this hotel	N.S.
3.3 Continuous training is provided in this hotel	**the more employees agree, the more they are satisfied; *the more employees disagree, the longer they have worked in hotel.
3.4 Support for my long term career development is provided in this hotel	***the more employees agree, the more they are satisfied. ** Coloured employees agree less than other cultural groups
3.5 My supervisors in this hotel explain the key success factors on the job	***the more employees agree, the more they are satisfied.
3.6 This hotel has opportunities for skills development	***the more employees agree, the more they are satisfied.

4 Work engagement

Statements	Compared with employee profile and level of satisfaction
4.1 In my job in this hotel, I have sufficient opportunities to use my initiative	***the more employees agree, the more they are satisfied. *Black employees agree less than other cultural groups
4.2 For a large part I determine how I work in this hotel	***the more employees agree, the more they are satisfied. *First line staff- reservations/bell service/concierge/valet/waiter/waitress/ counter reception staff agree less than staff in other positions
4.3 I am not empowered to solve customer problems in this hotel	*the more employees **disagree**, the more they are satisfied.
4.4 I am not strictly supervised or controlled in this hotel	***the more employees agree, the more they are satisfied. *White employees agree more than other cultural groups
4.5 I enjoy meeting and serving customers in this hotel	N.S.
4.6 I am afforded an opportunity to decide how to do my work from time to time in this hotel	***the more employees agree, the more they are satisfied. *First line staff- reservations/bell service/concierge/valet/waiter/waitress/ counter reception staff agree less than staff in other positions

5 Working relations

5.1 I have a good working relationship with my supervisors in this hotel	***the more employees agree, the more they are satisfied.
5.2 I work very well with everyone in this hotel	
5.3 I enjoy good communications with my	***the more employees agree, the more they are

supervisors in this hotel	satisfied.
5.4 I enjoy good communications with my colleagues in this hotel	N.S.
5.5 I think of the workplace as my second home and my colleagues as my family in this hotel	***the more employees agree, the more they are satisfied.
5.6 I have good working relationships with my colleagues in this hotel	**the more employees agree, the more they are satisfied.
6 Working hours	
6.1 My working hours are adequate in this hotel	***the more employees agree, the more they are satisfied. ** Finance / accounting; Marketing and sales- sales staff agree less than staff in other departments
6.2 My job schedule in this hotel does not interfere with my family life	***the more employees agree, the more they are satisfied.
6.3 In this hotel, I am given enough time to do what is expected of me in my job	***the more employees agree, the more they are satisfied.
6.4 Working hours in this hotel infringe on my personal quality time with friends	**the more employees disagree, the longer they have worked in hotel.
6.5 Long working hours are not a problem to me	***the more employees agree, the more they are satisfied.
6.6 The hotel's long working hours are unreasonable	*Coloured employees agree less than other cultural groups

Notes: Spearman's Rank correlation or Pearson Chi-Square test significance. N.S., no significant results. *, $p < 0.05$; **, $p < 0.01$; ***, $p < 0.000$.

- The more employees are empowered to solve customer problems in the hotel, the more they are satisfied;
- The less the supervision and strict control of employees, the more they are satisfied;
- Satisfied employees have good working relationships and communication with their supervisors and colleagues in the hotel;
- Satisfied employees think of the workplace as their second home and their colleagues as their family in the hotel;
- Satisfied employees have no problem with long working hours in the hotel;
- Rooms- reservations/front office/housekeeping staff are more likely to work longer hours than staff in other departments in hotel;
- Finance / Accounting; Food and Beverage- food production/food services/room service/ convention and catering Staff are more likely to leave the hotel sooner than staff in other departments;
- Food and Beverage- food production/food services/room service/ convention and catering- Staff perceive that their salaries are less fair than other staff in other positions;

- Immigrants working in hotels perceive they are paid lower salaries than South Africans;
- Female staff disagree more than males that benefits provided as a package in this hotel (e.g. sick leave, maternity & paternity) give them stability;
- Black and Coloured employees disagree more than other cultural groups that employee initiative in the hotel is always compensated;
- Coloured employees agree less that support for their long-term career development is provided in this hotel, than the other cultural groups;
- Black employees agree less than other cultural groups that they have sufficient opportunities to use their initiative in hotels;
- White employees agree more than other cultural groups that they not strictly supervised or controlled;
- Front line staff agree less than staff in other positions that they are afforded an opportunity to decide how to do their work from time to time in the hotels;
- Staff from Finance, Marketing and Sales department agree less than staff in other departments that their working hours are adequate in this hotel; and
- Coloured employees agree less than other cultural groups that the hotel's long working hours are unreasonable.

The conclusions and recommendations section (Chapter 5) of this study will address some of the sensitive results presented here, that have managerial implications.

4.10 CONCEPTUAL MODEL

This study started off by proposing a conceptual framework on which the study hinges. Research undertaken by numerous authors assisted this study in examining employee retention in relation to selected hotels in Cape Town, South Africa. The literature reviewed provided relationships between dependent and independent variables associated with employee turnover in the hospitality sector. This study intended to understand the relationship strength between employees' intention to leave the hospitality sector (hotel employment) with regard to; a.) fair compensation, b.) employee development, c.) work engagement, d.) good working relations and, e.) long working hours.

This study validates the original conceptual framework that guided this research and puts forward that there are very strong relationships between fair compensation, employee development, work engagement, good working relations and working hours

on the one hand; and employee retention on the other hand (see Figure 4.1). These relationships have been discussed in this chapter.
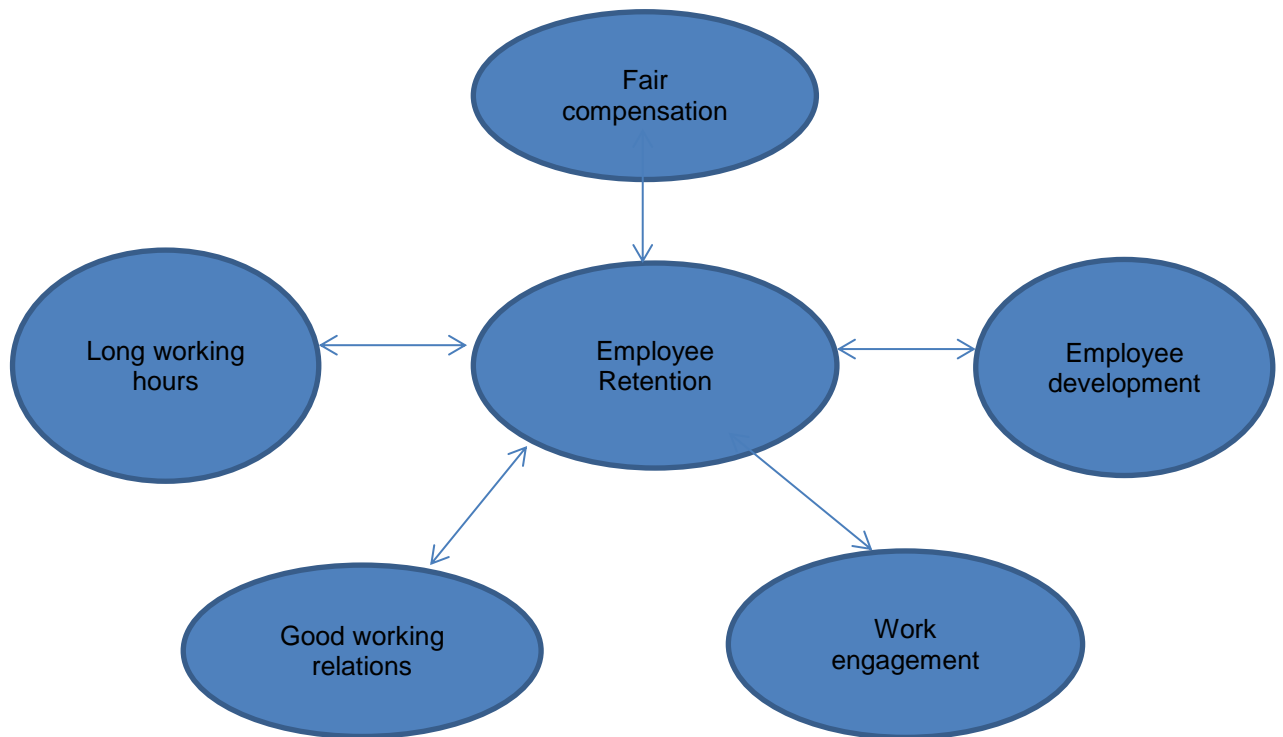
Figure 4.1: Validated conceptual model – employee retention and associated factors

4.11   CHAPTER SUMMARY

This chapter presented the findings of this study and discussed them in relation to the existing literature. The data analyses used for this study consist of descriptive, bivariate and multivariate analyses. These analyses help to shed light on the frequencies of responses as well as on the relationship between variables and employee demographic profiles, in order to address the topic of the research revolving around employee retention in 3 to 5 star hotels in Cape Town, South Africa. The next chapter (Chapter 5) concludes this study and makes recommendations on how to address to lower employee turnover in hotels, based on this study's findings.

CHAPTER FIVE
CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter will conclude the study based on the research objectives (related to the research questions) that guided it.

5.2 OVERVIEW OF RESEARCH FINDINGS

The results show that a significant number of surveyed employees (about 60%) stated that they were either mostly or totally satisfied with their jobs. About 53% of the employees felt 'attached to the hotels' in which they are working. About 38% of the employees stated that 'it would be difficult for them to leave the hotel job'. About 65% see their hotel job as 'a labour of love' and about 42% of the employees 'want to remain in the hotel job for a long time'. In as much as these results may not be very soothing for the hotel managers (supporting the low level of satisfaction and high level of employee turnover in hotels), a significant number of employees want a long-term career in the hotel industry. Thirty-two percent of employees responded that 'it would be easy for them to leave the hotel' in which they are working; and about 31% of employees disagreed with the statement that 'they want to remain in the hotel for a long time'.

> *Objective 1: To find the strength of the relationship between employees' perception of fair compensation and employee retention in the hospitality sector.*

This study found a very strong correlation between fair compensation and employee retention. Employees who perceived themselves as fairly compensated in the hotel wanted to work long-term in the hotel.

> *Objective 2: To determine the strength of the relationship between employees' perceptions of employee development and employee retention in the hospitality sector.*

The results of this study found a very strong correlation between employee development and employee retention. Employees who believed they were afforded enough development opportunities in the hotel want to work for the hotel on a long-term basis.

> ➤ *Objective 3: To discover the strength of the relationship between employees' perception of work engagement and employee retention in the hospitality sector.*

This study found a very strong correlation between work engagement and employee retention. Employees who perceived themselves as fairly engaged in the hotel's functioning wanted to work for the hotel on a long-term basis.

> ➤ *Objective 4: To establish the strength of the relationship between employees' perception of a good working relationship between line managers and subordinates and employee retention in the hospitality sector.*

This research found a very strong correlation between good working relationships and employee retention. Employees who perceived themselves as having good relations with their managers and colleagues in the hotel wanted to work for the hotel long-term.

> ➤ *Objective 5: To ascertain the strength of the relationship between employees' perception of long working hours and employee retention in the hospitality sector.*

This study found a very strong correlation between employees' acceptance of hotels' long working hours and employee retention. Employees who perceived the long working hours in the hotels as fair wanted to work in the hotel on a long-term basis.

When strong employee development, effective work engagement, cordial work relations, favourable working hours and fair compensation are put in place, the effect on employee retention in hotels will be positive.

5.3   RECOMMENDATIONS

Based on the findings of this dissertation, this study therefore recommends the following:

- ▪ Hotel managers should consolidate the implementation of performance-related pay and performance-related promotions in order to create an environment that supports creativity and ownership of responsibilities among hotel employees;

- Hotel managers should provide more opportunities to enhance skills development for hotel employees. This will support employees' long-term career developments in hotels;
- Hotel managers should create a conducive environment in hotels where employees are empowered to take ownership of their duties and solve customer problems on their own, without strict supervision;
- In as much as long working hours are important for hotels; hotel managers should endeavour to link hotels' long working hours to employees' remuneration and explain this to their employees; and
- Hotel managers should conduct teambuilding activities in their respective hotels to explore differences in perceptions among employees of different cultural groups, departments and positions; and try to address them, as significant differences in perceptions between groups may negatively impact the psychology of different groups affecting their performance.

5.4   OPPORTUNITIES FOR FURTHER RESEARCH

This study explored the relationships between variables that are related to employee retention, and also the socio-demographic influences on these variables. Further research can structurally model an employee profile's impact on employee retention in hotels. This can create an opportunity for employee retention prediction based on employee profile or socio-demographic characteristics. Future research could also investigate possible differences among hotels' star grades in relation to employee retention. Comparative studies between and among countries could also be conducted to discover how cultural differences can impact on employee retention in hotels.

5.5   CHAPTER SUMMARY

This chapter comprehended the findings from this empirical investigation. This section showed that there is a strong correlation between fair compensation and employee retention. The study found that employees who perceived their pay to being fair wanted to work long-term in a hotel. This research also found that development opportunities, work engagement, good working relations and perception of fair long working hours are the key drivers into employees wanting to work for that hotel for a long time. Even so, the study found that there is a significant difference in perception between different cultural groups, departments and positions. From there recommendations as well as opportunities for further research were discussed.

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APPENDICES

APPENDIX A: MAP OF HOTELS IN CAPE TOWN

	HOTEL CATEGORY	AREA	PHYSICAL ADDRESS
	5 STAR HOTELS ★ ★ ★ ★ ★		
1	The Westin Cape Town	Foreshore, CBD	1 Lower Long Street, Convention Square, Cape Town
2	TAJ Hotel Cape Town	Central City	Cnr Whale and Church Road, Cape Town
3	One & Only Cape Town	V&A Waterfront	Dock Road, V&A Waterfront, Cape Town
4	15 on Orange	Tamboerskloof	Cnr Grey's Pass and Orange Street, Cape Town
5	Crystal Towers	Century City	Railto Road, Century City
6	Pepper Club Hotel	Central City, CBD	Cnr of Pepper and Loop Street
7	The Hilton City Centre Hotel	Central City, CBD	Buitengracht Street, Cape Town
8	Cape Grace	V&A Waterfront	West Quay Rd, Waterfront
9	Table Bay	V&A Waterfront	Quay 6, V&A Waterfront
10	Radisson Hotel	Granger Bay (V&A)	Beach Rd, Granger Bay, Cape Town
11	Mount Nelson	Tamboerskloof	76 Orange Street, Cape Town
12	The Bay Hotel	Camps Bay	69 Victoria Road, Camps Bay
13	Le Vendome	Seapoint	20 London Road, Seapoint
14	12 Apostles Hotel	Oudekraal	Victoria Road, Oudekraal, Camps Bay
15	Peninsula All suites	Seapoint	313 Beach Road, Seapoint
16	Ellerman House	Bantry Bay	180 Kloof Road, Bantry Bay
17	Romney Park Luxury Suites	Greenpoint	Cnr Hill Road and Romney Road, Greenpoint
18	Cape Royale Hotel	Greenpoint	47 Main Road, Greenpoint
19	Villa Belmonte Manor	Oranjezicht	33 Belmont Avenue, Oranjezicht
20	Waterfront Village	V&A Waterfront	West Quay Road, Waterfront
	4 STAR HOTELS ★ ★ ★ ★		
21	The Vineyard	Newlands	Colinton Road, Newlands
22	Mandela Rhodes	Central City	Cnr Wale and Burg Street, Cape Town
23	Portswood Hotel	V&A Waterfront	Portwood Square, Portwood Road, Waterfront
24	The Commodore	V&A Waterfront	Portwood Square, Portwood Road, Waterfront
25	Adderley Hotel	Central City	Adderley Street, Cape Town
26	Colosseum	Century City	Century Way, Century City
27	Victoria Junction	Seapoint	Cnr Somerset Road and Ebenezer Road, Cape Town
28	Seapoint Protea	Seapoint	Arthurs Road, Seapoint
29	The President	Bantry Bay	4 Alexander Road, Bantry Bay
30	Victoria & Alfred Hotel	V&A Waterfront	On the Waterfront Pier Head, Cape Town
31	Capetonian	Foreshore, CBD	Pier Place, Heerengracht, Cape Town
32	Southern Sun Cullinan	Foreshore, CBD	1 Cullinan Street, Cape Town
33	Southern Sun Waterfront	Foreshore, CBD	1 Lower Buitengracht Road, Cape Town
34	Southern Sun Cape Sun	Central City, CBD	Strand Street, Cape Town
35	Winchester Mansions	Seapoint	221 Beach Road, Seapoint, Cape Town
36	The Ambassador	Bantry Bay	34 Victoria Road, Bantry Bay, Cape Town
37	The Cape Milner	Central City, CBD	2A Milner Road, Tamboerskloof, Cape Town
38	The Cape Town Lodge	Central City, CBD	101 Buitengracht Street, Cape Town
39	The Townhouse	Central City, CBD	60 Corporation Street, Cape Town
40	Hotel on St Georges	Central City, CBD	Riebeeck Street, St Georges Mall, Cape Town
41	Protea North Wharf	Central City, CBD	1 Lower Bree Street, Cape Town,
42	The Fountains Hotel	Central City, CBD	1st Georges Mall, Cape Town
43	Strand Towers	Central City, CBD	Cnr Strand and Loop Street, Cape Town
44	Cape Town Hollow	Central City, CBD	88 Queen Victoria Street, Gardens, Cape Town

	HOTEL CATEGORY	AREA	PHYSICAL ADDRESS
	4 STAR HOTELS ✹ ✹ ✹ ✹		
45	Hollow on the Square	Central City, CBD	9 Ryk Tulbagh, Hans Strydom Ave, Cape Town
46	The Bantry Bay Luxury Suites	Bantry Bay	8 Alexander Road, Bantry Bay
47	Protea Hotel Island Club	Century City	Century Bulevart, Century City
48	Cape Heritage Hotel	City Centre	90 Bree Street, Cape Town
49	Grand Daddy	Central City, CBD	38 Long Street, Cape Town
50	Southern Sun Newlands	Newlands	7 Main Road, Newlands
51	Urban Chic Boutique Hotel	Central City, CBD	172 Long Street, Cnr Long and Pepper Street, Cape Town
52	Icon	Foreshore	Cnr Lower Long and Hans Strydom Street, Cape Town
53	Circa	Foreshore	15 Anton Anreith Arcade, Cape Town
54	De Waterkant	De Waterkant	34B Napier Street, De Waterkant, Cape Town
55	V&A Waterfront	V&A Marina	V&A Waterfront Dock Road, Cape Town
56	The Hyde (Apartments)	Seapoint	13 London Road, Seapoint
57	Lagoon Beach Hotel	Milnerton	Lagoon Gate Drive, Milnerton
58	New Kings Hotel	Seapoint	94 Regent Road, Sea Point, Cape Town South
59	Harbour Bridge Hotel & Suites	Foreshore	Roggebaai Canal, Lower Long Street, Cape Town
60	VIP Icon	Foreshore	15 Anton Anreith Arcade, Cape Town
61	Mouille Point Village	Mouille Point	93 Beach Road, Mouille Point, Cape Town
	3 STAR HOTELS ✹ ✹ ✹		
62	Cape Castle	Seapoint	3 Main Road, Greenpoint, Cape Town
63	Best Western Cape Suites	Central City, CBD	Cnr De Villiers and Constitution Street, Cape Town
64	Breakwater Lodge	V&A Waterfront	Portswood Road, V&A Waterfront, Cape Town
65	Fire & Ice	Central City, CBD	198 Bree Street, Cape Town
66	The V&A City Lodge	V&A Waterfront	Cnr Dock and Alfred Roads, Waterfront, Cape Town
67	Southern Sun E/Boulevard	Central City, CBD	Melbourne Street, Walmer Estate, Cape Town
68	Southern Sun De Waal	Central City, CBD	Mill Street, Gardens, Cape Town
69	The Cape Manor	Seapoint	1 Marias Road, Seapoint, Cape Town
70	The Ritz	Seapoint	Cnr Main and Chamberwell Road, Seapoint
71	Lady Hamilton	Central City, CBD	10 Union Street, Gardens, Cape Town
72	Inn on the Square	Central City, CBD	10 Green Market Square, Cape Town
73	Cape Diamond Hotel	Central City, CBD	Cnr Long Market and Parliament Street, Cape Town
74	Hotel Graeme	Greenpoint	107 Main Road, Greenpoint, Cape Town
75	Tudor	Greenmarket Square	153 Long Market Street, Cape Town
76	Daddy Long Legs	Central City, CBD	134 Long Street, Cape Town
77	Holiday Inn Express	Central City, CBD	Cnr St Georges Mall and Church Street, Cape Town
	2 STAR HOTEL ✹ ✹		
78	Tulip Inn	Central City, CBD	Cnr Strand and Bree Street, Cape Town

Cape Town International Convention Centre

CTICC

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Cape Peninsula University of Technology

Hotel Employees' Questionnaire

Dear Respondent,

This study aims at exploring reasons behind employee retention or staff turnover in hotels. This research is designed towards my M-Tech degree in Tourism and Hospitality Management at the Cape Peninsula University of Technology.

Information obtained from this questionnaire will be strictly confidential and will only be used for research purposes. Your participation in the study will be anonymous as no names, or addresses will be required from you.

Should you have any enquiries regarding the study, kindly contact me at 071 11 83225 or send an email to thandombane@gmail.com

Kind Regards,

Thandokazi Mbane

SECTION A: Respondents' profile and satisfaction level
How satisfied are you working in this hotel? (Circle the number that best represents your answer)

1	2	3	4	5
Totally satisfied	Mostly satisfied	Neutral	Mostly dissatisfied	Totally dissatisfied

Please describe yourself and work role by *circling the number that best represents your answer*:

1. Current department	
Food & Beverage- food production/food services/room service/convention & catering	1
Rooms- reservations/front office/housekeeping/laundry	2
Personnel- employee relations/recruitment/training	3
Finance/ Accounting- assistant controllers/finance operations/purchasing/storeroom/food & beverage controller/credit systems	4
Marketing and sales- sales	5
Maintenance & Security – maintenance / security	6
Other (*please specify* _____)	7

2. Current position	
First line staff- reservations/bell service/concierge/valet/waiter/waitress/counter reception	1
Grassroots leader or supervisor	2
Unit chief (deputy manager or manager)	3
Department supervisor	4
General manager	5
Other (*please specify* _____)	6

3. Cultural group	
Black South African	1
Coloured South African	2
Indian South African	3
Asian South African	4
White South African	5
Immigrant	6

4. Age group	
18 – 25	1
26 – 35	2
36 – 45	3
46 – 55	4
56 – 65	5
65 +	6

5. Highest level of education attained	
Matriculation or below	1
College	2
University National Diploma or first degree	3
University Master's degree and above	4

6. Gender	
Female	1
Male	2

7. Number of years working in this hotel(please state number of years)
_____year(s)

Please continue on the next page……

SECTION B: EMPLOYEE RETENTION

Please indicate your *level of agreement* with the following statements, by circling the number that best represents your opinion.

1 Employee retention

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1.1 I feel attached to this hotel	1	2	3	4	5
1.2 It would be difficult for me to leave this hotel	1	2	3	4	5
1.3 Working in this hotel is a labour of love for me	1	2	3	4	5
1.4 It would be easy for me to leave this hotel	1	2	3	4	5
1.5 I want to remain in this hotel for a long time	1	2	3	4	5
1.6 I cannot wait to leave this hotel	1	2	3	4	5

2 Compensation

2.1 The amount of pay I receive in this hotel is the industry wage for my position	1	2	3	4	5
2.2 My monthly salary in this hotel is not satisfactory	1	2	3	4	5
2.3 My salary in this hotel is fair for my responsibilities	1	2	3	4	5
2.4 Benefits provided as a package in this hotel (e.g. sick leave, maternity & paternity) give me stability	1	2	3	4	5
2.5 My pay in this hotel is not necessarily subject to organisational performance	1	2	3	4	5
2.6 Employee initiative in this hotel is always compensated	1	2	3	4	5

3 Employee development

3.1 If I do good work in this hotel, I can count on being promoted	1	2	3	4	5
3.2 I did not receive extensive customer service training in this hotel	1	2	3	4	5
3.3 Continuous training is provided in this hotel	1	2	3	4	5
3.4 Support for my long term career development is provided in this hotel	1	2	3	4	5
3.5 My supervisors in this hotel explain the key success factors on the job	1	2	3	4	5
3.6 This hotel has opportunities for skills development	1	2	3	4	5

Please continue on the next page……

Please indicate your *level of agreement* with the following statements, by circling the number that best represents your opinion.

4 Work engagement

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
4.1 In my job in this hotel, I have sufficient opportunities to use my initiative	1	2	3	4	5
4.2 For a large part I determine how I work in this hotel	1	2	3	4	5
4.3 I am not empowered to solve customer problems in this hotel	1	2	3	4	5
4.4 I am not strictly supervised or controlled in this hotel	1	2	3	4	5
4.5 I enjoy meeting and serving customers in this hotel	1	2	3	4	5
4.6 I am afforded an opportunity to decide how to do my work from time to time in this hotel	1	2	3	4	5

5 Working relations

5.1 I have good working relationship with my supervisors in this hotel	1	2	3	4	5
5.2 I work very well with everyone in this hotel	1	2	3	4	5
5.3 I enjoy good communications with my supervisors in this hotel	1	2	3	4	5
5.4 I enjoy good communications with my colleagues in this hotel	1	2	3	4	5
5.5 I think of the workplace as my second home and my colleagues as my family in this hotel	1	2	3	4	5
5.6 I have good working relationships with my colleagues in this hotel	1	2	3	4	5

6 Working hours

6.1 My working hours are adequate in this hotel	1	2	3	4	5
6.2 My job schedule in this hotel does not interfere with my family life	1	2	3	4	5
6.3 In this hotel, I am given enough time to do what is expected of me in my job	1	2	3	4	5
6.4 Working hours in this hotel infringe on my personal quality time with friends	1	2	3	4	5
6.5 Long working hours are not a problem to me	1	2	3	4	5
6.6 The hotel's long working hours are unreasonable	1	2	3	4	5

Thank you so much for your kind assistance. Have a good day!

APPENDIX C: ETHICAL CLEARANCE CERTIFICATE FROM CPUT

P.O. Box 1906 Bellville 7535 South Africa Tel: +27 21 6801680 Email: saliefa@cput.ac.za

Symphony Road Bellville 7535

Office of the Chairperson Research Ethics Committee	Faculty: BUSINESS

At a meeting of the Research Ethics Committee on 18 May 2016, **Ethics Approval was**

granted to MBANE, Tando (203092384) **for research activities**

Related to the MTech/DTech: MTech: TOURISM & HOSPITALITY MANAGEMENT

at the Cape Peninsula University of Technology

Title of dissertation/thesis:	Employee retention in selected hotels in Cape Town, South Africa Supervisor: Dr Ikechukwu. O. Ezeuduji & Ms N Thaver

Comments:

Decision: APPROVED

[signature]	18 May 2016
Signed: Chairperson: Research Ethics Committee	Date

Clearance Certificate No | 2016FBREC360

APPENDIX D: CONSENT LETTERS

Cape Town, 10 November 2015

Dear Sir/Madam,

Requesting a Letter of Consent to conduct a study in your hotel

Ms.Thandokazi Mbane is a Master's student at the Cape Peninsula University of Technology. She is conducting a research on the topic: **Employee retention in selected hotels in Cape Town**. The study will assess variables that can influence employee retention in the South African hotels' context. The questionnaire for this study is attached.

This research requires that employees in 3 to 5 star hotels in Cape Town be surveyed. Questionnaires will take approximately 5 to 7 minutes to be completed. All information collected will be kept confidential and used for research and statistical purposes only. Respondents are not required to indicate their names. The names of the hotels involved will not be revealed.

Your assistance in giving Ms.Thandokazi Mbane, **a letter of consent** to conduct this research in your hotel will be highly appreciated.   Ms. Mbane will share her final results with your hotel, either by doing a physical presentation or sending you her final dissertation electronically. Should you wish to enquire further regarding this research, please contact me, the Academic Supervisor, using the contacts below.

Kind regards,

Dr. Ikechukwu Ezeuduji

Department of Tourism and Events Management

School of Sport, Events, Tourism and Hospitality

Cape Peninsula University of Technology

Tel: 021 460 4230

Email: ezeudujii@cput.ac.za

23 November 2015

Permission to gather research information

To Whom It May Concern:

I hereby confirm that Thandokazi Mbane is authorised to conduct research interviews and distribute questionnaires at Belmond Mount Nelson Hotel, for the purposes of her Masters' thesis regarding "Employee Retention in Selected Hotels in Cape Town".

All information gathered in this manner will remain confidential and used solely for the purpose of the abovementioned research thesis.

Should you have any queries regarding any of the above, please don't hesitate to contact me directly on 021 483 1742.

Kind regards,

Susan Groenewald
Learning & Development Manager

Friday, 18 December 2015

Ms. Thandokazi Mbane
M-Tech Student
Cape Peninsula University of Technology
Cape Town
8000

Approval for data collection at The Peninsula All Suite Hotel
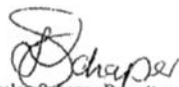
To whom it may concern:

I hereby confirm that the Thandokazi Mbane is authorized to conduct research at The Peninsula All Suite Hotel.

This approval was based on the promise of anonymity of respondents (this includes the confidentiality of respondents' names, addresses as well as the name of the hotel). The agreement was also based on the information obtained from this hotel will be only used for academic purposes only.

Should you have any queries regarding any of the above information, please don't hesitate to contact me directly on +27 21 430 7777.

Kind regards

Lesley Schaper-Barrett
Human Resources Manager

THE FRITZ HOTEL

Friday, 18 December 2015

Ms. Thandokazi Mbane

M-Tech Student

Cape Peninsula University of Technology

Cape Town

8000

Approval for data collection at The Fritz Hotel

To whom it may concern:

I hereby confirm that the Thandokazi Mbane is authorized to conduct research at The Fritz Hotel.

This approval was based on the promise of anonymity of respondents (this includes the confidentiality of respondents' names, addresses as well as the name of the hotel). The agreement was also based on the information obtained from this hotel will be only used for academic purposes only.

Should you have any queries regarding any of the above information, please don't hesitate to contact me directly on +27 21 480 9000.

Kind regards

......

CAPE GRACE
www.capegrace.com

Tuesday, 17 November 2015

Ms. Thandokazi Mbane
Masters Student
Cape Peninsula University of Technology
Cape Town

Dear Thando,

Consent to Conduct Organisational Survey

Please accept this as consent by the Cape Grace Hotel for you to conduct the organisational study on our premises as a requirement of your Masters in Tourism thesis.

As requested, we will undertake the initial pilot involving some 5 employees at different levels. In 2016, we will again participate in the full study with an additional 15 participants.

We wish you well in your studies and look forward to assisting you further.

Yours faithfully

BARRY ROSS
Human Resource Manager

30 November 2015

To Whom It May Concern

I hereby give permission for Thandokazi Mbane to collect information from staff members who work at the Bantry Bay Suite Hotel next year in connection with "what makes them stay."

Please refer any questions to me.

Yours in hospitality

Paulo Marchio
General Manager

CITY LODGE HOTEL GROUP

25th November 2015

Approval for data collection at City Lodge V&A Waterfront

To Whom It May Concern:

I hereby confirm that Thandokazi Mbane is authorised to conduct research at City Lodge V& A Waterfront branch by means of collecting data. She will distribute questionnaires for the purposes of her M-Tech degree focusing on "Employee Retention in Selected Hotels in Cape Town".

Prior to this consent, I was advised by Thandokazi Mbane that all the information gathered in this study will remain confidential and used solely for the purpose of academic research.

Should you have any queries regarding any of the above, please don't hesitate to contact me directly on +27 11 557 2639.

Kind regards,

Maxine Muir
Group Talent Manager

The Lodge, Bryanston Gate Office Park, Corner Homestead Avenue & Main Road, Bryanston, PO Box 97, Cramerview, 2060
Tel: +27 (0)11 557 2600 Fax: +27 (0)11 557 2670 email: info@citylodge.co.za www.citylodge.co.za

Directors: BT Ngcuka (Non-executive chairman) C Ross (Chief executive)' FWJ Kilbourn III HaUnews II Hedupe SG Harris Dr KJH Shongwe W Tlou AC Widegger'
Divisional Directors: AJ Balabanoff GD Bisset AW Dooley HS Kobilski HRB Parblhao RV Phinn PH Schoeman PJ Tate Company Secretary: HC van Heerden *Executive

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APPENDIX E: LETTER OF AFFIRMATION FROM THE EDITOR

Declaration in respect to Thandokazi Lulu Mbane thesis titled Employee Retention in Selected Hotels in Cape Town, South Africa

Please note that I, **UNATHI NOPECE**, edited **THANDOKAZI LULU MBANE'S** (Student No: 203092384) thesis titled *Employee Retention in Selected Hotels in Cape Town, South Africa.* My qualifications are as follows: BA (Hons) (Applied Languages). I am a qualified proof reader with 4+ years of experience editing university documents, Honours, Master and Doctoral thesis.

Ms Unathi Nopece

APPENDIX F: PLAIGARISM REPORT (TURNITIN)

Thesis

by Thandokazi Lulu Mbane

Thesis