

## **HRM PRACTICES AND EMPLOYEE RETENTION: THE CASE OF HOTELS IN YANGON**

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### **Abstract**

Retaining competent employees is the most important agenda for all organizations. Thus, human resource management practices are broadly applied to retain skillful employees as valuable assets of the organization. This study aims to examine human resource management practices that determine the retention of employees of hotels in Yangon. From among 24 hotels having at least 100 rooms capacity and located in Yangon, 8 hotels were randomly chosen as a sample covering 277 employees representing 11% of the population. Through SPSS version 20.0, multiple linear regression analysis is applied to analyze the data. The study found that among the human resource management practices; training and development and employee participation were vital factors that indeed influenced employee retention in the hotels. Based on the findings of the analysis, the study suggested the provision of training and development opportunities for career advanced; and employee participation practices are best practices to retain highly qualified and competent workers in hotels in Yangon.

**Keywords:** HRM practices, compensation and benefits, training and development, work-life balance, employee participation and employee retention.

### **Introduction**

In today's intensely competitive global marketplace, to become a low cost leader or a differentiator, management needs to rely heavily on the highly committed or competent workforce while maintaining competitive advantage. In a growing number of organizations, human resources are now viewed as a source of competitive advantages. Most organizations and their management invest on human resources because it is known to be one of the most important assets of the organizations. Employees are the greatest human resources of an organization and their contribution can make the difference between the success and failure of organization. Therefore, it is advisable for

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every organization to maintain its best performers especially in today's competitive economic arena where competitors are observed to poach employees from each other.

Competent human resources can assist organizations to achieve the optimum use of other resources, and consistently contribute to effectiveness and continuous improvement of the organizations. Worldwide competitive organizations rely on their employees to provide innovative solutions to the problems they might have. Indeed, in the world where competition is high, and technologies, processes and products can easily be duplicated by competitors, employees are the key and most reliable resource that can keep an organization a step ahead of its competitors. Pfeiffer (2005) affirms that acquisition, development and retention of talent form the basis for developing competitive advantage in many industries and countries. Accordingly, for any organization to thrive and remain competitive, it is important to attract and retain skilled human resources. This implies that employee retention plays a vital role in the growth of organizations.

Employee retention is the vital challenge in all organizations. An examination of employee retention literature reveals that efforts to retain employees are more focused on employees with core competencies or in core business units. In order to achieve competitive advantage, maximum utilization of resources and to get organizational efficiency employees must be retained in a true spirit in order to cope with all these conditions (Hassan, Khan, and Akram Naseem, M., 2011). More specifically, employee retention is a critical aspect for every company regarding competitive advantage because human resource is the most critical asset of today's modern world (Anis, Rehman, Nasir, and Safwan, 2011). The success of the most competitive companies throughout the world lies in their highly skilled employees on which these institutions spend millions to retain.

Long-term health and success of any organization depends on the retention of key employees. To a great extent, customer satisfaction and organizational performance in terms of increased sales, satisfied staff, effective succession planning and others are dependent upon the ability to retain the best employees in any organization. It is essential to explore the significant factors to retain the employees. By exploring those factors, the

business organizations including hotel industry can practice them to keep their employees stay.

The hotel sector is growing at a very fast rate in Myanmar. This sector can be classified into hotel industry, travel and tourism, restaurants, pubs, clubs and bars, contract catering, and aviation. The tourism industry is linked to the hotel industry which is a labor intensive one. With the rapid growth in tourism, hotel industry is now facing a shortage of skilled and satisfied local personnel. Thus, of all the available resources to hotel managers, human resources is of greater value. Employee turnover has been one of the biggest challenges in the hotel industry. The hotel industry constantly suffers from staff turnover because the hotel market is very competitive and attracts the talented employees. Resulting in high direct expenditure as well as intangible costs, the retention of staff is needed to get improvement and constant attention to the hotel sector. By maintaining and retaining qualified employees who will provide quality services, hotel organizations have the potential of tremendously influencing the efficient development of tourism.

Many researchers have pointed out that human resources management practices impact on the outcomes such as employee satisfaction, employee commitment, employee retention, employee presence, social climate between workers and management, employee involvement, employee trust, employee loyalty, organizational fairness (Edger & Geare, 2005; Paauwe & Richardson, 1997 and Storey, 1989). This study focuses on compensation, training and development, work-life balance and employee engagement as these factors are common across the three theories 2.2. In addition, these factors are important in the context of Myanmar hotel industry. Compensation offered employees at some level of security, autonomy, recognition, and improved self-worth, leading to be satisfied with the current job and hence retention. Proactively creating opportunities will motivate employees to achieve their career objectives and reinforce positive behavior. Work-life balance is universally appealing and promotes the awareness that the organization will support the employees' personal needs. Employee participation also serves as a route to business success and is achieved when organizations and employees value each other.

The study has chosen the hotels as study units because hotels have become very effective partners in the process of economic development and they are facing with competition and retention problems. The study analyzes the factors determining the retention of hotel industry in Yangon and to ascertain whether human resource management practices of the hotels influence employee retention.

### **Literature Review**

Employee Retention involves taking measures to encourage employees to remain in the organization for the maximum period of time (Griffeth and Hom, 2001). Organizations are facing a lot of problems in employee retention these days. Hiring knowledgeable people for the job is essential for an employer. But retention is even more important than hiring. Retention is ‘a voluntary move by an organization to create an environment which engages employees for the long term’ (Chaminade, 2006). A more detailed and recent definition of the concept of retention is ‘to prevent the loss of competent employees from leaving productivity and profitability’ (Chiboiwa, Samuel, and Chipunza, 2010). Some people view employee retention as the result of the implementation of policies and processes that assist employees to remain with the company because of the provision of a work environment that meets their needs (Baer, Fagin, and Gordon, 1996). Employee retention has been defined as “the effort by an employer to keep desirable workers in order to meet business objectives” (Frank, Finnegan, and Taylor, 2004).

Employees who are satisfied have higher intentions of persisting with their organization, which results in a decreased turnover rate (Mobley, Griffeth, Hand, and Meglino, 1979). Intent to stay is a strong predictor of turnover; therefore, factors affecting intent to stay are likely to affect turnover as well as retention. Intention to stay mirrors the employee’s level of commitment to his organization and the willingness to remain employed (Hewitt, 2004). Intention to stay is defined as employees’ intention to stay in current organization. Undesirable, unwanted, and voluntary attrition that companies experience when highly valued employees quit to take another job elsewhere is a much bigger problem than the frequency of corporate layoffs reported (Mobley, 1982). Price and Mullar (1981) stated that intention to stay

was an estimated probability that an employee will continue to work in an organization.

### **Relationship between Compensation and Benefits Practices and Employee Retention**

The compensation system that an organization offers to its employees plays an important role in determining the commitment levels of employees and their retention. Employee compensation includes all forms of pay and rewards received by employees for the performance of their jobs (Snell and Bohlander, 2007). Direct compensation includes employee wages and salaries, incentive-payments, bonuses and commissions. While indirect compensation comprises the many fringe benefits provided by employers and non-financial compensation including health care, life insurance, subsidized lunch, leave policy, overtime, pension plan, and transportation policies. Compensation is a powerful communicator of organizational goals and priorities and companies that expect to be successful must make employees become partners in their success (Shuster and Zingheim, 1993). Pam (2007) observes that employee compensation can be a sensitive subject, and people get very passionate when trying to determine the most appropriate compensation plan for any business. According to the survey report conducted by the Society for Human Resource Management (2012), they found that compensation and benefits would affect employees' retention.

De Vos and Meganck's (2009) research showed that there were two reasons why turnover is so common in hotels. Financial rewards and lack of career opportunities were cited as being the top reasons for employee turnover. On the other hand, the reasons why employees decided to stay were social atmosphere and relationship with coworkers, job content, career opportunities, and financial rewards. Coincidentally, the reasons why people are leaving are the same reasons for people staying, depending on where their current job is. With all of these studies, however, it is proven that rewards given to employees will entice them to stay, and the lack of rewards will be reason for them to leave. Mathis and Jackson (2004) also argued that a balanced, fair and competitive compensation and reward system affect the retention of employees. This makes compensation and reward planning a vital dimension of effective human resource management policies. Besides the

regular direct financial compensation, organizations can also use other financial and non-financial incentives to motivate and hence retain employees (Nzuve, 1997). The primary effect offering benefit type of compensation is to retain the employees in the organization on a long term basis (Flippo, 1984).

### **Relationship between Training and Development Practices and Employee Retention**

Jones et al. (2009) concluded in a study and stated that training is positively associated with employee retention. Schmidt (2007) research studies concerned on the importance of job training to different categories of employees and it can conclude that training and development positively influenced the job satisfaction leading to retention.

Various benefits can be obtained through training which includes the improvement of organizational productivity, increasing employee retention and satisfaction, and greater organization commitment among others. Chiang et al., (2005) found that training quality had a positive relationship effecting job satisfaction and thus increased an employee's intention to stay in the hotel industry. Hence, the organization should emphasize employee training as it has a significant effect on the retention of employees. Hence, organizations can train their employees so that their willingness to stay will increase (Chang and Chang, 2008).

Evans and Lindsay (1999) stated that training and development can increase the quality of the employees and this will bring the advantages for the organization in the long term. Through the training and development, the relationship with employees, organization will be able to maintain and increase employee's retention decision (Samuel and Chipunza, 2009). In addition, it also could attract existing employees to continue work at current job position (Haines, Jalette, and Larose, 2010). By providing opportunities for training and career development which forms part of career management, organizations are supporting their employees to more knowledgeable as well as to achieve their personal career goals. Lee and Bruvold (2003) established that comprehensive training and development activities are positively related to productivity, reduce staff intention to leave, and ensures organizational effectiveness. A study by Thomsen et al., (2006) has also shown a positive

relationship between diverse career opportunities and applicant attraction to and retention in an organization.

### **Relationship between Work-life Balance Practices and Employee Retention**

According to Deery (2008), it appears that the conflict between these important dimensions of human activity can cause both job dissatisfaction and family conflicts and hence intention to leave an organization. Thus individuals who have to work and at the same time play major roles in their homes are likely to experience conflict or face challenges with both roles. A study by Maxwell (2005) also indicated that work-life balance policies such as the introduction of flexible working hours and arrangements, provision of better training, breaks from work and better work support do not only address work-life balance issues but also enhance employee retention.

Work-life balance and reduced work-family conflict increase one's chances of retention (Anderson, Coffey, and Byerly, 2002). Research has suggested that organizational work-life benefits and a supportive work climate are linked positively to employee well-being and retention (Allen, 2001). Work-life quality was found to be a significant predictor of job satisfaction, commitment and longer stays (Rhoades and Eisenberger, 2002). Aryee, Luk, and Stone, (1998) found a positive correlation between satisfaction with work flexibility and intentions to stay. They hypothesized that a flexible work schedule and supervisor support for work-life policies would show a positive correlation with organizational commitment and a negative relationship with turnover intentions.

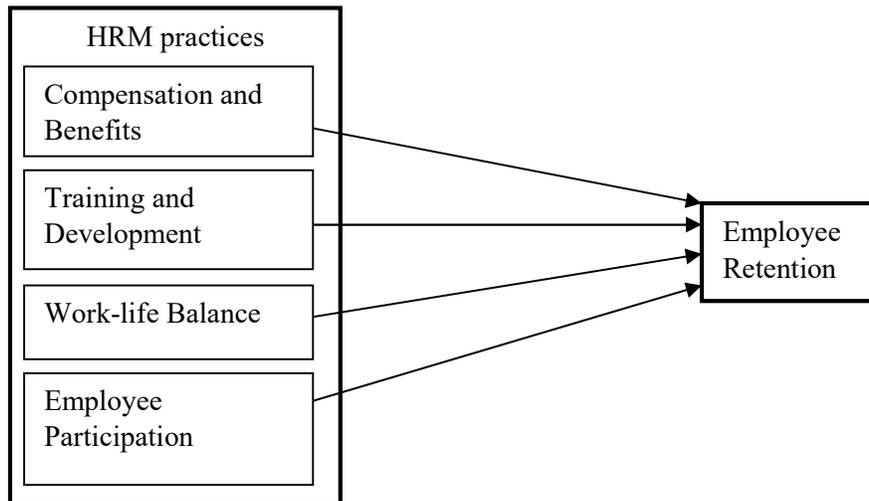
### **Relationship between Employee Participation Practices and Employee Retention**

In line with the research on employee participation has been emphasized in relation to job satisfaction (Cotton et al., 1988). In Past studies showed that employee participation is positively related to performance, satisfaction, and productivity of an employee (Pfeffer 1994; Wagner 1994; and Verma 1995). Bhatti and Qureshi (2007) research study supported that the employees participation has the positive impact on job satisfaction, employee

productivity and employee commitment. Employees' participation in decision making has a positive and significant impact on the job satisfaction of the employees indicating that an employee's participation in decision making can help to enhance the better employees' performance.

Employee participation creates a sense of loyalty in a competitive environment and also increases employees' trust and subsequent retention. Employee participation has been shown to have a significant relationship with productivity, profitability, and employee retention (Bhatnagar, 2007). As noted by Schaufeli and Bakker (2004), participated employees are likely to have a greater attachment to their organization and a lower propensity to quit. The findings from Truss et al. (2006) also confirm this when they found that, overall, engaged employees are less likely to leave their employer. According to Baumruk (2006), organizations with higher participation levels have lower employee turnover, higher productivity and better results. Research indicates that organizations with engaged employees have higher employee retention as a result of reduced intention to leave and turnover leading to increased productivity, profitability and growth (Markos and Sridevi, 2010).

The conceptual framework of this study is shown in Figure (1).



**Figure 1:** The Conceptual Framework of This Study

## **Method**

### **Sample and Research Design**

The population for the study was made up of all the staff of the selected hotels in Yangon. There was a population of (2472) employees. Data were collected from (277) employees from eight hotels in Yangon. The respondents include the employees from Central hotel, Sule-Shangrila, Park Royal, Chatrium, City Golf Resort, Micasa, Hotel Yangon and Tawwin Garden. The target populations for this study include both managerial and non-managerial employees in various departments in the hotel. Primary data is collected for the purpose of study and addressing the problem. Therefore, the main source of getting data for this study is mainly from primary source. Questionnaires were used for the collection of primary data from the selected employees in the chosen hotels. The questionnaire consists of two sections which are section A and section B. Section A contains questions on demographic profile. The objective of demographic question was to acquire some basic information of the respondents. The questions include respondent's gender, age, marital status, highest education completed, current job experience, and job title. For Section B, the questions based on dependent variable and independent variables are formed. The independent variables are compensation, training and development, work-life balance, and employee participation and dependent variables is employee retention.

**Table 1:** Measurement of Variable

<b>Variables</b>	<b>Category</b>	<b>Measurement</b>	<b>Measure</b>	<b>Expected Effect</b>
Compensation and Benefits	Independent Variable	-Total reward received by an employee in exchange for their performance to hotels. (Direct pay and indirect pay or benefit).	-10 items -Five point Likert Scale	Positive effect on Employee Retention
Training and Development	Independent Variable	-Introduction of training and development programs for employees	- 10 items -Five point Likert Scale	Positive effect on Employee Retention
Work-life Balance	Independent Variable	-Balance their careers and family lives. -Flexible working schedules, pleasant working condition, leave and recreation	- 10 items - Five point Likert Scale	Positive effect on Employee Retention
Employee Participation	Independent Variable	-Effort to display their idea, creativity and decision for success of organization. -Degree of participation and empowerment	- 10 items - Five point Likert Scale	Positive effect on Employee Retention
Employee Retention	Dependent Variable	-Willing intention to stay in current job	-10 items - Five point Likert Scale	Job Satisfaction

### **Analysis and Results**

In demographic characteristics of respondents in selected hotels, the gender, age, educational level, marital status, and number of dependents are studied and are shown as follows.

**Table 2:** Socio-demographic Characteristic of Respondents

Socio-demographic Characteristic		Number of Respondents	Percent
Age	Under 20	2	.7
	21 to 30	100	36.1
	31 to 40	100	36.1
	41 to 50	59	21.3
	Over 50	16	5.8
	<b>Total</b>	<b>277</b>	<b>100</b>
Gender	Female	153	55.2
	Male	124	44.8
	<b>Total</b>	<b>277</b>	<b>100</b>
Education	Primary	0	0
	Middle	6	2.2
	High	91	32.9
	Graduate	175	63.2
	post Graduate	5	1.8
	<b>Total</b>	<b>277</b>	<b>100</b>
No. of Dependents	Nil	40	14.4
	1 to 2	116	41.9
	3 to 4	94	33.9
	5 to 6	9	3.2
	Over 6	18	6.5
	<b>Total</b>	<b>277</b>	<b>100</b>
Marital Status	Single	152	54.9
	Married	125	45.1
	<b>Total</b>	<b>277</b>	<b>100</b>

Ages of respondents are classified into five categories as under 20, 21-30, 31-40, 41-50 and over 50 years. Majority of the respondents are between the ages of 21-30 years and the ages of 31-40 years which is made up of 36.1%(100) of total respondents followed by age between 41and 50 years at

21.3%(59). Over 50 years is approximately at 5.8% (16) and age under 21 years is only at 0.7% (2). Out of 277 total respondents, 153 are female and 124 are male. The total sample is made up of 55.2% of female respondents and 44.8% of male respondents. Most of respondents are female although the hospitality industry has been traditionally male dominated partly because of the culture and nature of the industry. Majority of respondents are graduates at 63.2% or (175), followed by High school level with 32.9% (91) of total respondents. Respondents with middle level are 2.2% (6) and post-graduates are 1.8% (6) of total respondents. Most of the respondents are graduated. As nature of hotel business, they require the graduates staffs because the staff are serving for local guest as well as foreigners. The staff need in fluently language skills. Number of dependents is being classified into five categories as 0, 1-2, 3-4, 5-6 and above 6. Majority of the respondents have the dependents of between 1 and 2 dependents with 41.9% (116) of total amount of respondents, followed by the category is 3 and 4 with 33.9% (94), category of no dependents is with 40% (14.4), category of above 6 persons is with 6.5% (18) and a very few percentage of respondents have the largest number of dependents such as 5 to 6 with 3.2% (9). Out of 277 respondents, 152 (54.9%) are single and the rests 125 (45.1%) are married employees.

**Table 3:** Reliability Test from Employee Responses on Scale Items

<b>Factor</b>	<b>No. of Items</b>	<b>Cronbach's Alpha</b>
Compensation and benefits	10	0.912
Training and Development	10	0.944
Work-life balance	10	0.892
Employee participation	10	0.894
Employee retention	10	0.918

It could be observed that the four human resource management practices and employee retention of the alpha values are more than 0.8. Therefore, internal consistency of items to the concepts is excellent.

Multiple regression analysis was applied to investigate the factors that relate to job satisfaction. In multiple regression models, the employee retention is used as dependent variable and compensation and benefits, training and development, work-life balance, and employee participation are used as independent variables. The results of SPSS output analyzing effect of human resource management practices on job satisfaction are shown in Table (4).

**Table 4:** Effect of Human Resource Management Practices on Employee Retention

Dependent variable (Job Satisfaction)	Unstandardized Coefficients		t test	Sig	VIF
	B	Standard error			
Constant	1.445	.250	5.779	.000	
Compensation and Benefits	.055	.058	.948	.344	2.014
Training and Development	.326***	.062	5.255	.000	2.014
Work-life Balance	.029	.059	.492	.623	1.614
Employee Participation	.259**	.079	3.260	.001	1.976
R <sup>2</sup>	0.356				
Adj R <sup>2</sup>	0.347				
F-value	37.607***				
Durbin-Watson	1.671				

Source: SPSS Outputs (Appendix B)

Statistical significance Indicate\*\*\* at the 1% level, \*\* 5% level and \* 10% level

The adjusted R<sup>2</sup> 0.347 explains that 34.7% of total variance in employee retention is accounted by four human resource management practices. Results suggest that four dimensions of human resource management practices variables have significantly explained the 34.7% of the variance in job. The value of calculated (Durbin-Watson) was 1.671 and each Variance Inflation Factor (VIF) was less than 5. These results show that serial correlation and multi-collinearity problems were not detected in this analysis. The regression coefficient of training and development is 0.326 at 1%

significance level. This shows that there is direct relationship between training and development practices and employee retention. The regression coefficient of employee participation practices is 0.259 at 5% significance level. This shows that there is direct relationship between employee participation practices and employee retention.

### **Discussion and Recommendation**

The significant relationship between training and development and employee retention was expected because generally, providing training and development opportunities for employees is a valuable human resource activity expected to enhance their self-esteem, morale, and intention to stay. The indication is that employees may stay as the organization increases the provision of training and development. The result shows that the training and development practices foster the employees' willingness to stay longer in their job. If the training program and career development system is good, employees will stay in their current job. Training and development practices can provide the opportunity for employee to gain experience and training employee skills. The training and development can increase in employee chances for advancement and increased job satisfaction in current workplace and can lead to a more loyalty to the current hotel. When employees are given opportunities for learning and career development they feel valued and appreciated. Training and development is the foundation of human resource management and the importance of knowledgeable and highly skilled employees are the essential resources for the hotel as the service nature. In the knowledge age, it is possible that the employees always expect to gain the new knowledge, skills and ability to upgrade their present condition, position and their future career development. From this study, it is evidenced that hotels are investing in the training of their employees. However, they are also losing the employees they have trained to their competitors. For the hotel, it is a need for nurturing and strengthening of employee competencies. Thus, hotel managers are suggested to improve the training and development program as motivator to contribute to employee retention

In Myanmar hotel industry, the management should try to retain the talent employees by allowing the participation in work autonomy, decision

making and problem solving rather than by only adjusting compensation and benefit. The new, more effective and reasonable ideas can be explored from employees' ideas and suggestion. Additionally, that kind of participation can upgrade employee behavior and perception to satisfy and stay at their current job. The result shows that the employee participation practices lead the employees to be satisfied with their job. If employees receive empowerment and participation in decision making in respect of their job, employees will stay with their current job. The direct relationship between employee participation practices and employee retention is found in this study. Employee participation practices can be a motivator of employee retention. This is because high proportion of the respondents in this study is the young and middle age employees who are assumed to be have said generation X and Y with strong need for taking challenges and high level of imagination and responsibility in order to expand their skills and experience. Involvement and participation of them to decision and problem solving initiatives enhance intention to stay with current hotel organizations. The hotel management should treat their employees as inspirational ones to involve in problem solving and decision making. However, employee participation practices alone are not enough to retain a highly skilled, motivated and experienced workforce; there might be other interaction variables outside the realm of human resource management such as leadership style, organizational culture. Moreover, the other factors can provide their expectation level to stay in the hotel.

Surprisingly however, compensation and benefits did not have a significant effect on employee retention. Compensation and benefits alone are not enough to retain a highly skilled, motivated and experienced workforce that the organization needs to excel in the culture of hotels in Yangon. Therefore HRM managers should strive to look for newer and innovative employee retention practices because it appears employees are keen on them. Also, though there was evidence that work-life balance practice does not lead to employee retention it is necessary for the effective functioning of an organization. It is therefore important that organizations identify and try out other contemporary HRM functions such as training and development and employee participation that can attract and retain employees rather than stick to only the traditional ones compensation and benefits. By establishing that

training and development practices and employee participation practice have significant impact on retention, this study has added to knowledge on HRM practices that are essential for employee retention.

Ministry of Hotels and Tourism and its sector associations should encourage more professional education for hotel industry. From a tourism and hospitality education and training perspective, work is needed to increase access to learning opportunities and ensure provision meets quality standards. The MOHT should work to ensure tourism education and training aligns with the common ASEAN tourism and hospitality curriculum, and that industry employment practices develop in tandem with the ASEAN Mutual Recognition Agreement for Hotel and Tourism Professionals. The Ministry and associations should discuss with designated HR managers from hotels to determine current training practices and approaches, and the level of investment in training. The Ministry should convene focus group meetings for employee turnover problem with each of the associations under the MHA and MTF to secure inputs and insights from employers, and also professional and industry groups. Meetings with different chapters of the associations should be undertaken in selected destinations. The ministry and its sector associations should also support for scholarships and sponsorship programs to promote hotel and tourism-related tertiary education for hotel employees. The development of management, internship and mentorship training programs is Should be encouraged.

At individual level, employees need to take active roles in organizational plans and decisions and objectively decide on career goals. They should take proactive action in work role and play an active part in organizational decision making. Employees need to take proactive roles to ensure the progress of their career development. Employees should have some responsibility for choosing appropriate training programs to attend to improve their skills and ability at work. Clearly, organizations in the hotel sector provide numerous forms of training. Also the employees were suggested to have the type of training that match with their employment needs and practice. Instead of attending inappropriate training programs and viewing training as a waste of time, employees should be able to take a preemptive role in deciding which programs suit their needs. Further, employees should take a greater

initiative to move forward and establish the associations they need to advance their interests. The employees should participate in decision making and problem solving in workplace. Job openings should be posted and that there are no barriers on transferring to new positions. They should fully utilize their skills, abilities and experience in their positions.

### **Limitations of the Study**

The study is about factors determining the employee retention that are to be undertaken in different hotels in Yangon. The study was carried out in the hotels in Yangon which have at least 100 rooms and three operation years. The sample of hotel was scoped to those in the Yangon which is the capital city of Myanmar and has the largest concentration of different hotels operating in Myanmar.

Additionally, the focus of the study was on larger hotels, whose adoption of HRM practices is considerably greater than for smaller hotels. Within the hotel sector, Worsfold (1999) contends that a soft version of HRM is more appropriate to luxury hotels. By contrast, budget hotels are more likely to advocate a hard version of HRM and give more consideration to control. Therefore, the study focuses on the hotels which are registered under Ministry of Hotels and Tourism, having more than 100 rooms and receiving at least three operating years in Yangon. There are 24 hotels in Yangon that meet these specifications. Among them, the study selected 8 hotels in Yangon to reach the desired respondents.

Although there are also numerous human resource management activities, the study could not cover the exhaustive list of human resource management functions due to constraints of time and budget. The study focuses only on compensation, training and development, work-life balance, and employee participation practices. The chosen human resource management practices are vital to today's hotel industry. Therefore, the study fails to take account of all factors influencing on employee retention such as leadership, strategy and so on.

The results therefore, are clearly not representative of the hotel industry as a whole because the limitation of the study is that, it was carried out in the hotel industry in Yangon. Hence, this may limit the ability of the

researcher to generalize the findings for the industries in the country as a whole. The study needs to gather more required information, supporting document and conduct comprehensive survey for this study. In addition, the is small survey being carried out for hotel industry, finding the relevant facts and information to use as secondary data are limited for various reasons. The limitation of this study is the limitations in scope of the survey. It was carried out in the hotel industry of Yangon in Myanmar. Hence, this may limit the ability to generalize the findings to include other hotels of the country as a whole. The study used random sampling to conduct research and only 277 respondents were chosen. Therefore, it was difficult to make sure that the result of the study can accurately be estimated. The sample respondents may be biased and cannot represent the whole population. Besides that, this is the first research in hotel industry, therefore, the questionnaire design may have weaknesses and could not precisely pinpoint the view of whole industry.

### **Needs for Further Study**

In the study, the data are collected from hotels in Yangon only. Hence, the first recommendation is that the future research should be done by opening the survey to other locations in order to improve the generalizability of the findings of the study. By doing so will also ascertain larger sample size where questionnaire can be distributed to more hotels in other important regions in Myanmar such as Bagan, Mandalay, and Shan state. So that, the data obtained from the whole nation will generate the result more accurate and comprehensive picture to capture the nature of human resource management practices in hotel industry from the respondents.

The study on human resource management practices and its effect on retaining employees is a very attractive area due to the importance of human resources and potential income earning opportunity of hotel industry for Myanmar. As most of the studies are carried out in the Western world which necessitated this study, it is important that more researchers especially those in Asia continue to explore the area empirically.

Another recommendation is that the further study can be done by focusing on other human resource management practices such as performance appraisal, equal employment opportunities, and other related factors such as

leadership style, job security and so on, since the main factors in this research are training and development, compensation, work-life balance, and employee participation that affect the employee satisfaction in hotel industry. Thus, this is a limitation in this study because the other factors that affect the employee retention in the hotel industry have not been covered. Further researchers can continue to explore the changes trends of employee retention in Myanmar hotel industry with different periods.

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