



# Employee turnover: The hotel industry perspective

**Noela Michael**

Zayed University, United Arab Emirates

**Anestis Fotiadis**

Zayed University, United Arab Emirates

## Abstract:

**Purpose:** This study analyzes employee turnover in the under-researched context of the Gulf Cooperation Council.

**Methods:** This study uses a qualitative approach to examine the reasons for turnover and strategies adopted within the hotel sector to reduce this turnover

**Results:** The findings reveal that turnover reasons are organization- and employee-specific. Strategies to reduce turnover include promoting a good work environment, providing transfer opportunities, talent and development planning, and implementing exit strategies to find out employees' reasons for leaving. These findings will benefit the hotel industry's human resource planning, as most employees are expatriates, and will reduce costs in terms of new recruitment. This study examines the effect of market sensing and interaction orientation capabilities on the marketing performance of service based firms in Ghana. The study particularly explored the moderation effect of interaction orientation capability on the relationship between market sensing and firm performance of the service firms.

**Implications:** From a context based perspective cultural differences between employees' nationalities are a reason for turnover linked to differences in salary and benefits. "Social" and "economic" value are key elements for human resource professionals to consider when developing employee benefits.

**Keywords:** Employee Turnover, Hospitality Industry, Hotels, Human Resource Management, United Arab Emirates

**JEL Classification:** E24, L83, J63

**Biographical note:** Noela Michael (Noela.Michael@zu.ac.ae) PhD, is an Assistant Professor at Zayed University, College of Communication & Media Sciences, Dubai, UAE. Her research focuses on tourist motivation, destination, branding and destination image. Anestis K. Fotiadis, PhD, is a Professor at Zayed University, College of Business, Department of Management, Abu Dhabi, UAE. His research focuses on event management, rural tourism and sustainable development. He has published more than 40 research papers in international academic journals such as Annals of Tourism Research, Tourism Management, Computers in Human Behavior, and Journal of Business Research, along with several books and book chapters. Corresponding author: Noela Michael (Noela.Michael@zu.ac.ae).

## 1 INTRODUCTION

The human element is crucial for the service industry, especially the hospitality industry. Employees and their skills, attitudes, knowledge, personality, and behaviors play essential roles in organizational outcomes, such as service quality, customer loyalty, and satisfaction (Kusluvan et al., 2010). Employees play a prominent role in achieving organizational goals because the hospitality industry has unique human-centric characteristics, especially the high degree of human interactions between customers and service providers (Hartline & Jones, 1996; Kusluvan et al., 2010; Parasuraman et al., 1985).

The importance of the human element was recognized during the industrial revolution resulting in the formation of a set of

formal systems to effectively and efficiently use human assets within organizations (Delery & Doty, 1996; Mathis & Jackson, 2000; Schneider, 1994). Today, it is widely accepted that the policies and practices of human resources management (HRM), as well as organizational culture and climate, can directly influence employees' attitudes and performance (Barney & Wright 1998; Mueller, 1996; Wright et al., 2001). HRM activities and initiatives range from career planning and design, recruitment and terminations, training and development, promotion and motivation, employee involvement and participation, compensation and benefits, to legal issues, performance appraisals, job security, employee relations, and health and safety (Mathis & Jackson, 2000; Tanke, 2001; Fu & Kapiki, 2016).

HRM practices were initially designed to create competitive advantages for a firm by leveraging human capital to



optimally contribute to its business objectives (Delery & Doty, 1996). Contemporary HRM models are based on an organization providing highly specialized services to its employees. In current models, employees are identified as humans first before being resources, and some organizations title their Human Resources (HR) department as the “talent management” office (Boella & Goss-Turner, 2019; Thunnissen, 2016).

The hotel industry is competitive and labor-intensive, and thus depends heavily on human capital (Haldorai et al., 2019; Michael, Reisinger, Hayes, 2019). Despite the many efforts to keep employees happy and retain them satisfactorily, employee turnover within the hospitality industry remains widespread. Employee turnover affects business performance, causes overworked and stressed employees (Buchman et al., 2020), and negatively impacts their attitude (Dickerson, 2009). Given these outcomes, it remains relevant to explore the intentions related to employee turnover and determine what strategies are adopted to retain employees.

In recent years, studies have investigated employee turnover in China (Huang et al., 2019; Huang et al., 2018; Wen et al., 2020), China and the US (Chen et al. 2018), Malaysia (e.g., Abo-Murad & Al-Khrabsheh, 2019; Haldorai et al., 2019), Mexico (Dominguez Aguirre, 2018), South Africa (e.g., Ezeudji & Mbane, 2017), and Turkey (e.g., Akgunduz et al., 2020). However, no study to date has investigated employee turnover within the Gulf Cooperation Council (GCC) countries, in particular the United Arab Emirates (UAE). Employee turnover is critical to the hotel sector in the UAE because 95% of hotel employees are expatriates (Elbanna & Elsharnouby, 2018) with different cultural backgrounds and variations in language, communication, and work skills. Therefore, it is extremely important for HR departments within the hotel industry to manage their human capital with the knowledge, skills, and uniform standard of performance that meets international standards, provides high standards of service delivery, and shows respect towards the countries’ Arab values and traditions (Elsharnouby & Elbanna, 2021). For the purpose of this study the researchers selected Dubai as it is the most visited city in the UAE. Dubai is one of seven emirates of the UAE, and expatriates comprise 85% of its population (worldpopulationreview, 2021). In Dubai, many Emiratis choose to work in the government due to its significant benefits (Toledo, 2013), resulting in the private sector’s, including the hotel industry’s, heavy dependence on the expatriate population described above due to Emiratis not working in the tourism and hospitality sector (Haq et al., 2021).

The city ranks in the top five cities for hotel development worldwide, with 154 hotels and 48,365 rooms to be built. There is an even share between four- and five-star properties, around 49% and 51%, respectively (Hahn, 2020). Reisinger et al. (2019) noted that there is a need for human resources in the hotel sector to improve employee competency, attitude, service provided, and skills through training. The role of human resources is critical to the recruitment and retention of employees (Mejla et al., 2015). It is known that the hotel industry offers low salaries and conditions (Bresciani et al., 2012); therefore, human resource management must develop strategies that create an attractive and positive work environment that reduces employee turnover and enhances retention.

Therefore, the purpose of this study is to explore the concept of employee turnover within the hotel sector in Dubai, which attracts an expatriate workforce. The aims of this study are as follows:

- to determine the turnover rate of employees within four- and five-star hotels;
- to identify the main reasons for employee turnover; and
- to analyze the strategies adopted by HR to reduce employee turnover.

---

## 2 LITERATURE REVIEW

---

### 2.1 HRM strategies in hospitality

HR practices are often referred to as high-performance or high-commitment work systems because they are associated with overall organizational performance and other outcomes, such as lower turnover and higher productivity (Chuang & Liao, 2010; Messersmith & Guthrie, 2010; Takeuchi, Chen, & Lepak, 2009). Hospitality research has revealed common high-performance work practices including decentralized decision-making; transparency and open communication; employee empowerment through training and education; flexible work assignments; attitude assessment; performance appraisal; selection, recruitment, and grievance procedures; rewards and incentives; and engagement programs (Sharma & Gursoy, 2018). HR managers may also improve employee performance through approaches unique to their organizations and employees.

On the other hand, Mbah and Ikemefuna (2012) highlighted that employee job satisfaction is not linked to employee turnover, management, and salary. For instance, employee engagement, which is the extent to which individuals are focused, absorbed, and attentive in performing their tasks, has been found to be dependent on individuals’ demographics, such as age, with older employees usually being more engaged than younger ones (Rigg et al., 2014). In addition, Karatepe and Olugbade (2009) found that some personal characteristics of hotel frontline employees, such as trait competitiveness, are better predictors of work engagement than others, such as self-efficacy. Hotel employees’ self-evaluation and organizational psychological climate can influence work engagement (Lee, 2012). Presbitero (2017) also explored the relationship between organizational characteristics and work engagement and found that positive changes in reward management systems, training, and development can significantly improve employee engagement. Furthermore, in Marinakou’s and Giousmpasoglou’s (2019) investigation of talent retention strategies in luxury hotels across the US, the UK, Australia, and Greece, they confirmed a correlation between employee engagement and retention. They found that employees showed more commitment to their organizations when they were encouraged to participate in decision-making and recruitment processes and team building and social activities because they felt that they were part of a family.

Performance appraisal (PA) is another common HR practice that formally assesses employee performance and shares feedback with the individual or team (Shen, 2004). PA systems essentially determine punishments and rewards, as well as training and discipline (Sudin, 2011). Kondrasuk (2012) asserted that, although essential, PA activities are the

most disliked HR practices and suggested that PA plans should have clearer goals, focus on both results and behavior appraisals, and have appropriate timing to avoid bias. A fair PA system can benefit both competent employees with the opportunity to be recognized and ascend the career ladder and managers to align the organization's ability and goals (Kondrasuk, 2012; Nassar & Zaitouni, 2015). Nassar and Zaitouni (2015) also suggested that organizations should develop policies in which managers foster support and transparency among their employees because PA systems that are perceived as just are better able to achieve their goals. Their findings indicated that employees who perceive their managers as supportive and their organizations as fair also believe their supervisors are more competent.

## 2.2 Turnover in the hospitality industry

High turnover is another major challenge in the hospitality industry, and innovative HR strategies are required to retain employees (Cheng & Brown, 1998; Karatepe & Kilic, 2007). Current statistics show that the employee turnover rate in the hospitality industry ranges from 30% to 73% worldwide (Malyarov, 2020). The average turnover rate in the hospitality industry is extremely higher than in other sectors (Cicerale, 2020). Prior research (see Abdien 2019; Dusek et al. 2014; Mohsin et al. 2015) has documented many drivers related to high employee turnover in the hospitality industry. Recent work has confirmed these findings and suggested new directions. For example, Qui et al. (2015) documented the antecedents of employee turnover intention in China and reconfirmed common themes, such as promotional and advancement opportunities, work-life balance, work-group cohesion, leadership factors, and wages. They also found that employees' fit in the community and with their city's lifestyle were important reasons for employee retention.

Chen and Wu (2017) also found a correlation between transformational leadership behaviors, leader-member exchange, and psychological breach in the Taiwanese hotel context. They suggested that if hospitality organizations recruit managers with better transformational leadership skills, they can formulate more beneficial relationships with their team members, which is reflected in greater trust, commitment, and respect. As employees' psychological bonds with their leaders are enhanced, turnover intention decreases. Gordon, Tang et al. (2019) similarly revealed the relationship between supervisor support and turnover intention, which is mediated by subjective well-being, and found that perceived higher levels of support from supervisors result in higher subjective well-being, thus reducing turnover intention.

Dusek et al. (2014) divided the drivers of turnover intention into two categories: personal and organizational characteristics. They found that service orientation as a personal characteristic directly influenced job satisfaction and organizational commitment, through which service orientation indirectly impacted employee turnover intention. Service orientation is a set of personality traits such as being kind, helpful, sociable, and cooperative that make some people more successful in their customer interactions (Hogan et al., 1984). Finally, Mohsin et al. (2015) considered why employees leave despite all retention strategies in luxury hotels in India. Although they found common themes, such as job security and stimulation, earnings, organizational

loyalty, and enthusiasm, they proposed that the problem might be in considering the turnover factors as linear rather than quadratic and that managers should be aware of the optimal level of each variable.

## 2.3 Recommendations for employee retention strategies in hotels

Knowledge about turnover predictors has led to hospitality literature identifying effective strategies for employee retention. Some of these strategies are general, such as training and development, improved compensation, and effective recruitment (Lee & Way, 2010; Moncarz et al., 2009; Pizam & Shani, 2009), while others are specific to particular groups of employees or organizations. For example, younger employees, or Generation Y, tend to demand career progression opportunities more than older staff or baby boomers (Meyers & van Woerkom, 2014; Terjesen et al., 2007); are technologically savvy and goal-oriented (Terjesen et al., 2007); and place greater importance on the attractiveness of their organization's social environment (Josiam et al., 2008; Scoot & Revis, 2008), work-life balance, enjoyable and fair work and express ideas (Qui et al. 2015; Nassar & Zaitouni, 2015). Therefore, HR managers should develop strategies that incorporate supporting employees (Gordon, Adler et al., 2019), staff attitude, and background knowledge into HR practices to manage employees' expectations efficiently (Fok & Yeung, 2016).

Other trends, such as job specialization and increased use of information communication technologies, are changing the competencies and skills required for hotel professionals (Silva & Martins, 2016). Therefore, current studies have emphasized several innovative and classic HRM practices. Four main HRM practices that should be fostered are information technology (IT) training and development to save time on administrative tasks and facilitate effective coordination and communication systems (Nieves & Quintana, 2018; Silva & Martins, 2016); virtual teamwork, which is a new, common practice affecting both organizations' business objectives and individuals' professional development, training and development programs (Wickramasinghe & Dolamulla, 2017); recruitment and selection practices, which have traditionally been and remain one of the most important human resource practices (Nieves & Quintana, 2018); and employee value propositions (EVPs). EVP refers to a set of values and benefits that an organization offers in return for employees' services and has gained prominence as organizations are increasingly competing for skilled workers. EVP also represents an organization's brand among potential employees. Raj's (2021, p. 203) empirical results revealed that "*employees have greater intention to stay when their organizations deliver an EVP including development value, social value and economic value.*" Therefore, the hospitality industry should further develop EVP from other employee-centered sectors to create an attractive workplace and retain staff.

Taking this information on employee turnover into consideration, this study first identifies the rates and reasons for job turnover. Second, the study then provides the strategies adopted by four- and five-star hotels to retain employees in an expatriate work environment.

### 3 METHODOLOGY

This study employed a qualitative research design to determine the turnover rate of employees within four- and five-star hotels in Dubai, the main reasons for employee turnover, and the strategies organizations adopted to retain employees. Since this study aims to gain an understanding of human resource managers' perspectives on concepts related to strategy and formulation, the managers were first contacted by phone or email before scheduling the interview, which lasted for 60–90 minutes and was audio-recorded.

#### 3.1 Participants

The participants were chosen based on expert sampling on two criteria: a) they were currently working in a four- or five-star hotel in Dubai, and b) they held managerial positions (e.g., assistant managers, managers, directors, or general managers) within the categories of human resources, training, or learning and development. We employed a professional referral sampling technique in which participants were selected via reference provided by an intermediary (Department of Tourism and Commerce Marketing: DTCM) (Hogan et al., 2009).

Qualitative studies include smaller sample sizes than quantitative studies (Song & Hsu, 201). The sample size is determined by the researchers and depends on the information to be gathered (De Gagne & Walters, 2010). A total of 12–40 participants is considered an ideal sample size (Koseoglu et al., 2016) but is dependent on data saturation. In the context of this study, 14 in-depth interviews were conducted with 17 participants as data saturation was achieved; the last few interviews did not provide any new information (Christou et al., 2008; Mason, 2010). In the case of the two interviews (participants 5 and 6 and participants 13 and 14) where the respondents were interviewed together, the respondents were from the same hotel or chain and they requested that the interview be done together. All participants provided informed consent also the study was approved by the authors university ethics committee.

#### 3.2 Method

In phase one, all interviews were transcribed, and the transcripts were read and re-read. In phase two, the data were organized systematically by coding them based on the research aim. In phase three, the researchers developed newly “constructed” codes via open coding to elucidate interviewee experiences (Saldaña, 2013). The constructed codes are labels assigned to the dialogue (Xiao & Mair, 2006). In the final phase, the codes were reviewed, checked, and modified appropriately by the researchers to ensure that the meaning and context of the words or phrases used by the interviewees were correctly translated (Saldaña, 2016).

### 4 FINDINGS

The study's findings established the turnover rate in the context of the hotel industry in Dubai. In establishing the main reasons for turnover, two main categories emerged with subsequent sub-categories. This study then uses that information to outline the retention strategies adopted by the hotel industry to retain employees.

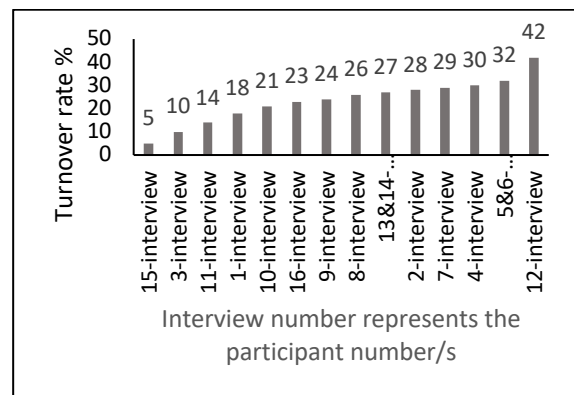
#### 4.1 Turnover rate

Interviewees reported a turnover rate that ranged between 5% and 42% (Figure 1). These findings are consistent with global statistics, with hospitality turnover ranging between 30% and 73% (Malyarov, 2020), which is much higher than other sectors (Cicerale, 2020), as previously stated. However, the turnover within the hotel sector in Dubai appears to average around 20%, which is typically consistent with industry statistics. Furthermore, in Dubai, the turnovers appear to be more frequent among the line staff than the managerial staff because some managers receive more or better benefits than they would receive in their home countries.

*Turnover, you find the turnover more in the line staff. It is not in management because actually, management are getting things they would not get in their own countries. The lifestyle we have here is, I find, luxurious, even for Europeans; they will never be able to live in those areas, get this kind of medical insurance, be paid for those kinds of schools for their children. They will have to put their children in public schools; they will have to take the metro. (Participant 11)*

The reasons for staff turnover based on the findings of the in-depth interviews are outlined in the following section.

Figure 1: Reported overall annual turnover rate by the participants



#### 4.2 Main reasons for turnover

The respondents' reasons for quitting the job were classified into two categories: a) organizational reasons and b) personal reasons.

Organizational reasons:

(A) Low salary. Respondents confirmed that employees mainly leave their hotels because of low salaries, although they receive additional benefits such as meals, transportation to work, and paid accommodation. Furthermore, small salary advancements ranging from as low as 200 to 500 Dirhams, which is approximately 50–130 US dollars, motivate these employees to leave. The offer of better benefits elsewhere also provides a motivation to leave, whether it is another job within the hotel sector or other hospitality sectors such as

restaurants, or a move to a totally different sector, such as construction or security companies. If employees decide to change to a job outside the hospitality sector, the reason is mainly due to much higher salaries and benefits, such as better accommodations.

*A lot of it is money....The main reason for this is that people find better opportunities and higher salaries. If you see staff from the kitchen or from housekeeping and F&B [food & beverage] if they go on to a standalone property like a hotel or a restaurant, they get almost double the salary. (Participant 9)*

The hotel industry employees in Dubai are mainly expatriates from India and the Philippines (Brien et al., 2019); therefore, every additional US dollar earned makes a big difference to their earnings in their home countries, as they typically support not only their immediate family but also their extended families back home (Gorney, 2014).

(B) Career progression is lacking. The second important and common sub-category leading to employee turnover was the lack of opportunity for career growth. The human resource executives highlighted that there are no opportunities for promotion or career advancement and thus employees sought higher aspirations and better career progression and positions elsewhere.

*I know that people sometimes leave their companies because they will say, yeah, I am, let us say, a supervisor for the past three years and whenever I am asking my manager about what my next step is, nobody has an answer. Yes, I am happy there; my salary is really good, and it is enough, but okay I need to be something. I have a vision I have a goal in my life that in five years I would like to be like a restaurant manager, let us say, but I do not see it happening. (Participant 13 and 14)*

The hotel industry in Dubai is mainly composed of employees between the ages of 26 and 30 within the food, beverage, and room divisions (Haldorai et al., 2019). Younger employees desire better opportunities to improve their career growth (Meyers and van Woerkom, 2014), and in order to retain employees and save costs in terms of training and investments in hiring employees from overseas, career progression is a critical factor for the hotel industry.

(C) Unhappiness. Employee unhappiness was typically related to their relationships with managers or supervisors and management style within the hotel. It may also be related to salary; however, if the manager is good, salary is not a major criterion.

*People leave because of two reasons, right? It is either that they are not happy with the management or, sorry, they are not happy with the overall hotel or they are not happy with managers. (Participants 5 and 6)*

*Not always happy with the salary (Participant 11)*

*If I have a great manager, great boss, great department, and great work, then money is not first on my mind for sure. I don't want to leave. I do not leave my place so that is absolutely key if I could pick one thing that I will focus on its leadership for sure. (Participant 2)*

Dimitrov (2012) highlighted that employees who are kept happy increase their commitment and retention. In the case of the hotel employees in Dubai, unhappiness appears to be directly related to employees' treatment by management.

(D) Cultural differences. The respondents highlighted that as employees come from different parts of the world, cultural differences tend to exist. Additionally, employees find it difficult to adjust to the country's culture, strict rules, and restrictions that may pose a threat to their lifestyle. In addition, differences in salaries and benefits exist between Arab, Western, and Asian expatriates (Emirates Woman, 2016).

*Some of them, may be Dubai was a little bit different for them; some of them of course compared the pay in Euros with the pay in UAE, the restrictions, so even though I personally find that Dubai is very open, but for them the whole setup of a housing and you are not allowed to drink in the housing, and all of this for some people who are already 24 and 25, that is too restrictive. (Participant 12)*

(E) Involuntary termination. The employer's termination of employment is beyond employee control. In the hotel sector within Dubai, the respondents stated that employees lose their jobs due to redundancy or if they have failed the probation period because they lack the necessary skills for the job.

*Usually termination, redundancy, does not pass probation or things like that. That is involuntary when the company is letting them go, so that anything when the company is letting you go that is involuntary. (Participants 5 and 6)*

*The visa expired... their contract ends ... they do not necessarily have the skill sets to be promoted so we lose them as a result of that. (Participant 1)*

#### 4.3 Employee related reasons

The hotel industry in general attracts a transient population, and Dubai, in particular, fails to attract the local workforce (Brien et al., 2019). In the case of hotel employees in Dubai, they find other opportunities, experience family-related issues, or undergo career changes.

(A) Better opportunities. These opportunities are centered on personal reasons or opportunities in competing hotels within a city or country.

*I would say mainly better job opportunities and personal reasons that I personally believe once again are better job opportunities, but people do not want to clearly communicate. (Participants 13 and 14)*

*New properties come up so that people want to go and join those properties, and those properties sometimes offer something better. (Participant 8)*

(B) Personal reasons. Personal reasons vary from employees returning to their home country, to getting married, to looking for a lifestyle change. Several studies have found that personal reasons centered around family relationships and distance from them are a cause of turnover intention (Abdien, 2019; Ohunakin et al., 2018) .

*Relocation, many people decide to go back home once they finish their contract, or, you know, even some of our older staff, you know they have been with the company for quite some time, they decide, you know, they earned some money, they decide to go back home and open their business or something, you know, to manage themselves. (Participant 4)*

*They get married. (Participant 10)*

*They leave because of ... the lifestyle. (Participant 12)*

(C) Career change. Employees seek something different.

*Some people leave the industry; they do not like hospitality, so it could be career change; it could be wanting a more administrative type of job. (Participant 7)*

McGinley (2012) pointed out that employees' skills acquired in the hotel industry are transferable across a variety of professions, and thus better opportunities, whether better wages or career progression, may be more attractive than staying.

#### 4.4 Strategies by four- and five-star hotels to retain employees

(A) Promote a positive environment and company culture. The human resource executives highlighted that through good leadership, providing personal touches, speaking and listening to people, offering a people-oriented agenda, and creating an atmosphere of trust are key retention strategies.

*Coming back to the environment, leadership and personal touch, honestly, are a pivotal part of retaining our talent. Strategic people's agenda ensures that we create that environment and trust with our leaders, with our employees (Participant 2)*

*Speak to the person and assure them that something is going to happen. (Participant 1)*

*Instill that feeling of being part of the team of being valued as a team member. (Participants 13 and 14)*

*We are trying to make our work and life balance also on a high level to bring better benefits to the company, to the team members' life; so it is all about employees' life; it is all about employees' willingness, all about employees' team members' way of living. (Participant 11)*

(B) Transfer opportunities. This includes transfers within the same hotel, among hotel properties domestically, or international transfers within the brand.

*Allow people to go and explore different areas of the business, so I think that helps. (Participant 1)*

*Apply within the same company. (Participant 12)*

*Mobility internationally, they move across.... That helps retain them within [the brand], within the family so that a flexible approach to receiving and transferring talent within [the brand] globally, not only the United Emirates, plays a key part. (Participant 2)*

*If at all possible, we try and transfer people to other hotels if they are not happy in the environment. This is something that we do; we try to keep them within the company because once you are [in Hotel A] so to speak, you know the company culture, our strategies.... our engagement activities that we do for the team members, the recognition programs we do; it all fall hand-in-hand with retention. (Participant 7)*

*Retention is mainly trying to accommodate the person or look for something internally within the [X] properties. (Participant 2)*

(C) Talent and development planning. The human resource executives highlighted the strategies to retain employees that identify key players and provide them with a plan to help them grow within the hotel through training and career development.

*[Hotel A] is one of the unique companies that believes in growth, and they assist, and they shape people to understand that [Hotel A] is a people's brand. We have a people's philosophy, which is called we care for people so they can be their best and so in that pipeline they also look after developments of people and where they want to go. (Participant 15)*

*General talent and development and succession planning.... You know who the key players are; you need to ensure they are our top priority in ensuring they have a development plan in place that has a clear path to what they need.... Training and development and career and succession planning. (Participant 2)*

*Top talent, we pay more attention to that team member, and we see like what their plans for the future are. (Participant 9)*

*Cross training (Participant 5 and 6)*

*Talent management, learning opportunities. We are looking into growing our internal talents. (Participant 11)*

These findings highlight that the hotel sector in Dubai is people focused, employees are seen as their brand representatives, and there appears to be a culture of empowering and nurturing employees through training, development, and growth. Previous research has recognized the role of empowerment in increasing positive behavior among employees in the hospitality sector (Afsar et al., 2018; Lashley, 1995). Glaveli et al. (2019) identified that empowerment serves as the foundation for job satisfaction, which in turn is closely related to retention rates (Glaveli et al., 2019). Therefore, employee empowerment is vital for the career progression of employees in the hospitality industry.

(D) Exit interviews strategies. These are also in place to investigate why people are leaving the hotel through exit “interview analysis” which help identify the “reason why they are resigning” and determine if these reasons relate to “their managers, because of the salary, because of the service charge, from that we are creating a strategy” (Participant 3). Other retention strategies implemented based on exit interviews with employees include regular salary reviews, benefits review, annual salary increases, internal promotions, engagement activities, recognition programs, gratuity system, open-door policy, evaluations, and monthly gatherings and outings.

---

## 5 CONCLUSION AND IMPLICATIONS

---

For this study, in-depth interviews were conducted with four - and 5- star hotel senior management. This study’s findings contribute to understanding employee turnover rate, the main reasons for this turnover, and the retention strategies adopted by the hotel sector to retain employees. The findings reveal that the challenges of the hotel sector in Dubai in terms of turnover rate tend to be in line with other countries around the world.

Some of the findings align with prior research, and some differ. This study found that the reasons for turnover are linked to both the organization and the employee. The organizational reasons that lead to employees leaving the hotel include low salaries, which appears to be a global

challenge facing the hotel industry (Haldorai et al., 2019; Qui et al., 2015); career progression opportunities within the hotel, which was also been found in other studies (e.g., Meyers & van Woerkom, 2014; Scott & Revis, 2008); and involuntary termination, which was agreed with previous studies (Akgunduz & Sanli, 2017). The present study found that employees’ unhappiness is linked to a lack of proper management and salary, but Mbah and Ikemefuna (2012) claimed that employee satisfaction is negatively related to employee turnover, management, and salary. Chen and Wu (2017) highlighted the importance of recruiting managers with good leadership skills to reduce turnover intention and improve employee well-being. Lastly, cultural differences between employees’ nationalities are another reason for turnover and was linked to differences in salary and benefits. This finding could be more context-based, and it would be interesting to investigate if it is also a reason for turnover in other contexts.

The factors that relate to the employee linked to turnover intention include better opportunities, personal reasons, and career changes. These findings align with previous studies (e.g., Meyers & van Woerkom, 2014; Ohunakin et al., 2018). Respondents’ solutions for reducing staff turnover revealed the importance of promoting a positive environment and company culture, transfer opportunities, talent and development planning, and exit interview strategies. Overall, these retention strategies were expressed as offering better conditions that included interacting with staff and providing fun days, prioritizing work-life balance, promoting employees, creating a better work environment, keeping employees happy, providing them with new opportunities, renewing contracts, and managing talent by assigning employees to a department and position matching their abilities, talents, passions, and personalities.

Talking with employees to learn the main issues and problems they encounter, enhance a culture of understanding among employees, and review and change employees’ responsibilities. Internal promotion is a key retention strategy, especially for retaining valuable employees of an organization (Akrivos et al., 2007; Marinakou & Giousmpasoglou, 2019). Similarly, these findings highlight the crucial role of internal employability in retention strategies employed by human resource professionals in the hotel industry. Internal employability contributes to active employees’ participation in their organization’s learning processes and has a direct positive effect on long-term organizational commitment, thus reducing the intention to quit and saving costs for the organization (Sánchez-Manjavacas et al. 2014).

Leadership and management were other factors that led to employees leaving the job. The hotel sector demands great levels of collaboration between leaders and subordinates, which in turn is tied to both job satisfaction and performance (Lee et al., 2015). Servant leadership is a form of leadership that is oriented towards others within the organization and community and prioritizes the requirements and interests of others rather than oneself (Eva et al., 2019). Within the hotel sector, servant leadership results in customer-oriented organizational citizenship behavior and encourages excellent customer service among employees (Çizel et al., 2015; Wu et al., 2013). In addition, this form of leadership has a substantial effect on producing a trustworthy climate and

increasing staff's organizational commitment and work engagement (Valahis et al, 2008, 2009; Ling et al., 2016). This study also affirms that leadership and leadership styles play a major role in shaping the social environment of hotels and in success.

The findings of this study highlight that the “social” and “economic” value are the key elements for human resource professionals to consider when developing employee benefits. These include, but are not limited to, discounts at facilities within the hotel and sister properties, special rates for friends and family on hotel bookings, and providing accommodation and meals to employees. These strategies are crucial, considering that family-work supportive policies boost job satisfaction (Kong et al., 2018).

This study makes a valuable contribution to scholarship on the hotel industry in Dubai. It is worth noting that, in order to retain employees, it is important that the sector pays attention to factors such as leadership, cultural differences, career progression, training and development, and social and economic benefits of employees. This will assist these hotels in reducing costs, attracting good talent, and retaining good employees. Furthermore, after the COVID-19 pandemic it is important for hospitality businesses to start focusing more inward (Fusté-Forné & Michael, 2021). Future studies should be conducted within the context of other countries in the region to explore whether similar issues exist and also across other sectors of the tourism industry, as the region attracts a great number of expatriate employees. One of the limitations of the study not considered was to examine turnover from the perspective of employees.

## 6 AKNOWLEDGMENT

This paper was supported by the Office of Research, Zayed University (Cluster Fund R18035).

## REFERENCES

- Abo-Murad, M., & AL-Khrabsheh, A. (2019). Turnover culture and crisis management: Insights from Malaysian hotel industry. *Academy of Strategic Management Journal*, 18(2), 1–14.
- Abdien, M. (2019). Impact of communication satisfaction and work-life balance on employee turnover intention. *Journal of Tourism Theory and Research*, 5(2), Futourism, 228-238.
- Afsar, B., Shahjehan, A., & Shah, I. S. (2018). Frontline employees' high-performance work practices, trust in supervisor, job-embeddedness and turnover intentions in hospitality industry. *International Journal of Contemporary Hospitality Management*, 30(3), 1436–1452. <https://doi.org/10.1108/IJCHM-11-2016-0633>
- Akgunduz, Y., & Sanli, S. C. (2017). The effect of employee advocacy and perceived organizational support on job embeddedness and turnover intention in hotels. *Journal of Hospitality and Tourism Management*, 31, 118–125.
- Akrivos, C., Ladkin, A., & Reklitis, P. (2007). Hotel managers' career strategies for success. *International Journal of Contemporary Hospitality Management*, 19(2), 107–119.
- Barney, J. B., & Wright, P. M. (1998). On becoming a strategic partner: The role of human resources in gaining competitive advantage. *Human Resource Management*, 37(1), 31–46.
- Bresciani, S., Thrassou, A., & Demetris, V. (2012). Human resource management—Practices performance and strategy in the Italian hotel industry. *World Review of Entrepreneurship, Management and Sustainable Development*, 8(4), 405–423.
- Boella, M. J., & Goss-Turner, S. (2019). *Human resource management in the hospitality industry: A guide to best practice*. Routledge.
- Buchman, D., Cain, L., & Terrell, J. (2020). Model frontline customer service providers' perspectives of success factors: An exploratory study. *Journal of Human Resources in Hospitality & Tourism*, 19(1), 102–130.
- Chen, H., Ayoun, B., & Eyoun, K. (2018). Work-Family conflict and turnover intentions: A study comparing China and U.S. hotel employees. *Journal of Human Resources in Hospitality & Tourism*, 17(2), 247–269.
- Chen, Tso-Jen., & Wu, Chi-Min (2017). Improving the turnover intention of tourist hotelemployees: Transformational leadership, leader-member exchange, and psychological contract breach. *International Journal of Contemporary Hospitality Management*, 29(7), 1914-1936.
- Christou, E., Valachis, I., & Anastasiadou, C. (2008). Research methodology in hospitality industry: The role of the inquiry paradigms. [www.ul.edu.lb/fthm/papers/3rd%20Axis/Methodology%20gr eece.doc](http://www.ul.edu.lb/fthm/papers/3rd%20Axis/Methodology%20gr eece.doc)
- Chuang, C., & Liao, H. (2010). Strategic human resource management in service context: Taking care of business by taking care of employees and customers. *Personnel Psychology*, 63(1), 153-196.
- Cheng, A., & Brown, A. (1998). HRM strategies and labour turnover in the hotel industry: A comparative study of Australia and Singapore. *International Journal of Human Resource Management*, 9(1), 136–154.
- Cicerale, Vincenzo, (2020). Turnover Rates in the Hospitality Industry and the Factors Contributing to Employee Loss or Retention. *Hospitality Graduate Student Scholarship*. 5. [https://scholarsarchive.jwu.edu/hosp\\_graduate/5](https://scholarsarchive.jwu.edu/hosp_graduate/5)
- Çizel, B., Çizel, R., & Ajanovic, E. (2015). Which hotel attributes matter for mass tourist: A qualitative research on tourists' review on trip advisor. *People: International Journal of Social Sciences*, 1(1), 632-642.
- De Gagne, J. C., & Walters, K. J. (2010). The lived experience of online educators: Hermeneutic phenomenology. *Journal of Online Learning and Teaching*, 6(2), 357–366.
- Delery, J. E., & Doty, D. H. (1996). Modes of theorizing in strategic human resource management: Tests of universalistic, contingency, and configurational performance predictions. *Academy of Management Journal*, 39(4), 802–835.
- Dickerson, J. P. (2009). The realistic preview may not yield career satisfaction. *International Journal of Hospitality Management*, 28(2), 297-299.
- Dimitrov, D. (2012). Sources of meaningfulness in the workplace: A study in the US hospitality sector. *European Journal of Training and Development*, 36(2/3), 351-371.
- Dusek, G. A., Ruppel, C. P., Yurova, Y., & Clarke, R. (2014). The role of employee service orientation in turnover in the US hotel industry. *Journal of Organizational Culture, Communications and Conflict*, 18(2), 87.
- Elbanna, S., & Elsharnouby, T. H. (2018). Revisiting the relationship between formal planning process and planning effectiveness. *International Journal of Contemporary Hospitality Management*, 30(2), 1016-1034.
- Elsharnouby, T. H., & Elbanna, S. (2021). Change or perish: Examining the role of human capital and dynamic marketing capabilities in the hospitality sector. *Tourism Management*, 82, 104184.
- Emirates Woman. (2016, March 21). Salary gap between nationalities in the GCC. <https://emirateswoman.com/salary-gap-between-nationalities-in-the-gcc/>



- Eva, N., Robin, M., Sendjaya, S., van Dierendonck, D., & Liden, R. C. (2019). Servant Leadership: A systematic review and call for future research. *The Leadership Quarterly*, 30(1), 111-132.
- Ezeuduji, I.O. & Mbane, T.L. (2017). Business administration and business economics. *Acta Universitatis Danubius (Economica)*, 13(2), 5-16.
- Fok, R. H. M., & Yeung, R. M. W. (2016). Work attitudes of Generation Y in Macau's hotel industry: Management's perspective. *Worldwide Hospitality and Tourism Themes*, 8(1), 83-96.
- Fu, J., & Kapiki, S. (2016). Reengineering knowledge for e-tourism and hospitality curricula. *Journal of Tourism, Heritage & Services Marketing*, 2(2), 23-32.
- Fusté-Forné, F., & Michael, N. (2021). Limited tourism: travel bubbles for a sustainable future. *Journal of Sustainable Tourism*, 1-18. DOI: 10.1080/09669582.2021.1954654.
- Glaveli, N., Grigoroudis, E., & Manolitzas, P. (2019). Practical application of MSQ and MUSA methodology in determining critical job satisfaction factors of seasonal employees in summer destination luxury resorts. *Tourism Management*, 74, 426-437.
- Gordon, S., Adler, H., Day, J., & Sydnor, S. (2019). Perceived supervisor support: A study of select-service hotel employees. *Journal of Hospitality and Tourism Management*, 38, 82-90.
- Gordon, S., Tang, C.-H. H., Day, J., & Adler, H. (2019). Supervisor support and turnover in hotels. *International Journal of Contemporary Hospitality Management*, 31(1), 496-512.
- Gorney, C. (2014). Far from home. *National Geographic* <https://www.nationalgeographic.com/magazine/article/guest-workers> (accessed 2/5/2021)
- Hahn, J. (2020, October 24). Revealed: The world's top five cities for hotel development. *Top Hotel News*. <https://tophotel.news/revealed-the-worlds-top-five-cities-for-hotel-development/>
- Haldorai, K., Kim, W. G., Pillai, S. G., Park, T. E., & Balasubramanian, K. (2019). Factors affecting hotel employees' attrition and turnover: Application of pull-push-mooring framework. *International Journal of Hospitality Management*, 83, 46-55.
- Haq, F., Seraphim, J., Medhekar, A. (2021). Branding Heritage Tourism in Dubai: A Qualitative Study. *Advances in Hospitality and Tourism Research (AHTR)*, (article in press). DOI: 10.30519/ahtr.782679
- Hartline, M. D., & Jones, K. C. (1996). Employee performance cues in a hotel service environment: Influence on perceived service quality, value, and word-of-mouth intentions. *Journal of Business Research*, 35(3), 207-215.
- Hogan, J., Hogan, R., & Busch, C. M. (1984). How to measure service orientation. *Journal of Applied Psychology*, 69(1), 167.
- Hogan, S., Loft, J., Power, M., & Schulkin, J. (2009). Referral sampling: Using physicians to recruit patients. *Survey Practice*, 2(9), 1-5.
- Huang, S., van der Veen, R., & Song, Z. (2018). The impact of coping strategies on occupational stress and turnover intentions among hotel employees. *Journal of Hospitality Marketing & Management*, 27(8), 926-945
- Huang, C., Wu, K., & Zhang, Y. (2019). Understanding precedents for frontline employee turnover in luxury hotels: Emotional intelligence as a unifying factor. *Journal of Human Resources in Hospitality & Tourism*, 18(1), 26-46.
- Josiam, B. M., Reynolds, J. S., Thozhur, S., Crutsinger, C., Baum, T., & Devine, F. G. (2008). Attitudes to work of generation Y students in hospitality management: A comparative analysis of students in the united states and the united kingdom. *Journal of Foodservice Business Research*, 11(3), 295-314.
- Karatepe, O. M., & Kilic, H. (2007). Relationships of supervisor support and conflicts in the work-family interface with the selected job outcomes of frontline employees. *Tourism Management*, 28(1), 238-252.
- Karatepe, O. M., & Olugbade, O. A. (2009). The effects of job and personal resources on hotel employees' work engagement. *International Journal of Hospitality Management*, 28(4), 504-512.
- Kondrasuk, J. N. (2012). The ideal performance appraisal is a format, not a form. *Academy of Strategic Management Journal*, 11(1), 115-130.
- Kong, H., Jiang, X., Chan, W., & Zhou, X. (2018). Job satisfaction research in the field of hospitality and tourism. *International Journal of Contemporary Hospitality Management*, 30(5), 2178-2194.
- Koseoglu, M. A., Rahimi, R., Okumus, F., & Liu, J. (2016). Bibliometric studies in tourism. *Annals of Tourism Research*, 61, 180-198.
- Kusluvan, S., Kusluvan, Z., Ilhan, I., & Buyruk, L. (2010). The human dimension: A review of human resources management issues in the tourism and hospitality industry. *Cornell Hospitality Quarterly*, 51(2), 171-214.
- Lashley, C. (1995). Towards an understanding of employee empowerment in hospitality services. *International Journal of Contemporary Hospitality Management*, 7(1), 27-32.
- Lee, J. (2012). Antecedents and consequences of employee engagement: Empirical study of hotel employees and managers [Unpublished doctoral dissertation]. Kansas State University.
- Lee, A. P., Teng, H.-Y., & Chen, C.-Y. (2015). Workplace relationship quality and employee job outcomes in hotel firms. *Journal of Human Resources in Hospitality & Tourism*, 14(4), 398-422.
- Lee, C., & Way, K. (2010). Individual employment characteristics of hotel employees that play a role in employee satisfaction and work retention. *International Journal of Hospitality Management*, 29(3), 344-353.
- Ling, Q., Liu, F., & Wu, X. (2016). Servant versus authentic leadership: Assessing effectiveness in China's hospitality industry. *Cornell Hospitality Quarterly*, 58(1), 53-68.
- Malyarov, N (2020, February 18). Retention in hospitality industry 2020. *PressReader*. <https://blog.pressreader.com/retention-in-hospitality-study-2020>
- Marinakou, E., & Giousmpasoglou, C. (2019). Talent management and retention strategies in luxury hotels: Evidence from four countries. *International Journal of Contemporary Hospitality Management*, 31(10), 3855-3878.
- Mason, M. (2010). Sample size and saturation in PhD studies using qualitative interviews. *Forum: Qualitative Social Research*, 11(3).
- Mathis, R. L., & Jackson, J. H. (2000). *Human Resource Management* (9th ed.). South-Western College Publishing.
- Mbah, S. E., & Ikemefuna, C. O. (2012). Job satisfaction and employees' turnover intentions in total Nigeria plc. in Lagos State. *International Journal of Humanities and Social Science*, 2(14), 275-287.
- McGinley, S. (2012). Towards an integrated career change model in the hotel industry: A grounded theory approach [Unpublished master's thesis]. Pennsylvania State University.
- Mejia, C., Phelan, K. V., & Aday, J. B. (2015). Framework for success: Overcoming contemporary challenges of western expatriate managers in the chinese hospitality industry. *Journal of Human Resources in Hospitality & Tourism*, 14(2), 107-132.
- Messersmith, J. G., & Guthrie, J. P. (2010). High performance work systems in emergent organizations: Implications for firm performance. *Human Resource Management: Published in Cooperation with the School of Business Administration, the University of Michigan and in Alliance with the Society of Human Resources Management*, 49(2), 241-264.

- Meyers, M. C., & van Woerkom, M. (2014). Effects of a strengths intervention on work engagement and burnout: Positive affect as a mediator. Paper presented at the Academy of Management Proceedings, 2014(1) 15558.
- Michael, N., Reisinger, Y., & Hayes, J. P. (2019). The UAE's tourism competitiveness: A business perspective. *Tourism Management Perspectives*, 30, 53-64.
- Moncarz, E., Zhao, J., & Kay, C. (2009). An exploratory study of US lodging properties' organizational practices on employee turnover and retention. *International Journal of Contemporary Hospitality Management*, 21(4), 437-458.
- Mueller, F. (1996). Human resources as strategic assets: An evolutionary resource-based theory. *Journal of Management Studies*, 33(6), 757-785.
- Nassar, M. A., & Zaitouni, M. (2015). Perceived performance appraisal justice in Egyptian chain hotels. *International Journal of Culture, Tourism and Hospitality Research*, 9(3), 329-345.
- Nieves, J., & Quintana, A. (2018). Human resource practices and innovation in the hotel industry: The mediating role of human capital. *Tourism and Hospitality Research*, 18(1), 72-83.
- Ohunakin, F., Adeniji, A., & Oludayo, O. (2018). Perception of frontline employees towards career growth opportunities: Implications on turnover intention. *Business: Theory and Practice*, 19, 278-287.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, 49(4), 41-50.
- Pizam, A., & Shani, A. (2009). The nature of the hospitality industry: Present and future managers' perspectives. *Anatolia*, 20(1), 134-150.
- Presbitero, A. (2017). How do changes in human resource management practices influence employee engagement? A longitudinal study in a hotel chain in the Philippines. *Journal of Human Resources in Hospitality & Tourism*, 16(1), 56-70.
- Qiu, H., Haobin Ye, B., Hung, K., & York, Q. Y. (2015). Exploring antecedents of employee turnover intention—Evidence of China's hotel industry. *Journal of China Tourism Research*, 11(1), 53-66.
- Raj, A. B. (2021). Impact of employee value proposition on employees' intention to stay: Moderating role of psychological contract and social identity. *South Asian Journal of Business Studies*, 10(2), 203-226. <https://doi.org/10.1108/SAJBS-10-2019-0183>.
- Rigg, J., Sydnor, S., Nicely, A., & Day, J. (2014). Employee engagement in Jamaican hotels: do demographic and organizational characteristics matter? *Journal of Human Resources in Hospitality & Tourism*, 13(1), 1-16.
- Saldaña, J. (2013). *The Coding Manual for Qualitative Researchers*. SAGE Publications Ltd.
- Saldaña, J. (2016). Goodall's verbal exchange coding: An overview and example. *Qualitative Inquiry*, 22(1), 36-39.
- Sánchez-Manjavacas, A., Saorín-Iborra, M. & Willoughby, M. (2014). Internal employability as a strategy for key employee retention. *Innovar*, 24(53), 7-22.
- Schneider, B. (1994). HRM—A service perspective: Towards a customer-focused HRM. *International Journal of Service Industry Management*, 5(1), 64-76.
- Scott, B., & Revis, S. (2008). Talent management in hospitality: Graduate career success and strategies. *International Journal of Contemporary Hospitality Management*, 20(7), 781-791.
- Sharma, B., & Gursoy, D. (2018,). HRM practices in hospitality and tourism industry: a review of the literature. In Gursoy, D., Deesilatham, S., & Piboonrungraj, P. (Eds.), 8th *Advances in Hospitality and Tourism Marketing and Management (AHTMM) Conference: Bangkok, Thailand* (pp. 26-41).
- Silva, S., & Martins, D. (2016). Human resource management in hotel units: The Portuguese case. *Academica Turistica*, 9(1), 5-18.
- Song, H. and Hsu, C. (2013), "The image of Taiwan as a travel destination: Perspectives from Mainland China", *Journal of Travel & Tourism Marketing*, 30(3), 253-271.
- Sudin, S. (2011). Fairness of and satisfaction with performance appraisal process. *Journal of Global Management*, 2(1), 66-83.
- Takeuchi, R., Chen, G., & Lepak, D. P. (2009). Through the looking glass of a social system: Cross-level effects of high-performance work systems on employees' attitudes. *Personnel Psychology*, 62(1), 1-29.
- Tanke, M. L. (2001). *Human Resources Management for the Hospitality Industry*. Delmar Thompson Learning.
- Terjesen, S., Vinnicombe, S., & Freeman, C. (2007). Attracting generation Y graduates. *Career Development International*, 12(6), 504-522.
- Thunnissen, M. (2016). Talent management: For what, how and how well? An empirical exploration of talent management in practice. *Employee Relations*, 38(1), 57-72.
- Toledo, H. (2013). The political economy of emiratization in the UAE. *Journal of Economic Studies*, 40(1), 39-53.
- Valachis, I., Christou, E., Maroudas, L., & Sigala, M. (2008). Assessment of training quality in hospitality industry: an exploratory model. In 26th EUROCHRIE Congress "Building a Legacy, Living the Dream".
- Valachis, I., Christou, E., Sigala, M., & Maroudas, L. (2009). Developing human resources' skills and knowledge in tourism and hospitality industry through the determination of quality of training program. *Tourism and Hospitality Management*, 15(1), 61-72.
- Wen, B., Zhou, X., Hu, Y., & Zhang, X. (2020). Role stress and turnover intention of front-line hotel employees: The roles of burnout and service climate. *Frontiers in Psychology*, 11, 36.
- Wickramasinghe, V., & Dolamulla, S. (2017). The effects of HRM practices on teamwork and career growth in offshore outsourcing firms. *Global Business and Organizational Excellence*, 36(2), 46-60.
- World Population Review (2021). 2021 World Population by Country. <https://worldpopulationreview.com/en> (accessed 4/2/21).
- Wright, P. M., Dunford, B. B., & Snell, S. A. (2001). Human resources and the resource based view of the firm. *Journal of Management*, 27(6), 701-721.
- Wu, L.-Z., Tse, E. C.-Y., Fu, P., Kwan, H. K., & Liu, J. (2013). The impact of servant leadership on hotel employees' "servant behavior." *Cornell Hospitality Quarterly*, 54(4), 383-395.
- Xiao, H., & Mair, H. L. (2006). "A paradox of images": Representation of China as a tourist destination. *Journal of Travel & Tourism Marketing*, 20(2), 1-14.

---

*SUBMITTED: SEP 2021*

*1<sup>st</sup> REVISION SUBMITTED: DEC 2021*

*2<sup>nd</sup> REVISION SUBMITTED: FEB 2022*

*ACCEPTED: MAR 2022*

*REFEREED ANONYMOUSLY*

*PUBLISHED ONLINE: 30 MAY 2022*