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Employee Retention Factors: The Case of Hotels in Cape Town, South Africa

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Abstract: High turnover of employees in the hotel sector has been widely reported in academic papers. This high turnover has associated costs, such as financial costs, inconsistency in delivering service quality, and probable loss of customer loyalty. This empirical study investigates hotel employees' responses to statements that relate to work conditions that support employee retention. Selected three, four and five star hotels in Cape Town, South Africa participated in this study. A structured respondent-completed questionnaire was used to collect data that were subjected to descriptive, bivariate and multivariate analyses. Result highlights suggest that hotel employees, dominated by the female population, are mostly not so desperate to leave their employment soon, however not many of them have worked in the hotel for more than five years. There are positive inter-correlations among 'employee retention' factor and other factors that relate to work conditions that support employee retention (compensation, employee development, work engagement, work relations, and working hours). Results also show that 'strict supervision', 'long working hours' and 'perceived unfair salary' are the top major concerns for hotel employees. These findings will enable hotel employers address employee concerns in order to curb the high employee turnover costs. Possible comparative research in other nations and continents will help establish cultural similarities and differences among nations or continents.

Keywords: *Employee retention, employee turnover, Cape Town hotels, hotel sector, sub-Saharan Africa*

1. Introduction

Employee retention in the hotel sector has been a major concern, as several studies have reported high employee turnover in hotels (such as Davidson & Wang, 2011; Mohsin, Lengler & Kumar, 2013; Pearlman & Schaffer, 2013). Researchers (such as AlBattat, Som & Halalat, 2014; Davidson & Wang, 2011; Kuria, Alice & Wanderi, 2012; Mohanty & Mohanty, 2014) attributed the cause of this reported high employee turnover in hotels to be among others: employees' perception of their salaries and benefits being unfair compared with their responsibilities; minimal employee development opportunities; insufficient job involvement or work engagement; poor work relationships between managers and subordinates; and long working hours. High employee turnover has associated costs, such as financial costs (when hotels will have to replace employees), inconsistency in delivering service quality (as the performance of different employees vary), and the likely subsequent loss in customer loyalty (Kuria et al., 2012; Mohanty & Mohanty, 2014; Yam & Raybould, 2011; Yang, Wan & Fu, 2012).In as much as there is much international research on hotel employee retention, the situation in Africa, especially sub-Saharan Africa is not well reported. Mohsin et al. (2013) posit that hotel employee turnover is a global problem, not particular to any given nation. This research explores the relationships between and among employee retention and related work conditions factors that support employee retention in hotels operating in Cape Town, South Africa. It also seeks to explain which variables may support or deter employee retention in the hotel sector, and also check if there are socio-demographic differences among employees regarding how they perceive hotel employment or their willingness to remain in this employment for a long time. South Africa is a highly diverse nation in terms of cultural groups who are South Africans and those who live and work in South Africa. It is usual to classify employees in South Africa, not only as females or males, but also as Black, White, Coloured, Indian and Asian. These cultural groups may also perceive hotel employment and the working conditions differently. The findings of this study will help hotel employers to address employee concerns so as to reduce the high employee turnover costs. It is envisaged that possible comparative research in other nations and continents will help establish cultural similarities and differences among nations or continents. Cape Town is globally renowned as a 'must visit' tourism destination. There are so many hotels of different grades in Cape Town, but this study focuses on three, four and five star hotels, which are relatively larger, have more employees, and likely to employ non-family members in relation to one or two star hotels. The theoretical background of this study is built on literature review of previous academic articles.

2. Literature Review

As stated in the introduction, previous studies pointed at the causes of high employee turnover in hotels to be among others: employees' perception of their salaries and benefits being unfair compared with their responsibilities; minimal employee development opportunities; insufficient job involvement or work engagement; poor work relationships between managers and subordinates; and long working hours (such as AlBattat, Som & Halalat, 2014; Davidson & Wang, 2011; Kuria, Alice & Wanderi, 2012; Mohanty & Mohanty, 2014).

Compensation: Permarupan, Saufi and Mahmud (2013) stated that career is important in life, and employment provides individual with a better sense of purpose, challenges, self-fulfilment and compensation. Nasurdin, Ahmad and Tan (2015) posit compensation as extrinsic rewards which employees receive in exchange for their employment, such as basic salary, incentives or bonuses. Nasurdinet al. (2015) further state that monetary rewards are very relevant to especially frontline service staff working in hotels because these positions are normally associated with low wage and minimal tangible rewards, though working long hours is expected of frontline employees. When employees perceive their salary to be fair, they will make every effort to deliver proper service (Wu, Sturman & Wang, 2013). Fair pay is perceived to improve employee job engagement, and at the same time, decrease job withdrawal (Jung & Yoon, 2015).Till and Karren (2011) therefore stated that pay satisfaction is arguably a function of the difference between perceived pay level and the employees' perception of how much their pay should be. Hence pay satisfaction is determined by fairness of pay and comparison of pay. When employees feel that they are paid fairly, they will be more motivated to deliver higher performance to the organisation than the employees who perceive they are not paid fairly (Ford, Sturman & Heaton, 2012). Employees who feel that promotion opportunities, fair pay and better working hours are lacking in an organisation, are very likely to withdraw their employment (Yang et al., 2012). Wu et al. (2013) posit that where there is no fair compensation system, it is very likely that even a great employee selection system will subsequently fail. Management, therefore, should build reward structures that can attract and retain employees (Mohanty & Mohanty, 2014), especially the talented ones.

Employee Development: Part of management's responsibility is to select, employ, develop and promote their employees, therefore management engage with employees to perform their skills audit and provide development plans, such as coaching, mentoring, and managing individual development programmes (Cloete & Allen-Payne, 2012).Employees expect organizational support and opportunities for growth from their employer institutions, however Kong, Cheung and Song (2012)posit that organizations now expect individual employees to steer their own career development and management. Kong et al. (2012) did not encourage this but admonish organisations to take care of their employees' career management. Human resource managers try to understand the employees' career interest, capabilities and needs (Yang et al.,2012).Baum (2012) relating this to tourism establishments, states that managing and developing employees is a critical function that determines the performance or competitive level of tourism businesses. Nasurdinet al. (2015) argue that employee development in form of training activities does influence employee performance in twofold: (a) the skills and abilities that are relevant to employees' job description and development, leading to greater job performance, and (b) employees' satisfaction and many other positive job-related attitudes, leading to greater show of positive behaviours. Chen and Wallace (2011) have posited that multi-skilling of workers is one of the major ways to increase productivity, so that employees can better fill-in each other's positions when they are unavailable. For employees to benefit from any form of a development program, they should be interested in it and endeavor to participate in it, when given the chance.

Work Engagement: Employees have to be trained first on their jobs, and then be motivated to perform their jobs optimally (Ford et al., 2012). Employees need to be fully involved in their places of work, when possible. Zopiatis, Constanti and Theocharous (2014) discuss employee work involvement as an active participation in employee's job, enabling employees to make work-related decisions. Permarupan et al. (2013) suggest that employees' high work involvement may lead to job satisfaction, increased work outputs and enhanced loyalty to the organisation. Karatepe and Ngeche (2012) did say that engaged employees are known to have high levels of energy, are excited in their job and are mostly absorbed in their work. They (Karatepe & Ngeche)

went further to posit that work engagement does lead to excellent performance in the workplace. However Zopiatis et al. (2014) view work involvement as being strongly more related toorganisational commitment than job satisfaction. Chen and Wallace (2011) went further to conclude that employee engagement improves employee productivity and organization's international competitiveness as it does develop the skills and capabilities of workers.

Work relationships: In as much as working with hotel guests can be challenging or difficult, tensions among employees are more evident that tensions that are associated to guests (O'Neill & Davis, 2011). Problems among employees thus have more negative impact on hotel employees' emotion and health than problems with guests(O'Neill and Davis, 2011).High cooperation and related interaction among managers, subordinates, and work colleagues are very important for the hospitality industry (Lee, Teng and Chen, 2015). Solnet, Kralj and Kandampully (2012) advised hospitality managers or owners to constantly enhance the working environment of their workers as this has a direct link to many desirable organisational outcomes, such as customer satisfaction, profitability, and customer loyalty. Working in any organisation requires specific rules to be adhered to (Lam & Chen, 2012). The work culture in hotels involves teamwork, cooperation among team members as well as coaching and mentoring relations that can uproot role ambiguity or role conflict (Kim, Im & Wang, 2015).Employees who have better relationship with the manager may tend to receive preferential treatment, growth opportunities and more intensive support than others who are not (Lee et al., 2015). Favouritism is shunned at in every workplace, as employees constantly demand equity and fairness from managers.

Working hours: Long working hours are said to be among the factors that lead to high employee turnover in hotels. Mohsin et al. (2013) posit that the amount and nature of work expected, scheduled working hours, accompanying job pressures and stress in employee's personal life have impacts on employees' intention to leave the hotel. Stress inhotel employment is often exacerbated by long and irregular working hours, poor job design and role distribution, insufficient training and employee development, excessive workloads, and poor management (McNamara, Bohle & Quinlan, 2011). Also McNamara et al. posit that temporary employees experience lower stress levels than permanent employees. Employee's intention to withdraw his or her employment in a hotel due to long working hours is highly arguable, as working long hours in the hospitality industry is seen as one of the many conditions of the hospitality industry. Long and antisocial working hours are inadvertently among the conditions that are associated with hospitality work environment (Davidson & Wang, 2011). Hwang, Lee, Chang & Kim(2014)concur that some of the common occupational stresses experienced by hotel employees are long working hours and heavy workloads. Davidson and Wang (2011) maintain that hotel sector employees are often not compensated for their long working hours. The next section addresses how the data for this study were collected and analysed.

3. Methodology

The nature of the tourism and hospitality research requires much quantified data to arrive at conclusions (Ezeuduji, 2013; Ezeuduji & de Jager, 2015; Veal, 2011). This study used respondent-completed structured questionnaire survey to obtain data that were analyzed for information on employee retention and related factors. Most of the questions were close-ended and the responses scaled as ordinal variables. Employee retention and related factors' variables were measured along a 5-point Likert Scale (1 to 5; strongly agree to strongly disagree). Other variables are categorical or nominal in nature (employee profile).Questionnaire variables emanated from literature review done. Literature on employee retention or employee turnover identified factors related to employee retention (Jung & Yoon, 2015; Mohsin et al., 2013; Wells &Welty Peachey, 2011); namely employee development(Jung & Yoon, 2015; Kong et al, 2012), compensation (Hong, Hao, Kumar, Ramendran, & Kadiresan, 2012; Jung & Yoon, 2015), work relations (Lee, Teng & Chen, 2015; O'Neill & Davis, 2011), work engagement (Hong et al., 2012; Jung & Yoon, 2015; Karatepe & Ngeche, 2012), and working hours (Davidson & Wang, 2011; Hon, Chan & Lu, 2013; Mohanty & Mohanty, 2014).

A non-probabilistic sampling approach (convenience sampling) was used for this research to recruit respondents from three, four and five star hotels operating in Cape Town. These hotels identified their interest to participate in this research. Within these hotels, 217 employees were randomly surveyed, and from these, 210 returned questionnaires were found usable for data analysis. IBM's statistics software was

used for data analysis (IBM Corporation, 2016). First stage of analyses used descriptive analysis (frequencies) for all variables, followed by the second stage of analyses using multivariate analysis (reliability tests) of employee retention variables and related factors' variables. Reliability tests were done to check for internal consistencies among variables used to explain particular factors. The third stage of analyses used correlation test (Spearman's - as all variables were found not normally distributed) to check for relationships among employee retention factor and related factors (compensation, employee development, work engagement, work relations, and working hours). Veal (2011) supported the use of Correlation test to explore relationships between ordinal and/or ranked variables. This study accepted relationships between variables at 99% confidence interval.

Cronbach's Alpha coefficient is used in the reliability tests to predict internal consistency among variables explaining a particular factor (Cortina, 1993; Gliem & Gliem, 2003). The authors Gliem and Gliem (2003) posit that Cronbach Alpha's reliability coefficient does range between 0 to1. The benchmark score to use to determine adequate internal consistency among variables explaining a particular factor has been much debated (authors such as George & Mallery, 2003; Gliem & Gliem, 2003; Nunally, 1978).In as much as George and Mallery (2003) advocated the use of Cronbach's Alpha coefficient of between 0.5 and 0.7 to explain adequate consistency; Tavakol and Dennick (2011) posit that low Cronbach's Alpha scores might result when few variables are being used to explain a factor or when there is a weak interrelation among variables that are being used in the analysis. For this study's reliability analyses, a Cronbach Alpha score of 0.6 or above was accepted owing to the relatively few numbers of variables that were used in each factor (employee retention, compensation, employee development, work engagement, work relations, and working hours). Subsequently, at the fourth stage of analyses, a Pearson Chi-Square test was conducted between employee retention and related variables (recoded into categorical variables) on the one hand and the employees' socio-demographic variables (also categorical), on the other hand (see Veal, 2011). This test was done at 95% confidence interval. The next section discusses the findings of this study.

4. Results and Discussion

Employee Profile: Results from the hotel employee respondents show that females dominate males, and close to 60% of hotel staff is relatively young in age (less than 36 years old). Black and Coloured employees make up more than 71% of the sample, and close to 50% of the employees have no higher than a high school education (Table 1).

Table 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 & Beverage- food production/food services/room service/convention & 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 & Security – maintenance / security	9.5
	Other[1]	5.7
Current position	First line staff- reservations/bell service/concierge/valet/waiter/waitress/counter reception	41.0
	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 Resource, Spa, Accounts, Kitchen, Maintenance, Housekeeping and Security.

About 64% have not worked in the hotel for more than 5 years, and majority of the employees surveyed are working in the rooms, food and beverage, convention and catering sections.

Employee Retention Factors: From Table 2 results, it can be deduced that hotel employees agreed favourably to most of the employee retention and related factors' statements, however hotel employees raised serious concerns towards 'strict supervision' (about 46%), 'long working hours being a problem' (about 34%) and 'perceived unfair salary in relation to responsibilities' (about 34%) as clear demotivating factors. Good news for hotel managers lie in the results that about 67% of the hotel employees disagreed that 'they cannot wait to leave the hotel', about 63% of them 'feel attached to the hotel', and about 42% 'want to remain in the hotel for a long time'.

Table 2: Employees' level of agreement to employee retention statements (n = 210)

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1 Employee retention					
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					
2 Compensation					
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					
3 Employee development					
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 trainingin 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					
4 Work engagement					
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
4.2For a large part I determine how I work in this hotel	11.9	39.5	26.2	12.4	10.0
4.3I am not empowered to solve customer problems in this hotel	6.2	13.8	20.0	42.9	17.1
4.4I am not strictly supervised or controlled in this hotel	8.6	23.8	21.9	25.7	20.0
4.5I enjoy meeting and serving customers in this hotel	49.5	37.6	8.1	3.3	1.5
4.6I 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					
5 Work relations					
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	29.5	33.3	20.0	10.5	6.7

hotel					
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					
6 Working hours					
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					

These numbers may not be highly satisfactory, however it shows some level of commitment towards the hotels by the respondents and gives hope to the employers that the work conditions in the hotels are not very alarming. Regarding the negative result on 'strict supervision', Cloete and Allen-Payne's (2012) suggested coaching and mentoring would be adequate development plans to be harnessed in hotels over the long-term to develop employees to the level where they will no longer require strict supervision to do their work satisfactorily. Without proper training, employees may not be able to perform their jobs optimally (Ford et al., 2012). Strict supervision can be implemented at the early phase of employment, but not on the long-term, else employees will become demotivated, having someone to 'look over their shoulders' all the time. This study's employees concern on strict supervision can be redirected to employee engagement. Karatepe and Ngeche (2012) advised hotel managers to engage or involve their employees in the hotel operations and decision-making, as engaged employees are known to have high levels of energy, are excited in their job and are mostly absorbed in their work. They posit that work engagement does lead to excellent performance in the workplace.

This study results are similar to Mohsin et al. (2013) finding that long working hours and the accompanying job pressures and stress in hotel employee's personal life have impacts on employees' intention to leave the hotel. The hotel sector is associated with long and antisocial working hours (Davidson & Wang, 2011). Hwang et al. (2014) posit that some of the common occupational stresses experienced by hotel employees are long working hours and heavy workloads. Davidson and Wang (2011) found that hotel sector employees are often not compensated for their long working hours. This study argues that when employees accept a job in a hotel, they are usually advised that they may have to work long hours and over the weekends. When employees need a job desperately, they are likely to accept whatever is on offer, no matter the conditions attached to it. However those with hospitality education and those who truly want to work in hotels know that this condition exists not only in the hotels but in other businesses operating within the hospitality industry. This study therefore posit that fairness in hotel employment can be achieved if the employee remuneration is linked to the employees working hours and be properly communicated to both part-time and full-time staff so that individuals can clearly observe the impact that longer working hours have on their salary. Problems will however continue to exist if this link is perceived to be unfair among employee clusters, and also where employees are paid differently though they have similar qualifications, and do same work at same period of time.

As earlier reported, fair pay is perceived to improve employee job engagement, and at the same time, decrease job withdrawal (Jung & Yoon, 2015). Till and Karren (2011) therefore stated that pay satisfaction is arguably a function of the difference between perceived pay level and the employees' perception of how

much their pay should be. Perceptions of unfair compensation are usually encountered whenthe amount of pay that an employee receives is not aligned to the industry wage for the position which the employee is holding, or when the compensation that an employee receives is considered unfair compared to the employee's responsibilities. In certain cases, there could also be unequal pay between male and female employees, between racial groups or between 'able' and 'disabled' employees. It is therefore imperative that management consider and implementstaff compensation that is based on the nature of work, and also uses performance-related-pay to support a work environment that promotes equity, ownership of responsibilities, and creativity among hotel staff.Nasurdin et al. (2015) finding support the implications of these results that monetary rewards are very relevant to hotel employees because these job is normally associated with low wage and minimal tangible rewards. As Yang et al. (2012), put it, employees who feel that promotion opportunities, fair pay and better working hours are lacking in an organisation, are very likely to withdraw their employment. However, Wu et al. (2013) posited that when employees perceive their salary to be fair, they will make every effort to deliver proper service.

Table 3: Non-parametric correlations among factors (n = 210)

	Employee Retention Factor	**Employee Development Factor**	**Work Engagement Factor**	**Work Relations**	**Working Hours**	**Compensation (without 2.5)**
Employee Retention Factor	same factors	***	***	***	***	***
Employee Development Factor	***	same factors	***	***	***	***
Work Engagement Factor	***	***	same factors	***	***	***
Work Relations	***	***	***	same factors	***	***
Working Hours	***	***	***	***	same factors	***
Compensation (without 2.5)	***	***	***	***	***	same factors

***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.

Results in Table 3 show that there exist positive inter-correlations among 'employee retention' factor and other factors that relate to work conditions that support employee retention (compensation, employee development, work engagement, work relations, and working hours). It means therefore that each factor enhance one another, for example when employees perceive that they are receiving adequate development and engagement in their work, they will likely remain in the hotel employment for a long time. Also employees who feel they are being developed adequately also tend to have better work relationships with their co-employees and managers. This research validates previous findings that all these factors need to be carefully managed to attract and retain talented employees.The results of Chi-Square statistics between employee retention and related variables on the one hand, and the employees' socio-demographic variables, on the other hand, show that:

- Immigrant employees agree less than South African employees that 'their salary in the hotel is fair for their responsibility',
- Female employees disagree more than their male counterparts that 'benefits provided as a package in this hotel give them stability',
- Black and Coloured employees agree less than other cultural groups that 'employee initiative in the hotel is always compensated',

- Coloured employees agree less than other cultural groups that 'if they do good work in this hotel, they can count on being promoted', 'support for their long term career development is provided in hotel', and 'the hotel's long working hours are unreasonable',
- Black employees agree less than other cultural groups that 'in their job in the hotel, they have sufficient opportunities to use their initiative', and
- White employees agree more than other cultural groups that 'they are not strictly supervised or controlled'.

It is revealed therefore, that significant numbers of immigrants, females, and Black and Coloured employees perceive they are not fairly compensated. Managers need to take note of this and endeavour to create a working environment that fosters equity, creativity and ownership of responsibilities among hotel employees. We conclude this study and address management implications in the next section.

5. Conclusion and Management Implication

The findings of this study are beneficial to hotel employers as they will help them address employee concerns and reduce the high employee turnover costs. A significant number of hotel employees are concerned about strict supervision, long working hours, and unfair salary in hotels, however the majority of the employees have favorable attitude towards hotel employment. More immigrants, females, black and colored employees perceive they are not fairly compensated. This study therefore suggests (a) that employee development plans should focus on coaching and mentorship instead of on strict supervision, (b) that fairness in hotel employment can be achieved if the employee remuneration is linked to the employees working hours and be properly communicated, and (c) that management implement staff compensation that is based on the nature of work, and use performance-related-pay to support a work environment that is non-racial but promotes equity, ownership of responsibilities, and creativity among hotel employees. Further research is encouraged in hotels in other countries of the world to establish cultural comparisons and contrasts among nations or continents, regarding employee retention and its related factors.

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