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DEPARTMENT OF COMMERCE  
Ph.D PROGRAMME**

**EMPLOYEE RETENTION  
IN MYANMAR HOTEL INDUSTRY**

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**Employee Retention in Myanmar Hotel Industry**

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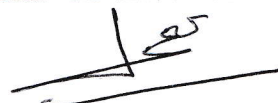
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**Ph.D PROGRAMME**


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## **CERTIFICATION**

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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 the factors that determine on the retention of employees in Myanmar hotel industry. Specifically, the study explored the human resource management practices that impact on job satisfaction of employees, identified the effects of job satisfaction, job hopping and alternative employment opportunities on employee retention, and examined whether demographic variables of employees have any moderating effects on these relationships and employee retention. The respondents were selected using two-stage random sampling method. First, from among 40 hotels having at least 100 rooms capacity and located in Yangon and Nay Pyi Taw, 12 hotels were randomly chosen as a sample and then 356 employees representing 11% of the population, were randomly selected among employees from the selected hotels. 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, compensation and benefits, career management, work-life balance and employee participation were vital to job satisfaction of employees that indeed influenced employee retention in the hotels. Employee participation practices were a powerful motivator of job satisfaction. The findings also highlighted that job satisfaction, job hopping and alternative employee opportunities had a significant effect on employee retention. The findings of moderating effects demonstrated that gender and the number of dependents of the employees influenced on employee retention. Number of dependents of employees was moderator in the relationship between job satisfaction and employee retention, and between job hopping culture and employee retention; gender was also a moderator in relationship between job hopping culture and employee retention, and also between alternative employment opportunities and employee retention. Based on the findings of the analysis, the study suggested the provision of attractive pay and benefits, opportunities for career advanced flexible work schedule for work-life balance and employee participation practices to improve job satisfaction and reduction job hopping culture of highly qualified and competent workers to retain them in hotel industry in Myanmar.

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## **LIST OF ABBREVIATIONS**

ASEAN	Association of South East Asian Nations
CFA	Confirmatory Factor Analysis
EEO	Equal Employment Opportunities
FDI	Foreign Direct Investment
GM	General Manager
HPWS	High Performance Work System
HR	Human Resources
HRM	Human Resource Management
KMO	Kaiser-Meyer-Olkin
MCEA	Myanmar Construction Entrepreneurs Association
MHA	Myanmar Hotelier Association
MIC	Myanmar Investment Commission
MOHT	Ministry of Hotels and Tourism
MTF	Myanmar Tourism Federation
SPSS	Statistical Packages for Social Science
WLB	Work-life Balance

# **CHAPTER 1**

## **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. It is therefore advisable for every organization to maintain its best performers especially in today's competitive economic arena where competitors are observed to poach employees from each other.

Employee retention is the basic idea of keeping the best employees to stay with the organization. There has been many human resource strategies provided to retain employees for the advantage of the organization. These strategies are implemented to avoid employee turnover. Turnover occurs when an employee leaves a specific job or organization permanently. Previous literatures indicate that the typical reason of leaving from current job is dissatisfaction with their job, searching for options, comparing those options with current jobs, and then they quit if any of the alternatives is assumed to be better than their current situation. Traditionally, turnover process as characteristically begins with employees' dissatisfaction, thoughts of quitting, undertaking a job search, assessing and reviewing prospects, and culminating in a decision to quit.

Consequently, it is important to examine both intent to stay or leave and variables affecting employee retention. Therefore, long-term health and success of any organization depend 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.

According to those aspects, it explores job satisfaction, job hopping culture, employment opportunities and employee retention, and background of the hotel industry in Myanmar. This chapter is the introduction of the study and provides the rationale of the study, objectives of the study, method of the study, scope and limitation of the study, and organization of the study.

## **1.1 Rationale of the Study**

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. Pfeffer (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. Literature reveals the cost of losing the best employees become enormous – beyond monetary quantification.

Employee retention is very critical to the long term health of every modern organization. Retention is defined as the ability to hold onto those employees you want to keep, for longer than your competitors (Johnson, 2000). When an organization loses its talented employee, it will make a negative impact on innovation, customer satisfaction, knowledge gain during the previous years and on the profitability of the organization. Moreover replacing cost of another employee contributes a lot to the organization (Hassan et al., 2011). According to the American Management Association; the biggest cost on turnover is that of replacing an employee who leaves. This cost is calculated conservatively at 30% of an employee's annual salary and for those employees whose skills are in high demand; the cost can rise to two-thirds of their annual salary (Dibble, 1999).

Losing employees is a very costly failure in which the costs of replacement include advertising and recruitment expenses, orientation and training of new employees, decreased productivity until the new employee has enough efficiency and loss customers who were loyal to the departing employee is experienced. Finding, recruiting and training the best employees represent major investment challenges. The key role of human resources development professionals should be to lead the war for talent on behalf of their organizations (Kaye and Jordan-Evans, 1999). Researchers have indicated that several factors were considered to be important and have the effect on employee retention. Additionally, empirical research shows that the establishment of well-defined organizational objectives influences the employee retention and productivity.

According to Sandhya and Kumar (2011), employee retention is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. Even though employee retention has now become a tough task, it is beneficial for the organization as well as the employee. Moreover, employees stay or leave the organizations for many reasons as personal or professional. Employees who are satisfied and happy with their jobs are more dedicated and work for organization's growth. In the retention concept, retention is a specific organizational management issue, namely retention management, which can be defined as the entire human resource management policies for retaining the current or expected high-performing employees within



organizations for long periods of time, enabling them to exercise or develop their capabilities.’ (Yamamoto 2009). According to this view, employees are one of the critical resources that have strategic importance for an organization to attain competitive advantage. Thus, every organization that wants to gain competitive advantage over competitors must attract and keep qualified human resources for improving its performance.

Employees submit resignations due to pay issues, lack of recognition, dissatisfaction with management and no foreseeable opportunities for advancement. As another consideration of employee retention, job satisfaction is very significant because not only does it influence the efficiency of employees, but it also affects employee behavior such as employee retention (Rajendran and Chandramohan, 2010). Furthermore, Robinson and Barron (2007) studied that job satisfaction can influence employee turnover. Employees’ job satisfaction is reflected in the employee retention for expecting to resign from their jobs in the coming year, looking for a new job; and their commitment to the organization they work for.

Consequently, turnover intention reveals the subjective probability that an individual will leave the organization and thus reflects one’s attitude towards the organization. As actual employee turnover represents an outflow of skills and may seriously hinder competitiveness, efficiency and quality delivery, organizations should enhance employee retention. In addition, the organization should invest high-performance work system (HPWS) in improving service capacity through selection policies, training practices, integrated performance appraisal, competitive rewards and empowering employees in decision making, which would provide sufficient support to employees. Therefore, employees can do their best to satisfy customers and to carry out their tasks successfully. Human resource management has generally focused on the constructs of commitment, job satisfaction, and organizational effectiveness. The fit between persons and organizations, and persons and jobs is an important area. Furthermore, human resource management practices play a crucial role in influencing employee attitudes and behavior. For this reason, human resource management practices are important for every organization to make satisfied employees. To create a satisfied, productive and efficient workforce, for any organization, proper human resource management policies and practices are essential. It is also true for hotel sector in Myanmar. Proper human

resource management practices can ensure satisfied and efficient work force to continue the pace of this industry's growth.

The hotel industry has been chosen because hotels in Myanmar have become very effective partners in the process of economic development and they are facing with competition and retention problems. The hotel industry is also one of industry with highest turnover rates, making the issue a serious challenge for organizations in this sector. The employment in hotel industry hit its peak in 2008, but had dropped by around 11% by 2010. The industry, in total contributed around 230,000 jobs to employment in 2010, which comprised 13% of the total workforce in the country (Report of Ministry of Labor, 2013).

In Myanmar, there is a rapid growth in international tourist arrivals and tourism receipts. It has become an emerging tourist destination for international travelers who are keen to observe hotel experiences. 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 dissatisfied local personnel. Thus, of all the available resource 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. As 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 tremendous influencing the efficient development of tourism.

Among different human resource management practices, the study focuses on compensation, career management, work-life balance, and employee participation practices as these factors are important for the context of Myanmar hotel industry. Compensation is offered employees at some level of security, autonomy, recognition, and improved self-worth, leading to be satisfied with the current job and retention. Proactively creating opportunities will motivate employees to achieve their career objectives and reinforce positive behavior. Work-life balance benefits are universally appealing and promote 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. One of the biggest threats of recent business is lack of employees' participation which has directly impact to the overall company performance. So, in order to relieve this problem, employers should promote employee participation practices in the organization. In addition, employee participation is vital to retention of talent. On the other hand, labor market conditions are tight, companies are under increased pressure to ensure the recruitment and retention of the most qualified and capable employees. As such, there will be a greater emphasis on policies relating to wages, career advancement and working conditions likely to attract and keep such staff.

Wages in the Myanmar hotel sector are relatively higher compared to other industries in Myanmar as its minimum wage is the second highest ranking in Myanmar according to reports of Ministry of Labor. However, according to the pilot study, the human resource management faces with employee turnover at most of the entry-level positions in the industry. The low-skill requirement implies that the employees in the entry jobs receive poor wages and are also easy to replace compared to other position in hotels because pay raise of hotels depend on length of stay and other factors. Front line staffs may find that the wage level is too low and thus they become very sensitive to wage level. They will be willing to change their job from one firm to another just because the salary in the other firms is slightly higher than that of original firm. Consequently, employees in hotel industry will search for the higher wage level industry such as education industry, transporting industry etc.. To earn more money, they will change their job.

In most Myanmar firms, not many employers will help their staffs with the career development plan. Without the career development plan, staffs are not well motivated and also have a lack of loyalty towards the organization. Dissatisfaction with the progression of their careers is another important factor that contributes to the high employee turnover rate in the industry. This occurs as employees usually consider work opportunities in this industry only as stepping stones to better opportunities in other industries and, as a result, they rarely enter the industry with the intention of remaining and building a career.

Work-life conflict has also been associated with the high employee turnover rate in the hotel industry. In the hotels of Myanmar, basically, work-life balance is an

important factor that usually determines the employee satisfaction with their work. The hotel industry however, is more associated with poor work-life balance than other industries. Compared to other business sectors such as banking, production, and finance, where positions are mostly full-time and operate during traditional business hours (i.e. 9am-5pm), the hotel service is labor intensive, and characterized by high levels of diverse skill requirements from unskilled to highly specialized employees, customer contact oriented, 24 hours operation, and then seven days per week operation. Working hours in hotel industry always requires for long period of time per a day. And working overtime is also very frequent in rush seasons. The unstable and long working hours will also erode their enthusiasm to work. Employees who are concerned in family life and who like freedom will find that they are no longer willing to work in hotel industry.

The hotel industry should be characterized by high flexibility in work demands, which has also been linked to poor job satisfaction. The work-life conflict significantly contributes to turnover intentions for employees within the hotel industry. While female employees are mostly affected by this factor due to their responsibility of bringing up children, and particularly giving birth, pilot interview implied that work-life balance is a concern for all kinds of employees at different stages of their careers and not only for those with young children.

The retention of employees to work in the hotel industry is more likely to be affected by satisfaction with compensation, their career development, and work-life conditions. The result of poor satisfaction influenced the decision to seek an alternative work place. The hotel industry has also been cited for poor implementation of high performance work practices. In the hotel industry of Myanmar, the level of implementation of high performance work practices focuses on employee empowerment and the participation of employees in such practices. In hotels, most of human resource managers reported that while the hotels exhibited some of the human resource management practices linked with high performing work practices, the level of participation by employees was very low. This is a matter of concern as participation of employees is a key part of high performance practices. When employees are tired with the job, they will decide to quit it and leave the industry to change another job. As a result, hotel industry suffers from the employee turnover problem. The hotels in Myanmar need to heavily retain on its human resources to achieve its competitive advantage.

Beside the employee satisfaction in current job, job hopping culture of employee is one of the most important factors of employee turnover. Some employees leave due to social influences from peers or colleagues and some employees leave the organization for fun and for no apparent reason. According to Khatri, Fern and Budhwar (2001), job hopping is positively associated with turnover intention. Job hoppers can come in all forms, who continuously seek out new opportunities for advancement to employees that cannot simply hold onto a job for an extended period of time, to those individuals lacking commitment but who enjoy seeking out new situations and environments. In addition, the larger the alternative employment opportunities exist in the environment, the more chances of awareness among the employees, which lead them to analyze cost and benefits and have intentions to switch jobs. Therefore, this study focuses on the factors determining on the retention of employees in Myanmar hotel industry.

The above problems have prompted the study to determine the factor influencing on employee retention, and to suggest the significant influencing factors on retention in the hotel industry in Myanmar. The study aimed at providing workable solutions to a real and problematic issue of employee retention. Key stakeholders may get benefit: generally, the hotel industry may find the results of the study very valuable because it will provide comprehensive human resource management practices that affect employee retention. The study might also help to shape human resources ensuring effective and efficient services in the hotel industry.

The findings of the study may be beneficial to the management as well as the human resource managers of the various hotels in Myanmar. This is because it is expected to provide possible answers to why employees stay or leave their organizations, thus providing the organization in formulating appropriate retention policies, making informed decisions, and adopting strategies that will boost retention, performance, and productivity.

In addition, a few researchers have studied the impacts of human resource management practices on employee retention by providing job satisfaction in the hotel industry. Their studies explored the different frameworks of human resource management in various industries like banking, hospital, and others. However, there have been no studies conducted on human resource management practices, job satisfaction, and employee retention for Myanmar hotel industry. The study has chosen the hotels as study units because hotels in Myanmar 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 Myanmar and to ascertain whether human resource management practices of the hotels influence job satisfaction. It also explores job hopping culture and employment opportunities for the employee retention in the Myanmar hotel industry and how demographic variables (sex, age, marital status, level of education, position rank, and numbers of dependents) influence employee retention

Theoretically, the study is expected to bridge the gap in the literature on the effects of human resource management practices on employee retention hotel industry in Myanmar. The results are aimed to provide the significant advantages for hotels in Myanmar to remedy the problems of employee retention. It can further serve as secondary data for prospective researchers. The study also seeks to provide new evidence on how human resource management practices could well influence employee retention in the hotel industry. Finally, it will serve as a reference point for further research and add to existing literature on the subject.

## **1.2 Objectives of the Study**

The main objective of the study is to examine the factors determining on employee retention of hotel industry in Myanmar. These objectives can be specified as follows:

1. to explore the effect of human resource management practices on the job satisfaction of employees in the hotels of Myanmar.
2. to identify the influencing factors on employee retention in the hotels of Myanmar
3. to examine the moderating effect of demographic variables of the employees on factors effecting employee retention in the hotels of Myanmar.

## **1.3 Method of the Study**

Regarding the research method, quantitative research was used in this study. Multivariate analysis was used to analyze the influencing factors and descriptive statistics is used to describe demographic background of employees, nature of firms' human resource management practices, employee retention, and practices for employee retention. To describe the employees of a hotel by sex, age, current job

position, and education level, descriptive statistics was used to show the demographic characteristics of the respondents.

The primary research method was used to collect the data for the study. To conduct literature review and obtain the development of tourism industry, the secondary data was used from the Ministry of Hotels and Tourism, Myanmar Hoteliers Association and relevant research papers. To obtain the necessary data, the sample survey method was used in the study. As a sampling technique, multistage sample method was used in selecting employees. Questionnaire surveying was taken place in Yangon and Nay Pyi Taw. It commenced in July 2016 and lasted for two months. The study upheld the highest ethical standards with regard to issues such as confidentiality, privacy, and anonymity.

Before the main analysis, both validity and reliability issues were addressed in order to ensure the trustworthiness of the collected data. Descriptive statistics such as mean, percentages, and standard deviation were performed. Through SPSS version 20.0, multiple linear regression analysis was employed to analyze the data. Also tables and charts are also used for data presentation.

#### **1.4 Scope and Limitations of the Study**

The study is about factors determining the employee retention that are to be undertaken in different hotels in Myanmar. The study was carried out in the hotel industry. Amongst all the cities, Yangon continues to carry the largest hotel room inventory with 30% of the country's total hotel rooms. This was followed by Mandalay at 13% and Nay Pyi Taw at 11%. Among the top cities by room inventory, Yangon's hotel market is mainly driven by commercial demand, Mandalay by leisure demand and Nay Pyi Taw solely by government-related demand. Therefore, most large hotels are well located in Yangon, Mandalay, and Nay Pyi Taw. However, most internationally branded hotels which large hotels are adopted human resource management practices to cater to commercial demand and government requirements located in Yangon and Nay Pyi Taw only. The sample of hotel was scoped to those in the Yangon and Nay Pyi Taw 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 and Nay Pyi Taw. There are 24 hotels in Yangon and 16 hotels in Nay Pyi Taw that meet these specifications. Among them, the study selected 12 hotels in Yangon and Nay Pyi Taw representing 30% of total. Multi-stage sampling is conducted 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, career management, work-life balance, and employee participation practices. The chosen human resource management practices are vital to today's hotel industry. The study investigated four human resource management practices, job hopping culture, and alternative job opportunity. Therefore, the study fails to take account of all factors influencing on employee retention such as leadership, strategy and so on.

And then, tourism industry as a whole includes the hotels, guesthouse, airlines, tour operators and travel agencies, independent tour guides, restaurants, and souvenir shops. The accommodation sector in Myanmar was dominated by individual hotel/guest house. Thus, the hotels will be chosen those which have above 100 rooms at least and have three operating years at least and licensed. The main reason for choosing those hotels in the study is that human resource management practices are well adopted and their outcomes are realized. The results therefore, are clearly not representative of the hotel industry as a whole. The limitation of the study is that, it was carried out in the hotel industry in Yangon and Nay Pyi Taw. 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 required information, supporting document and conduct survey for this study. In addition, there has small survey being carried out for hotel industry, finding the relevant facts and information to use as secondary data are limited for various reasons.

First of all, it was difficult to get the targeted sample size and respondents because some of the hotels were not supportive. This could be attributed to the immense competition in the hotels. Some of them were not willing to participate in any kind



of survey or give out information even to academic researchers. This became evidence when human resource managers from some of the hotels who had been contacted on phone and had agreed to participate later, decided to withdraw from the study. Several reasons were given for their withdrawal. Some explained that in the past, under the guise of research some competitors had succeeded in accessing information from them to their disadvantage. Others claimed that in their estimation the questionnaire was lengthy and filling it out could be time consuming of their working hours.

Secondly, the employees of the hotel have rush-working hours. Hence the research had to make several phone calls and personal follow-ups to get the respondents to fill out their questionnaires. Also some of the employees did not take their time to fill out the questionnaires, resulting unusable many questionnaires. Even though participants' confidentiality was assured; some claimed that their unwillingness to take part in the survey was due to what they described as the sensitive nature of the research. Besides that, some respondents were not willing to participate in the survey because the survey questions are quite sensitive to them under the control of hotel management.

Another limitation of this study is the limitations in scope of the survey. It was carried out in the hotel industry of Yangon and Nay Pyi Taw 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 356 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 time conducting this research in hotel industry, therefore, the questionnaire design may have errors and could not precisely pinpoint the view of whole industry.

## **1.5 Organization of the Study**

The study is presented in five chapters. Chapter one covers the introduction, and covers the introduction of the study, rationale of the study, problem statement of the study objectives, method of the study, scope and limitations of the study as well as the organization of the study.

Chapter two reviews the literature on the factors determining employee retention. It provides the previous studies in relation to employee retention through job satisfaction. The chapter ends with a conceptual framework for the study.

Chapter three provides the background of Myanmar hotel industry, current situation of Myanmar hotel industry and human resource management practices of selected hotels.

Chapter four presents research methodology, the analysis of the relationship of factors on retention based on objectives of the study. It discusses the response rate, socio-demographic characteristics of respondents and the factors influencing employee retention.

The last chapter, chapter five, is conclusion. It includes the findings and discussion, along with suggestions and recommendation, and needs for further study.

## **CHAPTER 2**

### **LITERATURE REVIEW**

This chapter concentrates on the review of literature concerned with the problem under the study. It begins with definition, theories and models underlying the conceptual framework proposed for the study. The empirical review focuses on the independent variables namely compensation, career management, work-life balance and employee participation; as well as job satisfaction and demographic factors of the employees in relation to retention. The chapter ends with a conceptual framework that summarizes the relationship between the key variables of the study. Employee retention is one of the challenges facing many organizations both public and private. Retention of talented employees has become an even greater challenge confronting human resource manager because talented candidates in the global job skills market have the luxury of choices. However, effectual human resource management practices can help organizations to retain their valued employees.

#### **2.1 Human Resource Management Practices**

It is recognized that human resource management (HRM) plays pivotal role in employee's retention. There are many academicians who differently defined and described the concept of human resource management and human resource management practices. Human resource management is defined as a strategic approach to the management of employees who are the people and contributes to the achievement of the objective (Armstrong, 2006). Practices and policies engaged in carrying out human resource aspect also referring to human resource management. In organizations or firms, human resource management practices function as a mediator between human resource management strategies and human resource management outcomes.

Aswathappa (2005) defined human resource management as the set of programs, functions, and activities designed and carried out in order to maximize both employees as well as organizational effectiveness. It is also a process, which

consists of the acquisition, development, motivation, and maintenance of human resource

(De Cenzo and Robbins, 2005). It treats employees as the essential means of realizing organizational objectives rather than mere objectives (Jyothi and Venkatesh, 2006). It focuses on engendering commitment among employees by winning their hearts (Ibid).

Human resource management refers to the policies and practices involved in carrying out the human resource aspects of a management position including human resource planning, job analysis, recruitment, selection, orientation, compensation, performance appraisal, training and development, and labor relations (Dessler, 2007). The human resource management activities can be summarized briefly under five major domains: (i) organizational design; (ii) staffing, (iii) performance management appraisal, (iv) employment training and organization development, and (v) reward systems, benefits and compliance (Beardwell, Holden, and Claydon, 2004). The overall purpose of human resource management is to ensure that the organization is able to achieve success through people (Armstrong, 2006). However, as obtained in the literature, human resource management is concerned with achieving the following: organizational effectiveness; human capital management; knowledge management; reward management; employee relations and meeting various needs (Armstrong, 2006). Human resource management is composed of the policies, practices, and systems that influence employee behavior, attitude, and performance (Noe et al., 2007).

Nickson (2007) also defined human resource management as a set of professional practices that include a range of personal practices that can be integrated to ensure a professional approach in managing people in the organization. On the other hand, Randhawa (2007) stated that human resource management is the planning, organizing, directing, and controlling of the procurement, development, compensation, integration, maintenance, and separation of human resources so that individual, organizational, social objectives are achieved. Becker and Gerhart (1996) pointed out that human resource management was considered as a strategic asset of an organization and human resource policies and practices were important to an organization's competitive advantage in a competitive world.

Furthermore, Flippo (1984) defined human resource management as the planning, organizing, directing, and controlling of the procurement, development,

compensation, integration, maintenance, and separation of human resources to the end that individual, organizational and social objectives are accomplished. To Bratton and Gold (2009), human resource management is a strategic approach to managing employment relations which emphasizes that leveraging people's capabilities is critical to achieving competitive advantage, this being achieved through a distinctive set of integrated employment policies, programs, and practices. According to Noe, Hollenbeck, Gerhart, and Wright, (2003), human resource management refers to the policies, practices, and systems that influence employees' behavior, attitudes, and performance. Wright and McMahan (2000) defined human resource management as the organizational function that deals with issues related to people such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration, and training. Human resource management practices is a set of planned strategies and policies implemented by an organization to ensure organization's human capital efficiently and effectively contributes to the achievement of organizational objectives (Anthony, Kacmar, and Perrewe, 2002; Mondy and Noe, 2005).

Teseema and Soeters (2006) studied eight human resource management practices which include recruitment and selection practices, placement practices, training practices, compensation practices, employee performance evaluation practices, promotion practices, grievance procedure, and pension or social security. Huselid (1995) used human resource management practices in his study which are personnel selection, performance appraisal, incentive compensation, job design, grievance procedures, information sharing, attitude assessment, labor management participation, recruitment efforts, employee training, and promotion criteria. Moreover, Matthews (1998) outlined a range of human resource management practices, which are suggested as being important to organizational strategies, aimed at securing high-quality service: recruitment and selection, teamwork, training and development, appraisal, rewarding, job security, and employee participation.

Recent studies of human resource management explain that low turnover rates are associated with human resource management practices of including employee participation, effectively developing staff and concrete statement of employment conditions. The use of high performance work practices, including comprehensive employee recruitment and selection procedures, incentive compensation and

performance management systems and extensive employee participation and training, can improve the knowledge; skills and abilities of the employees increase their motivation and enhance retention of quality employees while encouraging non-performers to leave the firm (Jones and Wright, 1992). The summary of different definitions of human resource management practices according to the various authors describes in Table (2.1).

**Table (2.1) Human Resources Management Practices**

<b>Authors</b>	<b>Description</b>
Armstrong (1992)	- a set of best HRM practices that are universal in the sense that they are best in any situation, and that adopting them will lead to superior organizational performance.
Martinsons (1995)	- the primary means by which firms can influence and shape the skills, attitudes, and behavior of individuals to do their work and thus achieve organizational goals.
Huang (2000)	- tools that influences employees' intention to leave, level of job satisfaction and organizational commitment
Noe et al. (2003)	- the policies, practices, and systems that influence employees' behavior, attitudes, and performance
Mondy and Noe (2005)	- set of planned strategies and policies implemented by an organization to ensure organization's human capital efficiently and effectively contributes to the achievement of organizational objectives

Source: Own Compilation

Various ranges of human resource management practices suggested by many researchers are depicted in Table (2.2) as below.

**Table (2.2) Empirical Studies of Human Resource Management Practices**

<b>Authors</b>	<b>HRM practice variables</b>	<b>HRM outcomes</b>	<b>Long-term consequences</b>
Guest (1987)	HRM policies on - job design - recruitment/ selection	integration commitment flexibility adaptability	-high job performance -high problem solving skills -high cost-effectiveness -low absence

<b>Authors</b>	<b>HRM practice variables</b>	<b>HRM outcomes</b>	<b>Long-term consequences</b>
	<ul style="list-style-type: none"> <li>- appraisal</li> <li>- training and development</li> <li>- reward systems</li> <li>- communication</li> <li>- manpower flows</li> <li>- change management</li> </ul>	quality	<ul style="list-style-type: none"> <li>-low staff turnover</li> <li>-low grievance</li> </ul>
Schuler and Huber (1993)	<ul style="list-style-type: none"> <li>- job analysis and HRM planning</li> <li>- recruitment and selection</li> <li>- appraisal</li> <li>- compensation</li> <li>- training and individual and organizational development</li> <li>- safety and health</li> <li>- union-management relationships</li> </ul>		<ul style="list-style-type: none"> <li>-attract, retain, motivate</li> <li>-productivity, quality of work life, legal compliance, gaining competitive advantage</li> <li>workforce, flexibility</li> </ul>
Arthur (1994)	<ul style="list-style-type: none"> <li>defined as four HRM practices</li> <li>-decentralized decision making</li> <li>-training</li> <li>-supervision</li> <li>-wages and benefits</li> </ul>	identified as: control commitment	-employee turnover
Huselid (1995)	<ul style="list-style-type: none"> <li>four areas of HRM practices</li> <li>- selection</li> <li>- Performance</li> <li>- appraisal</li> <li>- Incentive</li> </ul>	employee turnover	-job performance
Guest (1997)	<ul style="list-style-type: none"> <li>HRM practices covers</li> <li>- selection</li> <li>- training</li> <li>- appraisal</li> <li>- reward</li> <li>- job design</li> <li>- involvement</li> <li>- status and security</li> </ul>	employee commitment quality flexibility	<ul style="list-style-type: none"> <li>- survival, competitiveness, growth, profitability and adaptability</li> <li>- productivity, quality, innovation</li> <li>- absence,</li> <li>-labor turnover, conflict, customer complaints</li> </ul>

Source: Own compilation

In Myanmar, Aye Thandar Soe (2012) studied human resource management practices as recruitment and selection, training and development, performance appraisal, reward and employee participation in manufacturing firms in Myanmar. In her study, human resource management practices are positively related to

employee commitment, high productivity gain, low labor absenteeism and labor turnover rate. Phyu Sin Thet (2013) studied employee motivation of hotel Yangon for fulfillment of MBA degree. The sample size is 239 employees of hotel Yangon. It was found that many employees in hotel Yangon do not have much dissatisfaction on hygiene factors of working condition, pay and salary, hotel policies, interpersonal relationship, and supervision. Most of staffs in hotel Yangon seems to be satisfied with responsibility, recognition, achievement, work-itself, and personal growth.

Effective human resource management practices can help organizations to retain their valued employees. Among the several human resource management activities which could elicit some employees' positive responses, are compensation, career management, work-life balance, and employee participation which have been found to enhance employee retention (Mathis & Jackson, 2004). Although studies have established the effect of job satisfaction on retention (Robinson & Barron, 2007), there seem to be no previous study conducted on hotels which appears to be with the effect of human resource management on job satisfaction to address employee retention.

In the context of hotel industry of Myanmar, most of human resources are middle and lower social class so that increased retention occurs with performance based on compensation, pay, incentives, and benefits that are valued by most employees. Training and career development will attract to retain job satisfaction. The repetitive work and overload work schedules will lead job dissatisfaction and the employee intention to leave so that the opportunities to obtain a balance between work and life have positive impact on retention. To retain talent employee and enhance the skills of employee, the best human resource management practices would be likely as career management (training and career development) and also encourages empowerment, participative problem solving, teamwork as well as attractive incentives. In this study, four human resource management practices are proposed as important practices for context of hotel industry in Myanmar.

### **2.1.1 Compensation and Benefits Practices**

Compensation and benefits practices are used to motivate and retain employees and ultimately it aims at improving the overall effectiveness of an organization. An organization develops its compensation structures in accordance with its goals,



objectives, and strategies. Compensation management is advantageous to both employees and employers. It is beneficial for the employer in the sense that it lowers the turnover rate. Compensation as a concept according to Bernadin (2007) refers to all forms of financial returns and tangible benefits that employee receives as part of employment relationship. Compensation is divided into two parts and these are cash compensation which is the direct pay provided by employer for work performed by the employee and fringe compensation which refers to employee benefit programs. 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. Whiles 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.

Benefit includes pensions, health insurance, supplemental unemployment insurance, wellness programs, child care etc. Employers use benefits to attract and retain productive workforce (Lucero and Allen, 1994). Compensations and benefits are the most important factor that influences the job satisfaction of an employee. Legally required benefit programs include social security, workers compensation while discretionary programs include health benefits, pension plans, paid time off, tuition reimbursement, recognition award, foreign service premiums, responsibility allowance, child care, on campus accommodation, promotion, annual increment, and a host of others (Cascio, 2003)

According to McNamara (2006), compensation includes issues regarding wage and/or salary programs and structures accruing from job descriptions, merit-based programs, bonus-based programs, commission based programs, and so on, while benefits typically refers to retirement plans, health life insurance, disability insurance, vacation, employee stock ownership plan, and so on. Gomez Mejia, Balkin and Cardy (2006) viewed employee compensation as comprising of base pay and fringe benefits. Base pay or cash pay is the direct pay provided by employers for work performed and these include salary, overtime pay, shift allowance, uniform allowances, and pay contingent on performance like merit awards, incentive pay,

bonuses and gain sharing. Fringe compensation includes required programs such as social security, health benefits, pension plans, paid time off, tuition reimbursement, foreign service premiums, and so on. The benefits include retirement plans, medical care, sick and annual leave, sabbatical leave, study leave, maternity leave, childcare, pension benefit, sponsorship to conferences and workshops, leave bonuses, on campus accommodation, and so on.

### **2.1.2 Career Management Practices**

Career management practices are concerned with the provision of opportunities for people to develop their abilities and their careers in order to ensure that the organization has the flow of talent it needs and to satisfy their own aspirations (Armstrong, 2009). It is about integrating the needs of the organization with the needs of the individual. Career management calls for an approach that explicitly takes into account both organizational needs and employee interests. It calls for creativity in identifying ways to provide development opportunities. Career management policies and practices are best based on an understanding of the stages through which careers progress in organizations.

Career management practices are conscious planning of one's activities and engagements in the jobs one undertakes in the course of his life for better fulfillment, growth and financial stability. It is a sequential process that starts from an understanding of oneself and encompasses occupational awareness. Career management is defined as an ongoing process of preparing, implementing and monitoring career plans undertaken by individuals alone or in concert with the organization's career systems (Hall 1986). It may include activities that help the individual develop and carry out career plans; however, the focus is on taking actions that increase the chances that the organization's anticipated human resource needs are met.

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 achieve their personal career goals. Categories of staff involved in training include managerial, technical, professional, skilled, manual or indirect staff. The trainers can be either supervisors or peers. However, in some cases, training is done by other organizations, universities or external consultants because the companies do not have trainers or facilities for training. The key

processes of training are determining training needs, establishing specific objectives, selecting training methods, implementing and evaluating training programs. Although an increasing amount of training takes place on the job at the time the employee needs the training, many training occur away from the work environment such as classroom program, mentoring and coaching, case study, videotapes, role playing, apprenticeship training, vestibule training, simulation, business games, in basket training, distance learning and videoconferencing. Career development consists of activities or conversations in which an employee's career is planned, guided, and developed. Howard and Foster (1999) argued that career planning and/or internal career management signals career security to employees thus reducing threats of external control. As such we expect career development to increase autonomy satisfaction. Just like training, this human resource management practice may satisfy the need for relatedness by giving employees the signal that they are valued and that the company is willing to invest in a long-term relationship with them (Suazo et al., 2009).

### **2.1.3 Work-life Balance Practices**

Work-life balance practices are those institutionalized structural and procedural arrangements as well as formal and informal practices that enable individuals to easily manage the conflicting worlds of work and family life (Osterman, 1995). There is no one accepted definition of what constitutes a work-life balance practice, the term usually refers to one of the following: organizational support for dependent care, flexible work options, and family or personal leave (Estes and Michael, 2005). Work-life balance is fast becoming an important work related issue and over the past decade, an increasing number of scholarly articles have been promoting its importance. The demands of work and family are not always compatible, leading to conflict between the two domains which may generate the potential for negative effects, including turnover (Mesmer Magnus and Viswesvaran, 2005). Thus, work-life balance practices include flexible work hours (such as flextime, which allows the workers to work according to their convenient daily working hours but meet the total hour per week; compressed work week, in which employees work a full week's worth of hours in four days and take the fifth off), working from home (telework), sharing a full-time job between two employees (job sharing), family leave programs (including parental leave, adoption leave, compassionate leave), on-

site childcare, and financial and/or informational assistance with childcare and eldercare services.

Based on an analysis of research in work-life practices, Mulvaney et al., (2007) took three components—the organization, the individual, and the family—and proposed a framework for the hotel industry to use when incorporating family-friendly policies into workplace culture. The authors stated that the hotel industry is well known as being one in which managers have to make personal sacrifices in their family life. The industry is also known for its excessive turnover. They stressed that hotel organizations need to blend family-friendly policies and practice into organizational strategy to gain an advantage through better recruitment, retention, and productivity.

#### **2.1.4 Employee Participation Practices**

Employee participation has long been a central pillar of human resource management. Employee Participation is generally defined as a process in which influence is shared among individuals who are otherwise hierarchically unequal (Locke and Schweiger, 1979). Participatory management practice balances the involvement of managers and their subordinates in information processing, decision making and problem solving endeavors (Wager, 1994). The Gallup Organization has empirically determined that employee participation is a significant predictor of desirable organizational outcomes such as, retention, productivity, and profitability (Luthans and Peterson, 2003).

Employee participation is the key to the retention of talent (Glen, 2006) and is an area in which the lead has been taken by some HR practitioners (Baumruk and Gorman, 2006). Macey and Schneider (2008) noted that although there are numerous definitions of the construct, they all agree that employee participation is desirable, has an organizational purpose, and has both psychological and behavioral facets in that it involves energy, enthusiasm, and focused effort.

Schaufeli and Bakker (2004) asserted that employee participation is the positive, fulfilling, and work-related state of mind that is characterized by vigor, dedication, and absorption. Employee participation is the extent to which employees commit to something or someone in their organization, how hard they work and how long they stay as a result of that commitment (Corporate Leadership Council, 2004). According to Macey and Schnieder (2008), participation is the willingness to invest

oneself and expand one's discretionary effort to help the employer succeed, which is beyond simple satisfaction with the employment arrangement or basic loyalty to the employer. A participated employee is aware of business context, and works with colleagues to improve performance within the job for the benefit of the organization.

Employee participation is managerially initiated and characterized as direct, 'descending participation', which is task-centered as it attempts to involve all individuals in the workplace (Salamon, 2000). In this way it seeks to provide employees with opportunities to influence and take part in organizational decision-making, specifically within the context of their own workgroup or task. In principle, participation allows employees to exercise greater authority, discretion and autonomy in their dealings with guests. This indicates that management must empower their employees so that they can be motivated, committed, satisfied, and assist the organization in achieving its objectives.

## **2.2 Employee Retention**

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).

The Harvard Business Essentials (2002) defined retention as the converse of turnover being voluntary and involuntary. Employee turnover is the rotation of workers around the labor market, between firms, jobs and occupations, and between the states of employment and unemployment (Abassi and Hollman, 2000). Staff

turnover that can occur in any organization might be either voluntary or involuntary. Voluntary turnover refers to termination initiated by employees while involuntary turnover is the one in which employee has no choice in the termination as it might be due to long term sickness, death, moving overseas, or employer-initiated termination (Heneman, 1998). 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. The employee retention defined by various authors who are suitable for the study summarized as Table (2.3).

**Table (2.3) Employee Retention**

<b>Authors</b>	<b>Description</b>
Mobley et al., (1979)	- Employees who are satisfied have higher intentions of persisting with their organization, which results in a decreased turnover rate
Griffeth and Hom (2001)	- Taking measures to encourage employees to remain in the organization for the maximum period of time
Harvard Business Essentials (2002)	- Retention as the converse of turnover being voluntary and involuntary
Frank, et al. (2004)	- The effort by an employer to keep desirable workers in order to meet business objectives
Chaminade (2006)	- Retention is 'a voluntary move by an organization to create an environment which engages employees for the long term'

Source: Own compilation

According to Taylor's (2010), in the context of understanding employee turnover, there are certain 'push' factors, which cause individuals to look for another job (for example, dissatisfaction with working conditions) and 'pull' factors, which draw employees towards another organization (for example, higher salary or better benefits in external labor market). To further understand pull factors and push factors at work, Taylor (2010) provided a detailed explanation. Organizations require not only to reduce turnover rate but also need to enhance job satisfaction where pull factors are at work. It is necessary to find out what employees are looking for in their careers, to assess their real value, and thereafter, organizations need to do their best to provide what is necessary. Where 'push' factors are involved, an organizational response should be to ascertain and then address the root causes for dissatisfaction.

This study also have objective to find out the factors influencing on employees retention. For this purpose these factors are categorized into job satisfaction (push factors); and job hopping culture and alternative employment opportunities (pull factors).

### **2.3 Job Satisfaction**

The employee retention clearly explains that satisfied employees who are happy with their jobs are more devoted for doing a good job and look forward to improve their organizational customers' satisfaction (Denton, 2000). Employees who are satisfied have higher intentions of persisting with their organization, which results in a decreased turnover rate (Mobley et al., 1979). The numerous studies explain the importance of high employee job satisfaction and how it could enhance their retention.

As the definition of job satisfaction, Locke (1976) defined as a positive pleasurable emotional state resulting from an appraisal of person's job and job experiences. Job satisfaction is also defined as an individual's general attitude regarding his or her job (Robbins, 1999). Mullins (1993) mentioned that motivation is closely related to job satisfaction. Various factors such as an employee's needs and desires, social relationships, style and quality of management, job design, compensation, working conditions, perceived long range opportunities, and perceived opportunities elsewhere are considered to be the determinants of job satisfaction. And also, job

satisfaction has a significant influence on employees' organizational commitment, turnover, absenteeism, tardiness, accidents, and grievances (Byars and Rue, 1997). Moreover, job satisfaction is defined as simply the degree to which employees are content and take pleasure in their jobs (Spector, 1997). Previous studies (Allen, 2006; Boselie and van der Wiele, 2002; Cuong and Swierczek, 2008; Lambert, Hogan, and Barton, 2001; Spector, 1997) indicated that the higher the level of satisfaction with the job environment, the lower the level of intent to leave an organization. Grunberg (1979) explained that there is no one general comprehensive theory that explains job satisfaction. Mullins (1993) reported that a wide range of factors influence job satisfaction including Herzberg's hygiene and motivating factors.

One approach to job satisfaction is in terms of understanding that no one variable satisfies employees. But identifying and providing a satisfying experience that provides a means of satisfying other external demands (Robbins, 1986). However, regardless of the theoretical approach used to study job satisfaction, most studies have identified at least two general categories of antecedent variables which are environmental factors and personal characteristics (Spector, 1997). In their study, Igbaria and Guimaraes (1993) identified five components of job satisfaction namely; work, supervision, co-workers, pay, and promotion. Luthans (2002) asserted that, job satisfaction can arise from three different facets such as emotional response to work environment; relationship between expectations and outcomes; and satisfaction with pay. A study by Schermerhom, Hunt, Osbom, and Uhl-Bein (2011) listed four categories of factors affecting job satisfaction including challenging jobs, equitable reward system including salary and promotional opportunities, good colleagues' relationships and conducive working environments.

Job satisfaction and human resource management practices are studied widely in different parts of the world. It is assumed that human resource management practices are closely associated with job satisfaction (Ting, 1997). Mir Mohammed Nurul Absar et al., (2010) found that human resource management practices have significant association with job satisfaction. Sarbapriya Ray and Ishita Aditya Ray (2011) found that factors like performance appraisal, participation in decision making, training and development, empowerment, compensation influencing human resource management practices have significant association with job satisfaction.



Because many scholars and practitioners believe that sound human resource management practices result in better level of job satisfaction which ultimately improves organizational performance (Appelbaum, Bailey, Berg and Kalleberg, 2000). This requires hotels to be strategic and proactive human resource management policies and practices that make satisfied employees and retain highly skilled employees. In the study, job satisfaction is serving as a variable on the effect of human resource management practices.

#### **2.4 Job Hopping Culture**

The current generation which believes in quick results is, impatient, and driven by short term goals and motivated to earn quick money. They are very eager to enhance their skills and competencies and seek job enrichment and growth in quick succession. Job hopping is becoming common with the rapid pace of modern life.

Job hopping means frequent movement from one job to another job without any specific reason. Ghiselli (1974) defined job hopping, as ‘hobo syndrome’ which means and includes the periodic itch to move from a job in one place to some other job in some other place. It also means employees searching for alternative jobs even when they have secured jobs (Chew, 1993). According to Abelson (1993), the two types of job hopping behaviors have been identified. The first is when individuals because of their strong personal desire for fun change their jobs. The second type describes a turnover culture that is motivated by some social support. “The turnover culture is a shared value among peers in the same organization who dares each other to leave for other jobs or organizations”. Job hopping is one of the most important factors of employee turnover. Some employees leave due to social influences from peers or colleagues and some employees leave the organization for fun and for no apparent reason. According to Khatri et al., (2001), Job hopping is positively associated with turnover intention.

According to Khatri, Budhwar, Pawan and Chong, (1999), people switch jobs because they have an itch to try or simply because it is fun doing so. The job hopping consists of social influences on turnover culture. The second part was supported by Abelson (1993) which defined turnover culture as the shared cognition by organizational members that influences their decision regarding job movement. Turnover culture makes hopping an acceptable behavior. If an employee has not

changed his or her job for a long time, he or she feels increasing pressure to do so because of social influence.

## **2.5 Alternative Employment Opportunities**

Moreover, among established employees, expectations can be influenced, or altered, by opportunity factors such as changes in the job market. When an employee is presented with an attractive alternative position, his or her expectations of the current job are likely to be increased, making it more difficult for the organization to meet these expectations. As a result, job satisfaction may erode, giving rise to an intent to leave.

Alternative employment opportunities is another uncontrollable and labor market variable. Opportunity means availability of alternative jobs in the environment. Employees would generally like to work in prosperous and flourishing economies and as a result, employees usually move out of poor and deprived economies to seek greener pastures in more developed ones. According to Price (2001), the larger alternative employment opportunities exist in the environment, the more chances of awareness among the employees, which lead them to evaluate cost and benefit analysis and have intentions to switch jobs. Literature suggests that there is a positive relationship between alternative employment opportunities and employee turnover intention (Heller, Clay and Perkins, 1992; Khatri et al., 2001).

Alternative employment opportunity, also known as perceived ease of movement, is the perception of the availability of job alternatives (Lee and Mitchell, 1994). This perception is an uncontrollable factor because it is closely associated with the external environment, such as availability of job vacancies and unemployment rate. Intention to quit is based on the behavioral outcomes of the existing policies of the company, the existing labor market and views of the employee, according to Gaertner and Nollen (1992).

## **2.6 Previous Studies**

The previous studies on employees retention are presented to be the framework to understand and systematically analyze factors that affect employee's retention. Several studies have addressed the relationship of job satisfaction and employee retention. In this study, the literatures are reviewed into four parts. The first part is as relationship between each human resources management practices and job

satisfaction. Secondly, the relationship between job satisfaction and employee retention is studied. Then the relationship between job hopping culture and employee retention is reviewed. Finally, the relationship is studied between alternative employment opportunities and employee retention.

### **2.6.1 Relationship between Compensation and Benefits Practices and Job Satisfaction**

In today's globalized world, organizations are facing changes generated by increased competition, mergers and acquisitions, shifting markets and changing employee demographics (Chun and Hsieh, 2006). Therefore, it is crucial for organization to make strategies for their competitive and benefit plans in order to attract appropriate talent, maximize return on human capital and increase employees job satisfaction.

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' job satisfaction. In the survey report, compensation and benefits are regularly among the top three factors affecting employee job satisfaction. From here, it would seem that compensation and benefits have a positive relationship with the employees' job satisfaction. Therefore, it would be best to offer them a competitive salary and benefits, or reduce the gap between employees' salary expectations and employers' offers.

There are several studies that can prove this statement. According to several researchers, compensation and job satisfaction are positively associated with each other. Souza (2000) observed that compensation is a predictor of job satisfaction. Besides, employees who were paid highly showed a greater job satisfaction (Joanne, 1980). All of these strongly proved to prove the relationship between compensation and employee job satisfaction. Employee benefits are used by the organizations to recruit and retain talented employees. Base-salary is identified as a "hygiene factor" and as such this could cause employee job dissatisfaction if a base salary

expectation is not realized (Joseph and Robert, 1995). DeVaney and Chen (2003) proposed that pay or income as one of the main variable that significantly influences employees' job satisfaction.

Uppal (2005) used a measure comprised of the number of fringe benefits employees receive and finds that this is positively related to job satisfaction. Besides, job satisfaction has risen at the same time that benefits satisfaction has raised. Generous rewards (compensation) tend to retain people because high reward levels lead to high job satisfaction, commitment, and loyalty (Chiu et al., 2002). Therefore, when employees feel they are not being rewarded as they expected, it will decrease their job satisfaction, motivation may suffer, leading to low morale and low quality performance. Pizam and Thornburg (2000) also found that the most significant factor affecting hotel voluntary turnover is satisfaction with compensation and benefits. Davies et al. (2001) proposed that utilizing benefit and salary policies strategically can improve morale, reduce turnover, achieve targets within the organization, and add value to hotel operations.

Similarly, rewards and recognition programs are equally supportive in boosting the morale of employees and keeping the spirits high among the employees of any organization. The basic role of rewards and recognition in any organization is to define the system to pay the employees and to communicate that system to the employees so that they can create a link between their rewards and performance which would enhance an employee's job satisfaction (Flynn 1998). Traditionally hotel employees have been perceived as the lowest paid among the workers in other industries, due to low skills and lack of union support (Nankervis and Debrah, 1995). Bonn and Forbringer (1992) found that monetary and educational incentives offered to employees will reduce turnover intentions in hotel sector.

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 tops 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.

Moreover, a number of studies have established that highly competitive wage systems promote employee commitment and thus result in the attraction and retention of a superior workforce (Becker and Huselid, 1999). 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). According to O'Neal (1998), a total reward strategy is critical to addressing the issues created by recruitment and retention.

### **2.7.2 Relationship between Career Management Practices and Job Satisfaction**

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

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 with 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. Chang and Chang (2008) stated that offering training to employees also means giving them the opportunity to learn and increase their efficiency, and professional knowledge. Training not only improves the employee's knowledge and skill, but also lets the manager know about their employee's ability to perform daily tasks. Furthermore, research carried out by Arnett et al., (2002) showed that well trained employees had role clarity and showed less role conflict which enhanced job security and job satisfaction. Hence, organizations can train their employees so that their willingness to stay will increase (Chang and Chang, 2008).

Furthermore, employees have to be trained because training can help them to fulfill their own career needs and the needs of the company. Training can be categorized into task-oriented because the objectives of the training is allows employees to perform and work better on the position they are doing currently (Asare Bediako, 2002). 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. Though the training and development, the relationship employees and organization 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).

A substantial body of research has been developed that investigated the impact of training on firm performance. For instance, considerable evidence suggests that firm investments in training result in better organizational performance (Russel, Terborg, and Powers, 1985). Generally, a positive relationship has been established between employee training and development and organizational performance (Delaney and Huselid, 1996; Koch and McGrath, 1996). Firms with superior training programs are likely to experience lower staff turnover than companies that neglect staff development (Arthur, 1994). Also, more investment in training and employee development is positively related to organizational effectiveness, increased productivity and reduces employees' intent to leave the organization (Harel and Tzafirir, 1996).

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 achieve their personal career goals. Career management is defined as an ongoing process of preparing, implementing and monitoring career plans undertaken by individuals alone or in concert with the organization's career systems (Hall, 1986). It may include activities that help the individual develop and carry out career plans, however, the focus is on taking actions that increase the chances that the organization's anticipated HR needs are met. According to Doyle (1997), a well-functioning organizational career planning system may also encourage employees to take more responsibility for their own development, including the development of skills viewed as significant to the organization. It must however be noted that the economic returns of training employees are more

likely to be captured by an organization if employees are motivated to stay longer and contribute to its success.

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.

Aye Min Naing (2011) studied employee training practices of Hotel industry in Myanmar. The population is 108 hotels in Yangon, 45 hotels in Bagan. The sample is 22 hotels in Yangon and 9 hotels in Bagan. The sample respondents are 31 managers and 93 employees. It found out a positive relationship between employee motivation and particular training techniques. It also signified a direct relationship between employee performance and training techniques provided by Hotel Industry in Myanmar.

### **2.6.3 Relationship between Work-life Balance Practices and Job Satisfaction**

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.

In a survey of 448 employees by Dibble (1999), flexible working hours was the third most frequently mentioned reason why employees remain with their current employer. Also, in a survey of 1,862 employees in the U.S., by Ashby and Pell (2001), most workers wanted a job with flexible hours that allowed them to take care of personal concerns, while a substantial number cited similar reasons for their preference for working from home. A sample of 1,862 employees is large and to get over 50 percent preferring work-life balance means that it is important to a lot of employees and employers must therefore take note of this. 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.

#### **2.6.4 Relationship between Employee Participation Practices and Job Satisfaction**

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. The correlation and regression analysis in this study indicated that the employees' participation can significantly explain the variation in employees' job satisfaction, commitment and productivity.

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). Baumruk and Gorman (2006) contend that, engaged employees consistently demonstrate three general behaviors which improve organizational performance, namely say, stay and strive. Say means that the employee advocates for the organization to co-workers, and refers potential employees and customers. Stay implies that the employee has an intense desire to be a member of the organization despite opportunities to work elsewhere. Strive also connotes that the employee exerts extra time, effort and initiative to contribute to the success of the business. Employee participation has enormous impact on organizational outcomes. The Gallup Organization has empirically determined that employee engagement is a significant predictor of desirable organizational outcomes such as, retention, productivity, and profitability (Luthans and Peterson, 2003).

#### **2.6.5 Relationship between Job Satisfaction and Employee Retention**

Job satisfaction level has been extensively studied by various parties including academicians, researchers, and government agencies both at the national and international levels. Related studies have also been conducted on manufacturing, public and service sectors. This indicates that the importance of job satisfaction is widely recognized and its significance in enhancing productivity is very high. Previous findings reveal that job satisfaction is an important element in influencing a firm's performance. This, as stated by Hackett and Guinon (1985), is because high level of job satisfaction will produce a positive attitude towards job commitment, which in turn can reduce the level of absenteeism, termination of service, negligence at work, and can increase efforts towards work excellence.

Job satisfaction has a significant influence on employees' organizational commitment, turnover, absenteeism, tardiness, accidents, and grievances (Byars and Rue, 1997; Moorhead and Griffin, 1999). According to Robbins (1999), a satisfied workforce can increase organizational productivity through less distraction caused by absenteeism or turnover, few incidences of destructive behavior, and low medical costs. High job satisfaction level has enormous impact not only on the

sense of loyalty, absenteeism, efficiency, productivity, termination of work, but also on mental and physical health (Scott and Taylor, 1985). From the findings on job satisfaction, the following statements may be made. To begin with, employees with a low job satisfaction level have a high likelihood to quit their job (Price, 1977, Mobley et al., 1979). This is supported by McShane (1984), who concludes that employees in such a situation are likely to be absent from work. Additionally, Shaw (1999) in a study which examined the relationships between job satisfaction and the inclination to quit found that there is a high inclination for an individual to quit job if his or her level of job satisfaction is low. Rad and Yarmohammadian (2006) also confirmed that job satisfaction is an immediate antecedent of intention to leave the workplace and turnover.

According to Robbins (1986), satisfaction is strongly and consistently negatively related to an employee's decision to stay or leave the organization. But Lawler (1986) argues that although satisfaction and absence are also negatively related, people should be careful in drawing conclusions regarding the relationship. Robbins (1986) identifies four dependent variables that enhance satisfaction. They are mentally challenging work, equitable rewards, supportive working conditions and supportive colleagues and that under conditions of moderate challenge; most employees will experience pleasure and satisfaction.

Some researchers define job satisfaction as behavior of the employees which directed by issue such as salary, working conditions, control, promotion, social network, talent and some similar variables, characteristic, relationship of group apart from the work-life (Blum and Naylor, 1986). Edward and Scullion (1982) indicated that the job satisfaction used as the overall predictor of working attitudes of the emotion state in the workplaces. The impact of human resource practices on job satisfaction is likely to have a positively relationship with some of the aspect of job satisfaction. According to Cartwright and Holmes (2006), authors have pointed to the critical role of human resource management policies like work practices, on employees' ability to derive a sense of meaning from work and to achieve satisfaction with work itself.

Similarly, Lewis (1983) maintained that the basic reason why dissatisfied or satisfied employees remain on a job is inertia. That is, there is no force causing them to leave. Thus, the degree to which employees like their job is influenced by a combination of characteristics of the environment, the job and the employee's

personality. Satisfied employees are those who have freedom to make job-related decisions, work with people who are friendly, believe that working is an important part of life, have mobility within the organization, work for supervisors who actively assist their subordinates, contribute to the organization, and receive adequate monetary compensation. In fact, interpersonal outcomes such as satisfactory treatment by a supervisor, more strongly predict job satisfaction than tangible outcomes such as pay and promotion. In order for organizations to be successful and productive, the organization must implement creative methods for employees to attain key expectations on the job. Job satisfaction tended to evolve around the factors of the individual's relationship to his or her salary, work conditions, the direction in which their work was moving, their advancement in the organization, and their social network within the organization.

A study based on a survey of 300 physicists in England by Williams, Pathman, Linzer, McMurray, and Gerrity, (2001) to find out whether the turnover rates in that sector were due to dissatisfaction with pay and nature of supervision using a 15-item job satisfaction index concluded that job satisfaction is the main contributing factor for employees' inclination to quit their jobs. A person with a high level of job satisfaction holds positive attitude towards the job, while a person who is dissatisfied with his or her job holds a negative attitude towards the job (Kreitner and Kinicki 2001). Employee job satisfaction is beneficial for both management and society. For management, a satisfied workforce translates into higher productivity due to fewer disruptions caused by absenteeism or good employees quitting and lower medical and life insurance costs. For the society, satisfaction on the job carries over to the employee's off-the-job hours.

Htoo Htoo Aung (2015) studied employee motivational factors of Ruby True Hotel for fulfillment of MBA degree. The sample size is 66 employees as 50 % of total population 132 employees. The study observed that managerial level are satisfied on the recognition with high scores, followed by the achievement, responsibility and work itself and non-managerial level are highest satisfied on recognition with high scores, followed by responsibility, work itself and achievement. Concerning the hygiene factors, it is found that managerial level satisfied on the fringe benefits with the highest scores, followed by supervision, interpersonal relationship and working condition. For the non-managerial level, the employees are not satisfaction with the

fringe benefits with high scores, followed by the pay and benefit, working condition, company policy and interpersonal relationship.

### **2.6.6 Relationship between Job Hopping Culture and Employee Retention**

From a broad perspective (Mobley, Horner, and Hollingsworth, 1978), the process of job hopping originates with the dissatisfaction experienced by an employee with his present job (Griffeth, Hom, and Geatner, 2000) which is followed by a search for alternatives (March, and Simon, 1958; Mobley, 1977; Trevor, 2001).

Nowadays, as society and economy continues to evolve, changing jobs has become much more common place. It used to be that people would stay at a company for life. However recently, labor movement can not only increase personal working experience, but also allows for better use of talent and knowledge at other firms. In particular for expatriated or repatriated employees, due to the large financial investment of the company, their quitting would be considered a large monetary loss for the company. In Khatri et al., (2001), it was proposed that job hopping is positively associated with turnover intention. The study found that the urge to job-hop was a significant contributor to turnover. Some have suggested the greater the instances or potential for job hopping within a short time period, the higher the employees' turnover intention and potential negative attitude towards his/her company (Debrah, 1993). From a broad perspective (Mobley, Horner, and Hollingsworth, 1978), the process of job hopping originates with the dissatisfaction experienced by an employee with his present job (Griffeth et al., 2000) which is followed by a search for alternatives (March, and Simon, 1958; Mobley, 1977; Trevor, 2001).

Ei Marlar Swe (2011) studied the job hopping practices at international hotels in Yangon for fulfillment of MBA degree. She studied at six international hotels in Yangon. The sample size is 250 of employees, including top, middle and lower level. The study found that the majority of the hotel staff change job for their career development. The staff moves from one hotel to another to get higher salary or higher position. It also found that the staff needs changes since they are not happy at current job. The happiness of the staff at the working environment directly related with the motivation issues and hygiene factors. It is indicated dissatisfaction and demotivation with current job is one of the biggest factors for job hopping of the hotel staff.

### **2.6.7 Relationship between Alternative Employment Opportunities and Employee Retention**

In an early study of Hulin, Roznowski, and Hachiya(1985), they revealed the significant relationship between availability of jobs and voluntary turnover. Numerous studies acknowledged that the perception triggers the turnover intention (Griffeth et al., 2000). In addition to the market condition; educational background may affect the perception too. Mor Barak, Cherin, and Berkman, (2001) investigated that workforce with higher educational background more employment opportunities. Higher educated workforce may consider their qualification as a competitive advantage over less educated workforce by having more choices of alternative positions.

It was a test to the vulnerable turnover situation every time a new property opened its door. Theoretically speaking, such marketing conditions encourage a strong perception of alternative job availability. Lee, Mitchell, Holtom, McDaniel, and Hill, (1999) pointed out that the term ‘alternative employment opportunities’ was not properly defined, because employees did not need to have an offer on hand in order to perceive the availability of job alternative. In addition, a general non-work option can be the ‘alternative’ in the mindset. In other words employees may perceive availability of alternatives as long as they think they can get a job elsewhere, regardless it is now or later.

Thereafter, an employee weighs the different alternatives vis-à-vis his current job using an expected-value-like decision process (Mobley et al., 1979), and finally, he makes the decision to leave if any of the alternatives is adjudged to be preferable than his current position. This stands corroborated in the direct positive relationship between the employment alternatives and turnover (Steel, and Griffith, 1989).

### **2.6.8 Empirical Studies of Demographic Variables on Employee Retention**

The demographic characteristics like age, gender, designation, academic qualifications, and marital status affects the intention to leave. In addition, empirical studies indicate that demographic variables are relevant with turnover Intentions (William and Hazer, 1986). Age, income, and tenure are found that they are negatively related to turnover intentions (Cotton and Tuttle, 1986; Morrow, 1983 and Gregersen and Black, 1982). The effects of employee demographic variables on turnover intentions may differ in different international environment.

Some of the studies on turnover intention in tourism industry found out that demographic variables have an effect on turnover intention. Age was found to be a determinant on turnover intention, and a negative relationship between age and turnover intention was found; it was also argued that the turnover intention of older employees is generally low (Carbery, Garavan, O'Brien, and McDonnell, 2003). Additionally, the studies on gender and turnover intention indicated that the factor of gender is a determinant for turnover intention (Carbery et al., 2003). In that studies, on the relationship between educational level and turnover intention, a positive relationship was found between these factors and it was concluded that the people with low educational level have a lower turnover intention (Carbery et al., 2003), whereas some of the studies found a negative relationship (Karatepe et al., 2006). Marital status was also revealed to be a determinant for turnover intention (Carbery et al., 2003).

Tan, Vicky Tiong, and Nghoh (2007) identified variables that related to turnover intention which are divided into three board categories such as demographic factors (employee's age, gender, marital status, and number of children); organizational factors (an employee's length of service, salary drawn and number of staff); attitudinal factors (job satisfaction, work-related stress and level of commitment in the organization). Bluedorn (1982) highlighted demographic characteristics such as race, age, education, and pay that affect job expectations and environmental opportunities, which ultimately influence turnover and job satisfaction.

Because of the different effects of demographic factors on employee retention, this study focused these factors as the moderating variables to have a significant influence on employee retention.

#### **2.6.9 Empirical Studies of Employee Retention**

Many researchers demonstrate that organizations use different techniques to retain their employees. A number of researchers have also studied turnover and employee retention. Siti Zuraini Ramley Alan et al. (2010) studied on hotel managers' turnover intension in Malaysia. They investigate the relationship between organizational justice and turnover intentions among hotel managers. The sample comprised 254 lower and middle-level managers from 26 medium-sized hotels (three and four stars) in the Klang Valley area. Organizational Justice was measured based on the three-dimensional measures of distributive justice, procedural justice,

and interactional justice. Turnover intentions were measured using a five-item. It was hypothesized that distributive justice, procedural justice, and interactional justice perceptions were negatively related to turnover intentions. Results from the regression analyses revealed that only distributive justice and procedural justice have a significant negative effect on managers' turnover intentions. Interactional justice however, did not support the proposed relationship.

Hausknecht, Trevor, and Howard, (2009) studied targeted employee retention by performance-based and job related differences in reported reasons for staying. This study is to develop a content model of employee retention that is grounded in theory and past research and then test it with a sample of nearly 25,000 employees who were asked to comment on why they stay with their employer. Results found that high performers would be more likely to cite retention factors that reflect low desirability of movement, whereas low performers would be more likely to cite retention factors that reflect low ease of movement. Hourly workers would be more likely to cite transactional retention factors, whereas workers at higher levels would be more likely to cite relational retention factors. Taken together, job satisfaction, extrinsic rewards, and constituent attachments were each mentioned by at least one-third of the sample when asked why they stay, and provide support for the desirability of movement rationale found in previous theories of employee turnover.

Babangida (2014) studied effect of motivational incentives on staff turnover in hotel industry of Gombe State. This study examined the effects of motivational incentive and staff turnover in hotel industry in Gombe state, Nigeria. The research area consists of selected hotels in Gombe state, Nigeria. Purposive and stratified random sampling technique was adopted in selecting 45 respondents from 3 hotels. The three hotels were selected from each senatorial district. A total of 15 respondents were selected from each hotel to ensure equitable distribution of participants. Findings revealed that promotion, salary/wages, payment of leave benefits, career development/in-services training and work-hours impacts significantly on labor turnover.

Boondarig Ronra and Prof Manat Chaisawat (2014) studied the factors affecting employee turnover and job satisfaction as a case study of Amari Hotels and Resorts. The objective of this paper is to explore the factors affecting employee turnover, employee job satisfaction and the impact of satisfaction on employee turnover at Amari Hotel Resorts, Thailand. The target population of this research refers to the

3,247 employees who are currently working for 11 Amari Hotels and Resorts. The sample sizes for the Amari Hotels and Resorts employees are equal to 356 samples. The stratified sampling was first applied in order to identify the number of sample employee selected from each 11 of Amari hotels and resorts and the stratified sampling was also used again to identify the employees from 9 departments of each 11 Amari Hotels and Resorts. Their findings indicated that the highest influencing factors affecting employees' turnover was the insufficient tools and resources to do the daily job, followed by inadequate recognition and rewards for a job well done, the benefits received were not met with the employees' needs, the salary and responsibilities were not compatible and the career path advancement was not compensate for lack of salary increase.

Aaisha Arbab Khan (2011) studied the retention issues in hotel industry as a case study of Serena hotel, Faisalabad, Pakistan. The study was aimed to identify factors reducing employee turnover and to explore the impact of retention strategies on workforce. A total of 36 respondents were selected within the population of 285. Variables like HR strategies, work place environment, training and development, and compensation were found more effective in employee retention at Serena Faisalabad. The study revealed that for higher control over retention, management must work over monetary rewards and career progression. Overall, current HR practices at Serena may be benchmarked by others to decrease turnover.

Employee turnover in hotel industry in Cape Coast and Elima is studied by Josephine Pepra Mensah (2010). This study was to examine employee turnover in the hotel industry in Cape Coast and Elmina. Two hundred and forty of the target population responded, comprising 205 employees and 35 managerial staff. The hotels were stratified into four homogenous groups according to their stars ratings by the Ghana Tourist Board. The hotels were grouped into Budget (25 hotels), One-Star (9 hotels), Two-Stars (4 hotels) and Three-Stars (2 hotels) hotels. Sixty (60) employees were randomly sampled from each stratum. The 40 over heads of administration and heads of human resources (management employees) of the selected hotels were another group of respondents. The study found that recognition (which was the highest rated variable), reward for a good work done, opportunity for training and development and competitive pay were factors that would influence an employee's decision to stay in his or her current job though results shown on



contributory factors to staying with an organization indicated that competitive pay was the most significant variable related to turnover.

Lee et al., (2012) studied on factors affecting turnover intention of hotel employees. The study was aimed to identify factors reducing employee turnover and to explore the impact of retention strategies on workforce. The survey period was from January to February 2011, and was conducted in 12 major hotels in southern Taiwan. The empirical results showed that (1) more harmonious coworker relationships between hotel employees and a higher level of satisfaction regarding their work environment have a significantly positive effect on job satisfaction; (2) a higher level of organizational commitment among hotel employees has a significantly negative effect on turnover intention; (3) the direct effect of employee job satisfaction and salary level on turnover intention has not reached a significant level.

Dr. Hazrina Ghazali, Universiti Teknologi Mara, Malaysia (n.d.) studied the relationship of human resource practices and employees' intention to stay in the KL hotel industry. Seven human resource practices; namely recruitment and selection, training, the compensation system, performance appraisal, job security, employee empowerment, and communication were used as variables to predict such intention. A total of 340 questionnaires were distributed to employees who were currently working in two, three and four stars rating hotels. It was also found that practices that are commonly being carried out in the KL hotel industry were communication, training, recruitment and selection, teamwork, and performance appraisal.

Thandar, Ma (2011) studied employee retention strategies in Jasmine Pwint Garment as fulfillment of MBA degree. The sample size is 10 managers and 100 employees from the population total 450 employees. In this study, it found out the current turnover problem is mostly concern with pay and benefits, the importance factors to stay in organization about with environment and compensation. Current HRM and retention practices of Jasmine Pwint Garment factory are weak in sorting, starting and informing employees. The compensation and development opportunity are the most critical factors for retention and motivation.

A number of researches have studied on employee retention in various industries as Table (2.4).

**Table (2.4) Empirical Studies of Employee Retention**

<b>No.</b>	<b>Authors</b>	<b>Sample and industry</b>	<b>Focus</b>	<b>Findings</b>
1	Edward Ghansah (2011)	30 employees comprising of senior and junior level staff in the various department and with specific duties and Responsibilities at Accra Brewery (Manufacturing Industry)	Role of employee retention on job performance	The study confirms that lack of advancement opportunities, work-life balance, lack of reward and recognition and salary and remuneration were more common reasons for departure among all employees.
2	Waleed Alnaqbi (2011)	154 employees in Sharjah's and Dubai's governmental organizations (Service Industry)	Relationship between human resource management practices and employee retention in public organization	Human resource management practices, job satisfaction, company culture, the values of leadership, retention of employees, and commitment are confirmed as highly interconnected concepts
3	Fox, Robert, J (2012)	100 employees in Midwestern Native American Casino (Service Industry)	Employee retention issues in the hotel industry	Employees considered good management, pay, and respect the three most important areas related to employee retention.
4	Huynh Thien Hai (2012)	335 employees in small - medium sized companies in Hochiminh city (Manufacturing/Service Industry)	Factors influencing intention to stay	The findings prove significant relationship of training-career path; leadership; working environment; remuneration-rewards and organizational culture-policies that influence the staying decision of core employee.
5	Rebecca Dei Mensah (2014)	342 employees from the various banks. (Service Industry)	Effect of HRM on employee retention in banking industry	The findings of this study highlight the fact that human resource management practices such as compensation, work-life balance and employee engagement are vital to employees and indeed influence employee retention in the banks. Career management did not have a significant effect on employee retention. It was also evident that job satisfaction could not moderate the interaction between human resource management

No.	Authors	Sample and industry	Focus	Findings
				practice and employee retention.

**Table (2.4) Cont'd**

No.	Authors	Sample and industry	Focus	Findings
6	Njoroge Sophia Wanjiru (2014)	96 manufacturing firms from different sectors (Manufacturing Industry)	Factors that influence employee retention in manufacturing firms in Nairobi	The study revealed that most of the employees consider organizational culture and job satisfaction as the key factors that influence employee retention in the sector.
7	Sophia Araba Twum (2015)	one GM, one HRM, and two employees from each of the hotel. (Service Industry) ( three hotels)	Diversity management practices and employee retention in hotel industry	The findings of the research revealed that top leadership commitment, diversity as part of an organization's strategic plan, succession planning, recruitment, employee involvement, empowering women employee involvement, fair promotion and career advancement, diversity training for employees, programs aimed at increasing cultural awareness and flexible work time are viewed as important by both managers and employees in order to retain employees.
8	Victoria Jagun (2015)	39 employees of hotels in the Irish hotel industry. (Service Industry)	High turnover of employees within Irish hotel sector	Motivation, wages and work-life balance adequately addressed to boost the employee retention rates in the Irish hotel industry
9	Melvia Edna Scott (2016)	3 hotels in Brevard County (Service Industry)	Strategies for retaining employees in the hotel industry	The finding indicated that the motivational outcome, leadership characteristics, most effective retention strategies, and the least effective strategies influencing employee retention

Source: own compilation

## 2.7 Conceptual Framework of the Study

Hotel is the service organization and customer satisfaction is the key success factor. Thus, to promote customer satisfaction, employees' satisfaction and the desire to stay at the present workplace are essential to be considered by the hotels. The satisfaction level on these factors can support the employee decision to stay at the job and the higher performance of employee. Finally, the performance of entire hotel can be yielded through employee retention. Hence it is crucial that human resource management practices that can boost job satisfaction are explored and instituted. As above facts, the human resource management practices must be effectively practiced by the hotels.

Every employee want to receive some compensation for work done. Myanmar Employee believed that compensation is also perceived as appreciation or reward for positive behavior or exerted energy. According to motivation theories, an effective and attractive compensation and benefits can retain the people at the current job. In hotel industry, compensation and benefits is applied as a factor to attract the employees. Career management creates career motivation and development. Without career management, it is difficult to retain the employees. Career management presents obtaining higher salary, improving one's marketability, positioning oneself for future job opportunities and enhancing job satisfaction. Similarly, work-life balance and employee participation are equally important emerging issues in HRM. Both issues affect employers and the employees. As culture of Myanmar, family is very important and it is essentially a relationship based on specific duties and responsibilities on the part of husband, wife, parents and offspring. Therefore, Myanmar workers have many competing responsibilities such as work, children, housework, volunteering, spouse and elderly parent care and these have stress on individuals, families and the communities in which they reside. Sometimes, if they faced the dilemma between work and life affairs, they will decide giving priority on family and leave from the current job. As another fact, Myanmar's youthful population will be entering in workforce now and in the coming decades. They are Generation Z and Millennial and their ambition desire to keep learning and move quickly upwards through an organization, as well as their willingness to move on quickly if their expectations are not being met. They want a flexible approach to work, but very regular feedback and encouragement. They

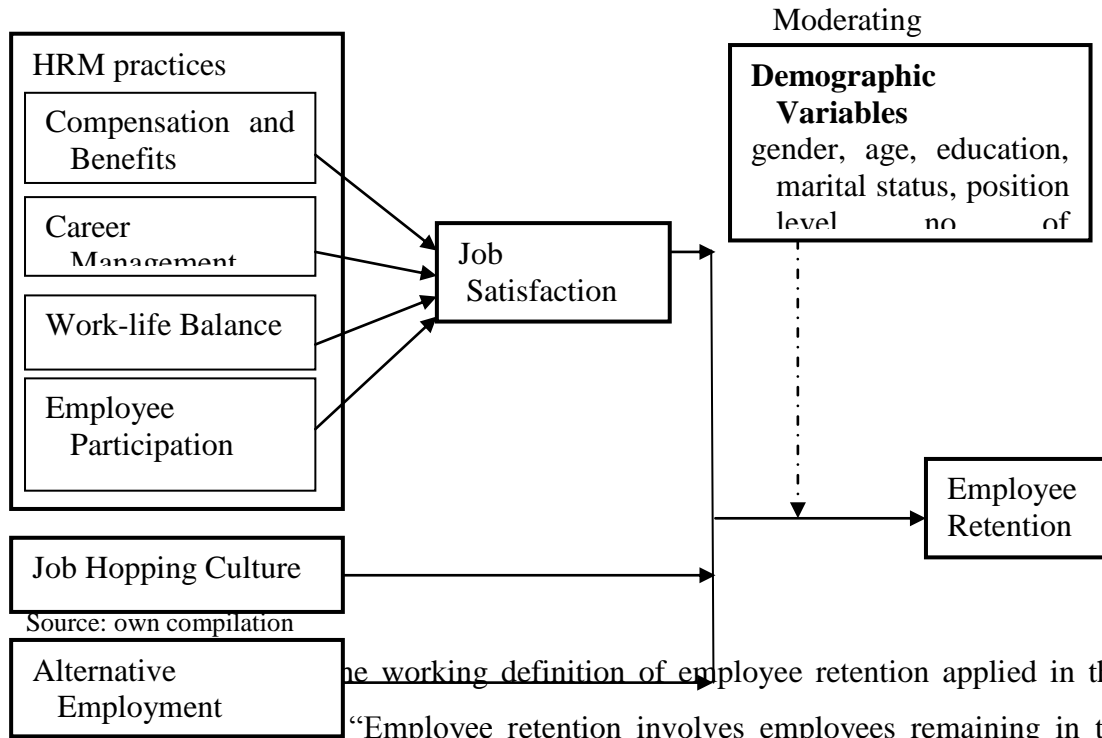
want to feel their work is worthwhile and that their efforts are being recognized. They have seen that their intention to stay doesn't necessarily bring rewards or even long term security in today's economic environment. The work-life balance and degree of participation has always been a priority for these generations. In this study, the four variables of human resource management practices namely compensation, career management, work-life balance and employee participation were selected because they are the most common variables in Myanmar hotels to enhance satisfaction of the employee.

The conceptual framework of the study proposed that job satisfaction, job hopping culture and alternative employment opportunities that are significant to obtain employee retention by the hotels. Competition in the hotel industry of Myanmar has provided more opportunities for employees in the industry to explore better employment opportunities. As FDI entrants hunt for new talents through poaching, employees also move from one hotel to the other in search of better opportunities and working conditions. Additionally, job hopping culture and alternative employment opportunities will also affect the employee retention because they can create the employees to quit the job. These factors are proposed in this study to test the importance of employee retention influenced by these factors in hotel industry of Myanmar. The hotels should put more emphasis on these proposed factors for employee retention and for future success of the hotels.

The conceptual framework would be built up based on the results and findings of previous empirical studies of employee retention of hotels that would be consistent with Myanmar Culture. Job satisfaction, job hopping culture and alternative employment opportunities are independent variables on employee retention. Job satisfaction which is the dependent variable can be influenced by compensation, career management, work-life balance, and employee participation. There are a few previous studies in employee retention of hotels. Although the theoretical and empirical examination revealed that human resource management factors affecting job satisfaction of employees are numerous, human resource management practices include compensation, career management, work-life balance, and employee participation in this study. The demographic variables serve as a moderating

variable on the effect of job satisfaction, job hopping culture and alternative employment opportunities on retention.

**Figure (2.1) Conceptual Framework of the Study**



the working definition of employee retention applied in this study is “Employee retention involves employees remaining in the organization and willingness intention to stay in current job.” “Intention to stay is an estimated probability that an employee will continue to work in an organization.” According to Haung (2000), concepts of human resource management practices: human resource management practices are procedures and techniques that influence employees’ intention to stay, level of job satisfaction and organizational commitment. In spite of the various human resource management practices, this study would focus on four practices namely, compensation, career management, work-life balance and employee participation. And then, according to Newstrom and Davis (1984), working definition of the study used ‘job satisfaction is a set of favorable and unfavorable attitudes with which, employees view their work. The job hopping culture is the periodic itch to move from a job in one place to some other job in some other place according to Chew (1993). Alternative employment opportunities mean availability of alternative jobs in the environment.

Based on the conceptual framework of this study mentioned above, the objectives of the study such as objective 1 - to explore the effect of human resource management

practices on the job satisfaction of employees in the hotels of Myanmar; objective 2 - to identify the influencing factors on employee retention in the hotels of Myanmar; and objective 3 - to examine the moderating effect of demographic variables of the employees on factors effecting employee retention in the hotels of Myanmar, described in chapter one would be analyzed whether each of them are tested and proved as proposed the study. All objectives would be tested and proved on the chapter four in this study.

The next chapter discusses overview of the empirical results of human resource management practices in Myanmar hotel Industry.



## **CHAPTER 3**

### **HUMAN RESOURCE MANAGEMENT PRACTICES OF HOTEL INDUSTRY IN MYANMAR**

This chapter aims at giving an overview of the empirical result of employee retention practices in Myanmar hotel industry. In addition, this chapter presents human resource management practices conducted by the selected hotels. It focuses on eight areas of human resource management practices such as human resource planning, job analysis, recruitment practices, selection practices, compensation practices, career management practices, work-life balance practices, and employee participation practices. In this chapter, the origin of hotels and nature of hotel services, definition of hotels and characteristics, hotel industry in Myanmar, the profile of the selected hotels and human resource management practices conducted by selected hotels are presented.

#### **3.1 Background of Hotels**

Hotels have their origins from the traditions of ancient societies. But the word "hotel" did not appear until the 18<sup>th</sup> century. It came from the French hotel, large house, and originated in the Latin roots *hospitium* or *hospes*. Hotel, hostile and hotels are all related words. The difficulty of identifying early travelers as friends or foes probably accounts for the conflict in meanings. Friendly travelers found security and accommodations through the hotel of their hosts. As the number of travelers increased, personal courtesy gave way to commercial enterprise. The hotel was born carrying with it a culture of hotel. The primary purpose of hotels was to provide travelers with shelter, food, refreshment, and similar services and goods, offering on a commercial basis things that are customarily furnished within households but unavailable to people on a journey away from home. Historically hotels had also taken on many other functions, serving as business exchanges,

centers of sociability, places of public assembly and deliberation, decorative showcases, political headquarters, vacation spots, and permanent residences

The hotel industry grew and flourished through the centuries by adapting to the changing social, business and economic environment that marked human progress. During modern times, these stages have been labeled for easy reference. The 18<sup>th</sup> century was the agricultural age; the 19<sup>th</sup>, the industrial age. The 20<sup>th</sup> century has been the age of service. The sale of services, such as medicine, banking, education, and hotel keeping, has outpaced the manufacture and distribution of goods. The 21<sup>st</sup> century has opened with that same service culture even as it launches what is likely to be the age of technology.

Hotel keeping is a cyclical industry that closely follows the nation's economic phases. Wide swings carry the hotel business between peaks of exceptional profits and troughs of out-right distress. Unfortunately, the industry both lags the general recovery and precedes the start of the decline. The entire travel industry, including inn-keeping, was brought to its knees by the oil embargo of 1973. Hundreds of hotels went through bankruptcy. Three years is the typical span between planning and opening a hotel, even longer if there are special financing, zoning, or environmental issues. Over half of the projects are never built and those that are often have fewer rooms than announced. Hotel occupancy and profits boom before the competition revs up new properties. So, new rooms usually come on as the cycle peaks.

Hotel development also involved diversification of hotel types. Most early hotels had been large urban luxury establishments, but newer variants quickly emerged. Resort hotels, designed to accommodate the rising tide of tourists, were built in scenic rural landscapes far from the cities where the hotel form had been born. Commercial hotels, more simply furnished and less expensive than the luxury variant, served the growing ranks of traveling salesmen and other commercial workers set in motion by the burgeoning economy. Railroad hotels were built at regular intervals along track lines to provide passengers and crews with places to eat and rest in the decades before the introduction of sleeping cars. Residential hotels, dedicated to the housing needs of families increasingly unable to afford private houses in expensive urban real estate markets, served as the prototypes for apartment buildings. And a frontier hotel form, characterized by wood construction, whitewash, and tiered porches, was built in hundreds of new settlements where

travelers and lumber were common but capital was scarce. These and other hotel types soon far outnumbered luxury hotels, though the latter variety received the most attention from journalists, authors, and printmakers, and therefore tended to stand for all hotels in the popular imagination.

### **3.2 Characteristics of Hotels**

Peter Jones and Andrew Lockwood (2002) provided a simple definition for hotel as, “an operation that provides accommodation and ancillary services to people away from home”. According to Dictionary of American History provide a simple definition for hotel as, “an operation that provides accommodation and ancillary services to people away from home.” Hotel industry is a large and highly diverse industry that includes a wide range of property styles, uses and qualities. “The primary purpose of hotels is to provide travelers with shelter, food, refreshment, and similar services and goods, offering on a commercial basis things that are customarily furnished within households but unavailable to people on a journey away from home”. Peter Jones and Andrew Lockwood (2002) defined a hotel as “a, usually large, house run for the purpose of giving travelers food, lodging etc.” Further add, “an operation that provides accommodation and ancillary services to people away from home.” O’Fallon and Rutherford (2010), in “Hotel Management and Operations” define “hotel is the cordial and generous reception and entertainment of guests or strangers, either socially or commercially”.

In modern times, hotel laterally is a form of buildings, symbols, corporate or business entity that provides services accommodation lodging, food and beverage, and other service facilities where all service is intended for the general public, both those who stay overnight at the hotel or those who simply use certain facilities owned by the hotel. Understanding this concept of hotel can be inferred from the definitions below:

- (1) One type of accommodation that use part or all of the services to lodging, food and beverage, and other services to the general public who managed commercial.
- (2) Buildings which are managed commercially by providing lodging facilities to the general public with the following facilities:
  - (a) Services inn
  - (b) The service food and beverage
  - (c) Service of luggage

- (d) Washing clothes
  - (e) Use of facility furnishings and decorations in it
- (3) Common means of shelter for travelers by providing room service, food and beverage and accommodation with the payment terms (Lawson, 1976)
- There are certain special characteristics that differentiate hotels and its services from other service businesses such as:
- (1) Perish-ability of service - Vacant rooms are perishable. The industry's mantra is an unsold room tonight can never be sold again.
  - (2) Importance of Location - Good locations are not easy to acquire. Changing neighborhoods and shifting demographics sometimes doom a hotel whose original location was good. Unlike an airline seat, there is no way to move the hotel room
  - (3) Fixed supply - Just as the hotel's location is fixed, so is its supply of rooms.
  - (4) High operating costs - Hotels are both capital-and labor-intensive. The result is high fixed costs (a large nut in the jargon of the industry), which continue whether not the hotel has business. Thus, a high percentage of occupancy is needed just to break even.
  - (5) Seasonality – Hotel keeping, even for commercial hotels, is a very seasonal business. The cyclical dip strikes the commercial hotel every seven days as it struggles to offset poor weekend business

The difference between the hotel and other industries are that hotel industry is capital-intensive industries classified as labor intensive as well as a means of managing a large venture capital needed to force many workers; Influenced by the circumstances and changes in economic, political, social, cultural, and security where the hotel is located; Produces and markets its products in conjunction with the place where its services produced; Operates 24 hours a day, without a day off in service to hotel customers and society at large; Treat customers like kings but also to treat customers as partners in business because of the hotel services are very dependent on the number of customers who use the hotel facilities. Based on the above meanings and characteristics of hotel, the working definition used in this study is “a commercial establishment offering lodging to travelers and sometimes to permanent residents, and often having restaurants, meeting rooms, stores, etc., that are available to the general public”.

### **3.3 Hotel Industry in Myanmar**

Myanmar is unique in the region where it retains a colonial history in its architecture, something long ago lost to some of its regional neighbors. With hundreds of colonial properties in Yangon in need of restoration, opportunities exist for the right investors to collaborate on projects for hotel, restaurant, and retail service projects. The success of such projects can already be seen in a number of existing projects, such as the Strand Hotel and the Belmond Governor's Residence, two of Yangon's most prominent five-star hotel properties..

The hotels started in Myanmar during colonial period when British government decided to open a luxury and convenience accommodation for business travelers at the Yangon commercial center in the several decades ago. More specifically, in 1945, the hotels were founded namely Kanbawza Hotel, Green Hotel, Burma Railways Hotel, and Orient Hotel. In 1962, Inya Lake Hotel was further established. The establishments of more hotels were more accelerated when the Myanmar transformed into market economic system under military government. The country economy was more flourished than former socialist period; the hotel industry attracted far more investors. In addition since the government saw tourism in Myanmar as one of the fastest growing industries, the Myanmar hotel and tourism law was promulgated in 1993 in order to promote its systematic development. In addition, in order to achieve the objectives of the Hotel Industry and to build the development of the country via tourism and hotels sector, Ministry of Hotels and Tourism was formed in September, 1992.

The Ministry of Hotels and Tourism had designated 1996-97 as "Visit Myanmar Year" to promote tourism. Myanmar has experienced unprecedented growth in tourist arrivals since 2010 when visitor restrictions were eased. Last year, nearly 820,000 travelers entered through Yangon, which is a 46.1 per cent year-on-year increase. Table (3.1) shows the development and contribution of hotel and tourism sector from 2004 to 2015. Since Myanmar liberalized its economy in 2011, the country has experienced a surge of foreign direct investment and visiting tourists. Official government figures show that tourist arrivals have risen from below 1 million in 2011 to over 3 million in 2014, with the Ministry of Hotels and Tourism setting an ambitious target of 4.5 to 5 million tourist arrivals in 2015. Myanmar's overall forecast for 2015 was initially set at 4.5 million foreign visitors, but there are expectations that the number will reach 5 million as the surge in foreign direct investment brings with it a steadily growing inflow of business travelers. Table (3.1)

shows the development of tourism and hotels sectors in Myanmar from 2004 to 2015.

**Table (3.1) The Development of Tourism and Hotels From 2004 to 2015**

No	Year	Hotels	Rooms Available	No. of Visitors	Foreign Income (US\$'000,000)
1	2004	595	18533	656910	136
2	2005	603	19040	660206	153
3	2006	604	19506	630061	164
4	2007	609	19655	716434	182
5	2008	624	20418	731230	165
6	2009	631	20942	762547	196
7	2010	677	22373	791505	254
8	2011	731	15002	816369	319
9	2012	787	28291	1058995	534
10	2013	923	34834	2044307	926
11	2014	1106	43243	3081412	1789
12	2015	1279	49946	4681020	2122

Source: Ministry of Hotels and Tourism (August, 2016)

The government under the Union of Myanmar Travel Association has tried to promote for boosting the Hotel and Tourism Industry and wants to develop tourism infrastructure development which lagged during the period of western sanctions as a key challenge in boosting the hotel and tourism industry. There has been tremendous growth in visitors to Yangon in every year as Myanmar began economic and social reforms, and as a result, hotels are now experiencing significant growth in demand from both corporate and leisure travelers. Tourists are coming for many reasons including travelling and investment purpose from many countries has faced a shortage of hotel rooms and hotel rate that have been rising due to the sharply increase in visitors.

In 2012, the government announced plans for 'hotel zones' with associated infrastructure in many areas, including Yangon (Htaukkyan, Hlegu, Mingaladon and in 2013, Dagon Myothit East), Mandalay, Bagan, Taunggyi, Chaungtha, Inle Lake, Rakhine, Mawlamyine, the Golden Triangle, Bago, Ngwesaung, and Nay Pyi Taw. Myanmar had 787 hotels, motels, and guesthouses with 28,291 rooms, spread across

48 locations at that time. A Four-stars rating have 18 hotels and Five-stars have 5 hotels. The 56 new hotels are opened in 2013, most in Nay Pyi Taw, to accommodate the 2013 Southeast Asian Games and Myanmar's Chairmanship of ASEAN in 2014. The occupancy rate for larger Four and Five stars hotels was around 80% in 2012, with smaller, lower standard establishments reporting lower rates. Although some five-star properties offer facilities and services comparable with the best hotels in the region, more needs to be done to improve standards at the middle and lower ends of the market. The Myanmar Hoteliers Association has requested a review of the current star-rating system, which was introduced in 2011, and its members have increased efforts to operate according to the ASEAN tourism standards. The Myanmar Tourism Federation (MTF), which shares a building with the Myanmar Construction Entrepreneurs Association (MCEA) and which has leadership and membership overlap, has established the Myanmar Tourism Development Company to accelerate development of designated zones in Yangon, Mandalay, Nay Pyi Taw, and Bagan.

Foreign direct investment hotels such as Kempinski, Amara, Centara, Dusit, Melia, Accor's Novotel, Shangri-La, Orient-Express, Tangram, Hilton, Sedona, Best Western, and Savills invested in the country. Starwood opens the Sheraton Yangon, its first hotel in Myanmar, in 2017, while Marriott, according to its Asia-Pacific president Simon Cooper, has "ongoing discussions with potential partners" in the country. As the figures from the Myanmar Investment Commission (MIC), foreign direct investment in the hotels and tourism sector in the country made up for 3.91 %, or US\$ 2.21 billion, of the total approved foreign direct investment in the first four months of 2015. Overall, since the country's new foreign investment law came into effect in 2012, 48 hotel projects have been approved, of which 33 are already completed and most of the rest are expected to be launched before 2018.

For hotels, the Ministry has introduced a star rating system before 2010. This is an important review process, since 100 % foreign investment is only permitted for projects approved at three stars and above. For investment in hotels rated below three stars, a joint venture with a Myanmar entity is the only viable business structure. Regardless of the classification contemplated, it is important that complete and adequate supporting materials are provided to the Ministry for the classification evaluation. It is also typical for the applicant's counsel to consult with the Ministry to clarify applications under review. This can significantly reduce the

time for rating qualifications and hotel license issuance. Once the Ministry has given its approval, the final review and investment permit decision are made by the Myanmar Investment Commission. After 2010, the Ministry has not been designated the star rating systems officially.

At present, there are 1,279 hotels and guesthouses in the country that provide 49,946 rooms, figures from the Ministry of Hotels and Tourism reveal, of which 306 hotels with 14,251 rooms are located in Yangon. As of 2011, there are a total of 31 completed hotel projects funded by foreign investment, while an additional 5 projects are currently under constructions. From 2014 to 2015, total number of hotel rooms increased by 15.5%, adding over 6,700 rooms across the country. The total investment is estimated to be \$1.14 billion for all 36 projects, which averages around USD 32 million per project. Foreign-owned hotels only make up 4.9% of the entire hotel market in Myanmar. Amongst all the cities, Yangon continues to carry the largest hotel room inventory with 30% of the country's total hotel rooms. This was followed by Mandalay at 13% and Nay Pyi Taw at 11%. Among the top cities by room inventory, Yangon's hotel market is mainly driven by Commercial demand, Mandalay by leisure demand and Nay Pyi Taw solely by government – related demand. According to the data from Ministry of Hotels and Tourism, there are (338) licensed hotels in Yangon and 58 licensed hotels in Nay Pyi Taw. Hotels that have at least two operating years and above 100 rooms are 24 hotels in Yangon and 16 hotels in Nay Pyi Taw.

### **3.4 Profile of Selected Hotels**

In this section, selected hotels are described in term of years of service, number of employees, rooms available, ownership, management and turnover rate for the selected years. The study used 8 hotels in Yangon and 4 hotels in Nay Pyi Taw as the sample. According to Ministry of Hotels and Tourism statistics, there were 1106 hotels with rooms' capacity of 43243 in 2015 throughout the whole Myanmar.

Two sets of questionnaires were developed to assess the human resource management practices of hotel. The first questionnaire set focused on human resource management practices with respect only to managerial employees who are responsible in human resource management activities. The questionnaire addressed to background information of hotels, human resource management practices, and



retention condition. Some owners, general manager and human resource manager allow face to face interview for getting some qualitative information.

In the study, 12 hotels are selected for analyzing human resource management practices and retention.. The two types of ownership forms are uncovered: Foreign Direct Investment and Domestic owned. Of all hotels in Myanmar, about 67% of selected hotels are domestic hotels and 33% are FDI The selected hotel profile in terms of their ownership, management, years of operation, number of employees and turnover rate in 2014 and 2015 are shown in Table (3.2).

**Table (3.2) Profile of Selected Hotels**

Hotel Name	Operating Years	Number of Employee	Ownership	Management	Turnover Rate	
					2014	2015
Sule-Shangrila	22	510	FDI	Foreign	0%-5%	0%-5%
Micasa	20	170	FDI	Partly Foreign and Local	0%-5%	0%-5%
Chatrium	18	420	FDI	Partly Foreign and Local	0%-5%	0%-5%
Park Royal	17	417	FDI	Partly Foreign and Local	6%-10%	11%-15%
Hotel Yangon	9	255	Domestic	Local	0%-5%	0%-5%
City Golf	13	218	Domestic	Local	6%-10%	0%-5%
Tawwin	3	266	Domestic	Local	6%-10%	0%-5%
Sky Palace	6	130	Domestic	Local	6%-10%	11%-15%
Mount Pleasant	7	117	Domestic	Local	6%-10%	16%-20%
Central	20	216	Domestic	Local	11%-15%	16%-20%
Thingaha	10	230	Domestic	Local	11%-15%	11%-15%
Royal Ace	4	222	Domestic	Local	11%-15%	11%-15%

Source: Survey Data (2016)

According to the survey, there are three types of management style: foreign management, local management and partly foreign and local management. According to the survey descriptive result, eight hotels (67%) operate under the local management methods. The three (25%) of selected hotels are managed by both local management and foreign management. One hotel (8%) of the selected hotels are managed according to the management style guided by parent company in

foreign countries. Regarding turnover, 50% of selected hotels shows stable turnover rate. The 33% of selected hotel increased their turnover rates between 2014 and 2015. The remaining 17% of selected hotels show a decrease in turnover in 2015 compared to last year because of effective human resource management practices.

### **3.5 Human Resource Management Practices of Selected Hotels**

This section shows the descriptive information on human resource management practices conducted by selected hotels in term of (a) human resource planning, (b) recruitment, (c) selection, (d) career management (e) compensation and benefits, (f) work-life balance and (g) employee participation practices. The first set of questionnaire is for owner or human resource managers and it consists of 5 questions for background of hotel and 53 questions regarding human resource management practices and retention perspectives. The questions are designed for exploring human resource management practices which are currently practicing in respective hotels. The sample hotels were asked to describe their hotel's approach to human resource management.

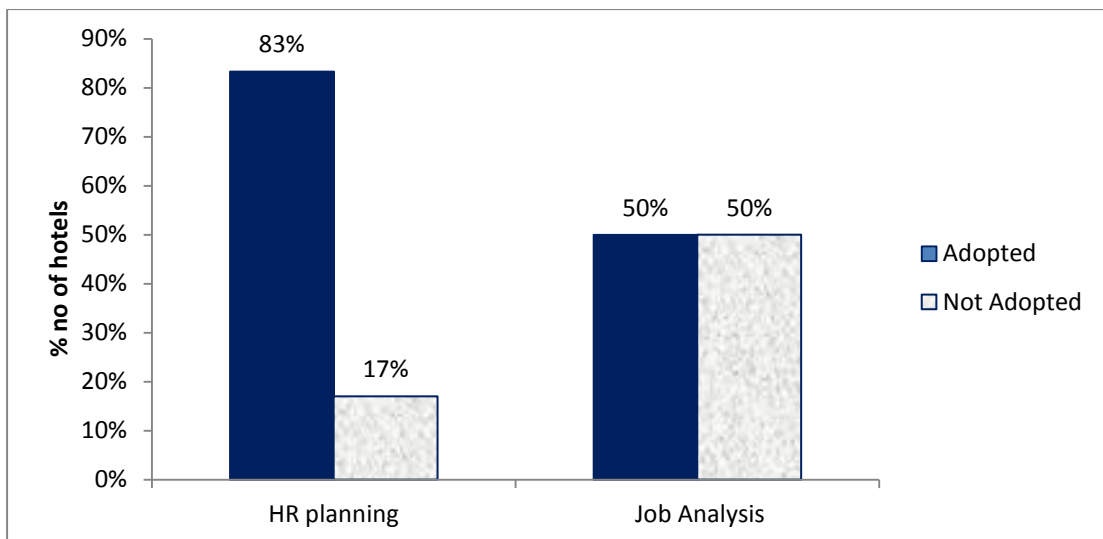
According to the survey data, all of the selected hotels have the human resource department. In three quarter of sample hotels, the human resource department uses the systematic human resource management practices as human resource planning, recruitment, selection, career management, compensation and benefit, work-life balance practices and employee participation practices. Only a quarter of hotel do not have separate human resource department and compensation practices are administered by finance department.

#### **(a) Human Resource Planning Practices**

In human resource planning, the 83% of hotels said that they emphasized on balancing the projected demand for and supply of labor in order to have the right number of the right employees in the right place at the right time. The demand for manpower is influenced by corporate strategies and objectives, the environment and the way that staffs are utilized within the business. The supply of manpower is

projected from current employees (via calculations about expected leavers, retirements, promotions, etc.) and from the availability of the required skills in the labor market. Anticipated demand and supply are then reconciled by considering a range of options, and plans to achieve a feasible balance are designed. The hotels use results of job analysis in the area of selection, replacement, redeployment, promotion, performance evaluation, determining salaries levels, career planning and training and development needed in hotel. However, the 17% of the hotels do not adopt the HR planning practices (See in Figure 3.1). According to the results of survey, the number of hotels that use the job analysis is exactly as the same as those that do not perform job analysis. While the 50% of hotels adopted the most basic building block of human resource management such as job analysis, another 50% do not perform (See in Figure 3.1).

**Figure (3.1) Percentage of Hotels Practicing Human Resource Planning and Job Analysis**



Source: Survey Data (2016)

Human resource planning is concerned for hotels. Although human resource planning is about predicting and ensuring the right number of the right people to the right task at the right time in theory, it is not possible to expect a stable labor demand and supply equation and a static business environment in such a fluctuating global context. This issue is a challenge for any business competing in markets and uncertain economic circumstances.

**(b) Recruitment Practices**

To match appropriate people with appropriate jobs, from the viewpoint of hotels, recruitment entails using human resource planning information to determine the correct numbers and kinds of candidates, locating them, and then selecting those who are most likely to be satisfactory employees. From the standpoint of job applicants, the recruitment process affects how they see jobs and organizations, and the likelihood that they will be matched with jobs that are rewarding for them. In hotels, if the number of available candidates only equals the number of people to be hired, the choice has already been made. Identifying where to recruit, who to recruit, and what the job requirements are decided by human resource manager of the hotels. Decision about internal vs. external searches is also made by human resource manager. According to the interview with human resource managers, most of the selected hotel practices both internal and external recruitment sources. They sometimes use the internal recruitment method based on the skill and performance for some positions.

Table (3.3) shows the use of recruitment sources of selected hotels.

**Table (3.3) Recruitment Sources of the Selected Hotels**

**n = 12**

<b>Sr No</b>	<b>Recruitment Source</b>	<b>Number of Hotels</b>	<b>Percent</b>
1	Employee referrals	4	33
2	Advertising	10	83
3	Employment agency	1	8
4	Recommendation of other hotels	2	17
5	Training schools	2	17

Source: Survey Data (2016)

With regard to recruiting outside sources, it can be found that the majority of hotels use the advertising method according to Table (3.3). They advertise in newspapers, journals and their home page of facebook and websites. Surveyed hotels recruit within the organization through the immediate referrals from the trusted employee for promotion and job posting method. Few hotels use the training schools referrals and recommendation from other hotels. According to the result of survey, 83% of the selected hotels are using the advertising sources; follow by employee referrals with 33% of hotels. The 17% selected hotels recruit the candidate with the

recommendation of other hotels and training schools. The only one hotel recruits through employment agency.

**(c) Selection Practices**

Selection is much more than just choosing the best available person. According to a hotel manager, selecting the appropriate set of knowledge, skills, and abilities is an attempt to get a “fit” between what the applicant can and wants to do, and what the hotel needs. The majority of hotels are practicing as sending out application packs to over 300 potential employees and estimated as following the selection process; 50% of applicants are returned, 23% of applicants are offered jobs, 19% accept the offer and only 15% actually starts with the hotel.

In order to evaluate whether the person will fit in with the organizational culture and the way things are done in the hotel, hotels use combinations of many methods according to the significant of the position to the hotels. The popular method among other businesses, is interviewing. Indeed, the interview is often characterized as being the third part of the ‘classic trio’ of application forms, references and interview. The applicants fill in an application form, including supplying two references and then going along to an interview. Another important step is the use of skill tests and practical testing. These tests are used to measure individual difference in aptitude, ability, intelligence or personality. The hotels are increasingly using these types of tests, particularly for managerial positions. Aptitude tests aim to discover specific abilities in relation to verbal, numerical, spatial or mechanical skills to provide an indication of how well applicants will cope with the job. The hotels also use various group methods such as which often involve problem-solving and role playing. By undertaking such problem-solving in small groups applicants will have the opportunity to demonstrate things like ability to work within a group, creativity, interpersonal skills and so on. The 75% of the hotels are using the skill test and practical test to attain the best candidate suitable for their hotels.

Selection is subject to all the equal employment opportunity (EEO) concerns for the hotels. The ability, motivation, intelligence, conscientiousness, appropriate risk, and work experience are used as selection criteria for many jobs in the hotels. The GM and HR manager are jointly responsible to define carefully as exactly who applicant

is given the legal issues involved in hotel. They allocate selection responsibilities between HR specialists and managers. The hotels have the HR unit do the initial screening of the candidates, while the appropriate managers or supervisors make the final selection. In most hotels, the selection decisions are taken responsible by the general manager, HR manager and respective departmental manager.

As a rule, the higher the position within the organization, the greater the likelihood that the ultimate hiring decisions will be made by operating managers rather than HR specialists. According to the survey, all selected hotels use both CV application and interview method for selection process.

**(d) Career Management Practices**

Most hotels use the career management programs to assists their employees to plan their careers. By providing opportunities for training and career development, the hotels are supporting their employees to be more knowledgeable as well as achieve their personal career goals. They perform the activities that help the individual develop and carry out career plans. The career management policies focus on actions to meet the hotel human resource needs. In analyzing training needs, the identification of needed skills and active management of employee learning is integral to developing corporate and business strategies. For training to be effective, training needs analysis allow for an appreciation of the need to ensure that there is a fit between training and the hotel culture, strategy and objectives. Equally, the training needs of the individual needs to be reconciled with those of the hotels. In terms of developing training needs, the hotels do analysis such as job descriptions, job analysis, person specifications or whether performance objectives agreed at appraisals meet all potentially be useful indicators. After that, the training plan is designed based on the training needs of individuals, departments and the hotel as a whole. In fact, like other sectors, the training plan for a hotel provides an outline sketch of what the training address, as well as considering practical aspects such as the method, time and location of the training.

Table (3.4) shows the number of hotels using type of training, trainer type and training evaluation methods.

**Table (3.4) Training Practices in Selected Hotels**

**n = 12**

<b>Sr No</b>	<b>Training Practices</b>	<b>Number of Hotels</b>	<b>Percent</b>
1	Type of training - On the job - Off the job	12 0	100 0
2	Trainer for on the job - Manager - Supervisor - Outside professionals	12 4 5	100 33 42
3	Training evaluation methods - Observation performance - Tests and examination - Interviews of trainees	12 3 1	100 25 8

Source: Survey Data (2016)

According to the survey data shown in Table (3.4), all hotels 100% conduct on the job training in hotel. Most of trainers for on the job training are senior staff such as manager and supervisors and in-charge by observing the skills displayed by the trainer and learns from their experience. All selected hotels use the manager as trainer, and then the 42% of hotels hire the outside professionals to train their current employees to gain the improved and differentiated skills. The 33% of hotels use the supervisor level to train the new applicants. In the evaluation of training, about 100% hotels carry out the informal evaluation using the observation of the trainees' performance. The 25% of the selected hotels test the examination method to assess the outcome of training programs. The only one selected hotels (8%) interview the trainee for the effectiveness of the training.

Regarding career management process, direct feedback on current performance and potential of the hotel employees is advised by the respective manager especially in identifying strengths and weaknesses, and what improvement is required. The immediate manager play in a position to refer the individual to other managers and introduce them into a network which will support their career moves. In order to do so, hotel managers use performance data on productivity, employee relations, job knowledge, and other relevant data stored and recorded by the HR department of the hotels.

Performance appraisal has two general purposes in hotels. One role is to measure performance for the purpose of rewarding and making administrative decisions

about employees such as promotions or layoffs. Another role is development of individual potential.

Table (3.5) shows the number of hotels according to the type of the evaluation on performance.

**Table (3.5) Performance Appraisal Method in Selected Hotels**

**n = 12**

Sr No	Method of Performance Appraisal	Number of Hotels	Percent
1	Their manager/supervisor evaluate	11	92
2	Their co-worker evaluate	2	17
3	HR manager evaluate	3	25

Source: Survey Data (2016)

As shown in Table (3.5), it can be observed that appraisers are managers and supervisors. Only a few hotels made performance appraisal by their co-workers and HR managers. The survey result reveals that responsible managers review the performance of individuals to determine promotion and other incentives. In addition, performance appraisal is undertaken to assess pay level, to plan training programs for employees and to identify employees' strengths and weaknesses.

**(e) Compensation and Benefit Practices**

In analyzing the compensation practice of hotel, the study examines two approaches in the form of pay and benefit. Pays systems consists of wages, salaries, commissions and bonus. Benefits are in form of indirect non-financial rewards. Table (3.6) depicts the usage number of hotels in pay system.

**Table (3.6) Pay Systems of the Selected Hotels**

**n = 12**

Sr No	Pay System	Number of Hotels	Percent
1	Basic pay	9	75
2	Performance based	3	25
3	Bonus	2	17
4	Overtime pay	3	25
5	Commission	1	8
6	Medical allowance	1	8

Source: Survey Data (2016)



In Table (3.6) shown, the majority hotels (75%) practice the basic pay system. The 25% of hotels are using the pay based on their performance and provide the overtime pay. The survey hotels provide basic pay, performance based pay, bonus, overtime pay. But, only one hotel (8%) use commission and medical allowance in addition.

In addition, the usage rate of selected hotels on benefit packages types is shown in Table (3.7).

**Table (3.7) Benefit Packages of Selected Hotels**

**n = 12**

<b>Sr No</b>	<b>Benefit Packages</b>	<b>Number of Hotels</b>	<b>Percent</b>
1	Uniform allowance	12	100
2	Transportation	4	33
3	Maternity leave	12	100
4	Pension	0	0
5	Lunch	7	58
6	Travelling allowance	5	42
7	Accommodation	5	42
8	Study leave	8	67
9	Holiday vacation	7	58
10	Health care	5	42

Source: Survey Data (2016)

According to the Table (3.7), the survey hotels provide the benefits in form of uniform allowance, transportation, and maternity leave, lunch, travelling allowance, accommodation, study leave, holiday vacation and health care service. All survey hotels provide the uniform allowances and maternity leave. Most of the hotels allow the study leave. The hotels provide the trip in holiday vacation. The 58% of hotels provide the lunch box to their employees. A few hotels plan accommodation for employee working from the rural area. The 42% of hotels provide travelling allowances. The 33% of selected hotels provide ferry transportation. As the results, there are no hotels that provide the pension program since pension provision has not yet practiced for the employees from the private sector.

Table (3.8) shows the payment increase system of selected hotels.

**Table (3.8) Payment Increase System of Selected Hotels**

**n = 12**

Sr No	Payment Increase System	Number of Hotels	Percent
1	Annual	5	42
2	Company profit increase	7	58
3	Education level	4	33
4	Performance	2	17
5	Seniority	6	50
6	External labor market	1	8
7	Achievement	1	8

Source: Survey Data (2016)

Most of hotels adjust the pay level once per year. Some are two times per year and other adjusts the pay according to labor market condition. As shown in Table (3.8), the 58% of the selected payment system is based on hotel's profit increases. 50% based on the seniority or working experience and performance. The annual pay increasing system is used in the 42% of hotels, and. education based system is used in the 33% of the selected hotels. However, the 8% is based on external labor market condition and an achievement of hotel goals and targets.

#### (f) Work-Life Balance Practices

In all the hotels, every employees work for eight hours per day. There are different schedules among the various hotels and the various departments. According to the nature of tourism, hotels have the rush season in winter and summer. During the seasons, the hotels face with the crowded guests and the undermanned condition. In that condition, the hotels plan work schedules in flexible, part-time, overtime, job sharing, shift work, subcontracting to meet the labor shortage. Table (3.9) shows the usage of work-life balance practices by the selected hotels.

**Table (3.9) Work-Life Balance Practices of Selected Hotels**

**n = 12**

Sr No	Practices	Number of Hotels	Percent
1	Flexible work schedules	9	75
2	Overtime	2	17
3	Shift work	4	33
4	Part-time work	1	8

5	Job sharing	0	0
6	Sub-contracting	1	8

Source: Survey Data (2016)

In observing of work schedules in rush seasons, most of the hotels plan work schedule in flexible form according to the Table (3.9). They allow employee to adjust their working time schedule according to their convenience. The 33% of hotels allow the employee in shift work during the rush hour. Two hotels use work overtime with overtime pay system. One hotel uses the part-time worker and sub-contracting for the minor operation from the outside sources. Most of the hotels celebrate the staff party, dinner, trip and health care service annually to reduce work-stress. However, there is no one that practice job sharing system.

**(g) Employee Participation Practices**

As a result of survey, employees' involvement is found in decision making process. Supervisor and respective managers perform as middle men or negotiators for communication flows between lower level and general manager. The management level recognizes the importance of employee involvement in the success of hotel. The participation program of selected hotels is shown in Table (3.10).

**Table (3.10) Employee Participation Programs of Selected Hotels**

**n = 12**

Sr No	Program	Number of Hotels	Percent
1	Teamwork	12	100
2	Information sharing	6	50
3	Involvement in problem solving	6	50
4	Acceptance of suggestion	3	25
5	Involvement in decision making	2	17
6	Sharing goals	3	25
7	Strategic decision	0	0

Source: Survey Data (2016)

The hotels seek to provide employees with opportunities to influence and take part in organizational decision making, specifically within their own workgroup or task. Direct communication to the individual take a variety of forms and involve a variety of media both electronic and paper such as e-mail, intranet, company newsletters and notice-boards. As another participation form, suggestion schemes allow employees to potentially tap into the creativity in their workforce to make

significant improvements in just about every aspect of the hotel operation. In all hotels, the management allows their employees to participate in their teamwork activities according to the Table (3.10). The 50% of hotels allow involvement in problem solving of respective department. They also share the information of the hotels to the lower level in notice boards, departmental meeting and intranet. The management believes that the operational employees have the good idea about their operational area and can solve the tactical problems. The 25% of selected hotels accept the employee suggestions for the decision making and share goal setting activities with lower level. The 17% of hotels empower their employees in decision making for their departmental goals setting. There are no hotels in giving empowerment in strategic decision.

In part of empowerment of hotel, empowerment allows employees to exercise greater authority, discretion, and autonomy in their dealings with guests. In addition, employees may also see empowerment as about increasing risks and responsibilities without any commensurate extra reward for the additional skills and discretion they are expected to demonstrate. However, they believe that there may be a number of potential problems in empowering employees. Therefore, most of hotel restricted the employment level in strategic decision.

### **3.6 Employee Retention of Selected Hotels**

Retaining good quality skills is an important vision of almost all employers. However, there are situations when turnover becomes so persistent that it becomes a challenge for employers. It is generally accepted that retention ensures continuity, thereby encouraging productivity. This section explores some of these factors that could create a positive ambience for retention.

The human resource manager performs the exit interview in all hotels. The exit interviews is helpful if handled sensitively and confidentially – perhaps by the human resource department rather than the line manager in which those who are leaving the organization are asked to identify the reasons for their departure. This information can be used to correct problems so that others will not leave. The human resource specialists rather than supervisors usually conduct exit interviews, and a skilled human resource interviewer can gain useful information. A wide range of issues can be examined in exit interviews, including reasons for leaving, supervision, pay, training, and the aspects of the job. Employees leave the jobs for a variety of different reasons, many of which are wholly outside the power of the

organization to influence. The reason to leave suggested by hotel management are shown in Table (3.11).

**Table (3.11) Reasons for Leaving the Job of Selected Hotels**

**n = 12**

<b>Sr No</b>	<b>Reasons</b>	<b>Number of Hotels</b>	<b>Percent</b>
1	Dissatisfaction with work policies	0	0
2	Alternatives / new opportunities	11	92
3	Housing transportation, etc	1	8
4	Organizational initiated: lay off, end of temporary employment, etc	0	0
5	Personal factors	3	25

Source: Survey Data (2016)

Analysis of turnover reasons from the exit interviews is shown in Table (3.11). Most of leavers (92%) left the current hotel because they have the new job alternative of another hotel. They accept new opportunities and leave the current hotel. The employees who leave for personal factors are as 25% and factors as housing, transportation are least 8%. There is no leaver due to dissatisfaction of work policies. On the other hand, all of the hotels do not initiate lay-off and end of employment. However, it is noticed that departing employees may be reluctant to divulge their real reasons for leaving because they may wish to return to the company some days. To retain talent employee who willing to leave, the hotel should make discussion on increase pay, to provide benefits or adjust the working hours. Based on the findings of the reasons for leaving the job, the hotel management should try to pull back the leavers or those with intention to leave.

The practices for employee retention mostly conducted by selected hotels are shown in Table (3.12).

**Table (3.12) Employees Retention Practices by Selected Hotels**

**n = 12**

<b>Sr No</b>	<b>Practices</b>	<b>Number of Hotels</b>	<b>Percent</b>
1	Compensation and benefits	11	92
2	Training	5	42
3	Career development	3	25
4	Welfare program	3	25
5	Reduce work schedule	1	8

6	Allow in decision making	3	25
7	Give empowerment in their job	2	17

Source: Survey Data (2016)

During the exit interview, most of the managers negotiate with the pay increase but it may not be the only factor. According to the results shown in Table (3.12), 92% of managers discuss the compensation pattern to retain the talent employee. The 42% hotels perform the training program in addition to compensation. The 25% of the selected hotels provide the career development and welfare program to retain the leavers. Some managers negotiate the leavers by giving the participative decision making. The 17% hotels attract the employee with empowerment in their job. In one hotel, manager discusses the facts of work schedule.

The hotel industry depends heavily on direct contact between employees and customers. Skillful hotel employees are necessary for giving good services to hotel customers. Improving employees' skills, knowledge, motivation, and retention is a distinctive source of competitive advantage in the hotel industry. Indeed, human resource management approaches can achieve 'high-performance work practices' will have a significant impact on corporate performance in all major industries including hotel industry. Inevitably, human resource management has become a main goal for hoteliers since they have faced employment issues including increases in minimum wages, increasing flexibility of working hours, and increasing reliance on overseas workers.

The next chapter discusses the research methodology and data analysis of selected hotels in Myanmar.

## **CHAPTER 4**

### **ANALYSIS ON EMPLOYEE RETENTION OF MYANMAR HOTEL INDUSTRY**

This chapter covers the research methodology and data analysis. Research methodology refers to research process about how to conduct the study. It includes research design, methods for choosing sample, data collection methods, study instrument, measurement of variables, data processing, and data analysis techniques.

#### **4.1 Research Design**

Regarding the research method, quantitative research was used in this study. Descriptive statistics is used to describe demographic background of employees, nature of firms' human resource management practices and employee retention and strategies for employee retention. Multivariate analysis was used to analyze the influencing factors and explain the influencing on the dependent variable –job satisfaction by independent variables – compensation, career management, work-life balance and employee participation, and employee retention by independent variables –job satisfaction, job hopping culture, and alternative employment opportunity. In addition, descriptive research design is used in order to describe the background information of employees about their demographic characteristics of the respondents. To describe the employees of a hotel, by sex, age, current job position, number of jobs quit, job tenure with their current hotel and education level, descriptive statistics are conducted to describe the demographic characteristics of the respondents

The study uses samples of hotels and employees. It is a multistage sample method and includes three stages. At first stage, sample units are hotel zones that hotels have more than 100 rooms. The hotel zones which have hotels with more than 100 rooms are Yangon, Mandalay, Bagan, and Nay Pyi Taw. From these

zones, the selected hotel zones are Yangon and Nay Pyi Taw. According to the sample specification of the study, there are 40 hotels which have 100 rooms at least receiving at least three operating years in Yangon and Nay Pyi Taw. The sample hotels are calculated by using the formula developed by Cochran's method (1977).

$$n = \frac{NP(1 - P)}{(N - 1)D + P(1 - P)}$$

N= 40

P= 0.5 (from pilot survey)

D= margin of error = 0.015 (from pilot survey)

$$n = \frac{40 * 0.5 * 0.5}{(40 - 1)0.015 + (0.5 * 0.5)}$$

$$n = 11.97605 = 12$$

At second stage, the selected sample hotel size is 12 from 40 hotels according to the above formula. So, 12 out of 40 hotels are randomly selected from Yangon and Nay Pyi Taw. It included 8 hotels in Yangon and 4 hotels in Nay Pyi Taw. From each sample hotel, a list of employees was obtained from HR department. In all the total population of the selected hotels were 3171 employees. (See Table 4.1). To get the size of sample from the population, Taro Yamane (1973) formula is taken in to consideration. The following formula used to get the samples from population of the 12 hotels.

$$n = \frac{N}{(1 + Ne^2)}$$

N= population size = 3171

e= the level of precision (A 95% confidence level or 5% level of precision, was assumed)

$$n = \frac{3171}{1 + (3171 * 0.05^2)}$$

$$n = 355.1946 = 356$$

At third stage, the sample size is 356 respondents from 3171 total employees. Then, the size of respondents from each hotel was determined proportionately. The following table shows allocation of sample from the sampled hotels. The target populations for this study include both managerial and non-managerial employees



in various departments in the hotel. Table (4.1) shows the sample size of selected hotels.

**Table (4.1) Sample Size of Selected Hotels**

<b>Zone</b>	<b>Name of Selected Hotels</b>	<b>Total Employees</b>	<b>Sample Size</b>
Nay Pyi Taw	Thingaha	230	26
	Sky Palace	130	15
	Royal Ace	222	25
	Mount Pleasant	117	13
Yangon	Central hotel	216	24
	Sule-Shangrila	510	57
	Park Royal	417	47
	Chatrium	420	47
	City Golf Resort	218	24
	Micasa	170	19
	Hotel Yangon	255	29
	Tawwin Garden	266	30
	<b>Total</b>	<b>3171</b>	<b>356</b>

Source: Survey Data (2016)

Different data sources can be used depending upon the nature of study. Data collection methods can be classified into primary data and secondary data (Kothari, 2004). Primary data defined as those data which is collected in the first times and originally collected without go through any process (Kothari, 2004). 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. Data collections took place in Yangon and Nay Pyi Taw during July and August 2016. This study upheld the highest ethical standards with regard to issues such as confidentiality, privacy, and anonymity in collecting necessary information.

The secondary data which is used for this study includes literature review and previous research results. The sources of secondary data for this research consist mainly of published text books, employee retention journals, and other human resource publications. To capture the trend and development of tourism industry in Myanmar, the secondary data from the Ministry of Hotels and Tourism, Myanmar Hoteliers Association and relevant research papers are also used.

Based on the conceptual framework of the study, two sets of questionnaire were developed. The first set of questionnaire is for owner or human resource managers and it consists of 5 questions for background of hotel and 53 questions regarding human resource management practices and retention strategies which are currently practicing in respective hotels. The questions are designed as both opened and closed ended types. The second set of questionnaire is for employees and consists of 70 questions. The questionnaire of second set consists of two sections which are section A and section B. Section A contains questions on demographic profile. The objective of demographic question was acquired 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, career management, work-life balance, and employee participation, job hopping culture, alternative employment opportunities, and job satisfaction. This will help to identify the potential factors that foster the employee retention.

Before conducting full scale survey, a pilot test had been conducted on a small group of respondents to examine the potential problems with research. The questionnaire was distributed to the HR manager and 20 employees in the Vintage Luxury Hotel. There are 30 sets of the questionnaire were distributed on 15<sup>th</sup> January 2016, and only 20 were collected back on 18<sup>th</sup> January 2016. According to pilot test, the minor changes were made for some wordings in the questionnaire were made. The reliability of the questionnaires was test with this pilot data and some adjustments were made to the original questionnaires. Having done all the amendments, the full questionnaire surveys were distributed to arrive at the required sample size.

The first set of questionnaire aimed to describe the current practices of human resource management and retention practices adopted by the selected hotels. The second set of questionnaire addressed to explore the relationships between independent variables and dependent variables. The measures of each factor are shown in Table (4.2).

**Table (4.2) Measurement of Variable**

<b>Variables</b>	<b>Category</b>	<b>Measurement</b>	<b>Measure</b>	<b>Expected Effect</b>
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<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 Job Satisfaction
Career Management	Independent Variable	-Introduction of training and development programs for employees	- 10 items -Five point Likert Scale	Positive effect on Job Satisfaction
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 Job Satisfaction
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 Job Satisfaction
Job Hopping Culture	Independent Variable	-Searching for alternative jobs even when they have secured jobs	- 5 items - Five point Likert Scale	Negative effect on Employee Retention
Alternative Employment Opportunity	Independent Variable	-Availability of alternative jobs in the environment	- 5 items - Five point Likert Scale	Negative effect on Employee Retention
Job Satisfaction	Dependent/ Independent Variable	-Favorable and unfavorable attitudes with which compensation, career management, work-life balance and participation practices provided by hotel.	- 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	

Source: own compilation

The measurements for the selected variables in second set of questionnaires were adopted from previous studies which explored the factors on employees' retention. The measurements were based on previous studies which explored the relationship between human resource management practices and job satisfaction, and between

job satisfaction and employee retention. The sources for capturing the concepts underlying independent variables are shown on Table (4.3).

**Table (4.3) Sources for Measurement of Variables**

<b>Variables</b>	<b>Source</b>
Compensation	Rebecca Dei Mensah (2014), Chong Phei Wen and et al. (2013), Ginish Chandra (2009), PriyankoGuchait (2007)
Career Management	Rebecca Dei Mensah (2014), Chong Phei Wen and et al. (2013), Ginish Chandra (2009), PriyankoGuchait (2007)
Work-life Balance	Rebecca Dei Mensah (2014), Chong Phei Wen and et al. (2013), Ginish Chandra (2009), PriyankoGuchait (2007)
Employee Participation	Rebecca Dei Mensah (2014), Chong Phei Wen and et al. (2013), Ginish Chandra (2009), Aye ThandaSoe (2012)
Job Satisfaction	Wong Chyi Feng (2003), PriyankoGuchait (2007)
Job Hopping Culture	Josephine Pepra Mensah (2010), Wong Chyi Feng (2003)
Alternative Employment Opportunities	Josephine Pepra Mensah (2010)
Employee Retention	Josephine Pepra Mensah (2010), Wong Chyi Feng (2003), Huynh Thein Hai (2012), PriyankoGuchait (2007)

Source: own compilation

Three hundred and fifty six respondents were targeted for the survey hence the same numbers of questionnaires was sent out. Table (4.4) depicts the distribution of the responses based on the selected hotels.

**Table (4.4) Distribution of Total Response**

<b>Hotel Name</b>	<b>Total Population</b>	<b>Sample</b>	<b>Percent</b>
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Thingaha	230	26	7.3
Sky Palace	130	15	4.2
Royal Ace	222	25	7.0
Mount Pleasant	117	13	3.7
Central	216	24	6.7
SuleShangrila	510	57	16.0
Park Royal	417	47	13.2
Chatrium	420	47	13.2
City Golf	218	24	6.7
Micasa	170	19	5.3
Hotel Yangon	255	29	8.1
Tawwin Garden	266	30	8.4
Total	3171	356	100.0

Source: Survey Data, 2016

Multiple regression analysis was applied to investigate effects of factors of job satisfaction and employee retention. To explore the effect of human resource management practices on the job satisfaction of employees in the hotels of Myanmar., job satisfaction was used as dependent variable and career management, compensation and benefits, work-life balance, employee participation were used as independent variables. To identify the influencing factors on employee retention in the hotels of Myanmar, job satisfaction was used as dependent variable and job satisfaction, job hopping culture, and alternative employment opportunities were used as independent variables.

The estimated multiple regression model

$$\hat{Y}_i = b_0 + b_1X_{1i} + b_2X_{2i} + b_3X_{3i} + b_4X_{4i} + E$$

In constructing the model, the variables are noted as:

$Y_i$ = Dependent Variables

$X_i$ '= Independent Variables =  $[X_{1i} \ X_{2i} \ X_{3i} \ X_{4i} \ ]$

The moderation effect analysis was carried out using hierarchical multiple regression (Coakes et al., 2008). The hierarchical multiple regressions has been advocated as more appropriate method for determining whether a quantitative variable has a moderating effect on the relationship between two other quantitative variables. In this method, the orders in which independent variables are entered into

the regression equation were known, and were based on logical or theoretical considerations.

The moderating analysis steps are presented as follows;

In order to perform the hierarchical multiple regression, the categorical moderating variables were coded using dummy coding technique, which in turn, makes it is easy to implement, and makes the interpretation of the results relatively straightforward (Aguinis, 2004). The moderating variables; education, marital status, dependent, and positions were coded as indicated in Table (4.5).

As recommended by Cohen et al., (2003), the two-step hierarchical multiple regressions analysis was performed to examine the moderating effect of each moderating variable on the relationship between each independent and dependent variable. In the first step, the main effects represented by independent and moderator variables were entered. In the second step, the moderation effects (Baron and Kenny, 1986), also known as interaction variables were computed as products of independent and moderator variables were entered in the equation. Moderation effects were determined based on following criteria;

- (1) A moderating variable (M) is a moderator of an independent ( $X_1$ ), dependent variable (Y) relationship if there is an interaction between the independent variable ( $X_1$ ) and the moderating variable ( $X_2$ ) as predictors of the dependent variable (Y) is positively significant (Warner, 2008)
- (2) A significant of incremental  $R^2$  (Cohen et al., 2003) in Step 2, indicates the presence of moderation effects (Aguinis, 2004).
- (3) A moderating effect is detected when the regression coefficient of the interaction term is significant and if F statistics in Step 2 also illustrates the significant in the regression model, which, in turn, represents the moderation effects.

**Table (4.5) Dummy Variables of Demographic Factors**

	<b>Moderating Variable</b>	<b>Dummy 1 (D<sub>1</sub>)</b>	<b>Dummy 2 (D<sub>2</sub>)</b>	<b>Dummy 3 (D<sub>3</sub>)</b>	<b>Dummy 4 (D<sub>4</sub>)</b>
1	Education				
	Primary	1	0	0	0
	Middle	0	1	0	0
	High	0	0	1	0
	Graduate	0	0	0	1
	Post Graduate	0	0	0	0

	Moderating Variable	Dummy 1 (D <sub>1</sub> )	Dummy 2 (D <sub>2</sub> )	Dummy 3 (D <sub>3</sub> )	Dummy 4 (D <sub>4</sub> )
2	Marital Status Married Single	1 0			
3	Dependent 0 1-2 3-4 5-6 above 6	1 0 0 0 0	0 1 0 0 0	0 0 1 0 0	0 0 0 1 0
4	Position Middle Level Lower Level	1 0			
5	Gender Male Female	1 0			
6	Age (years) under 20 21-30 31-40 41-50 over 50	1 0 0 0 0	0 1 0 0 0	0 0 1 0 0	0 0 0 1 0

Source: Identification based on SPSS for intermediate statistics, 2<sup>nd</sup> edition (2005)

The estimated multiple regression model

$$\hat{Y}_i = b_0 + b_1X_{1i} + b_2M_{1i} + X_{1i} * M_{1i} + E$$

In constructing the model, the variables are noted as:

$Y_i$  = Dependent Variables

$X_i'$  = Independent Variables

$M_i'$  = Moderating Variables

## 4.2 Demographic Profile of Respondents

In demographic characteristics of respondents in selected hotels, the gender, age, educational level, occupation and income level are studied and are shown as follow.

**Table (4.6) Gender of Respondents**

Gender	Number of Respondents	Percent
Female	195	54.8

Male	161	45.2
Total	356	100.0

Source: Survey Data(2016)

According to Table (4.6), there are 356 respondents. Out of 356 total respondents, 195 are female and 161 are male. The total sample is made up of 54.8% of female respondents and 45.2% of male respondents. Most of respondents are female. The hospitality industry has been traditionally male dominated partly because of the culture and nature of the industry. Hotel staffs must be flexible and be able to relocate if they are required. Naturally, women will always choose family. Another issue is to work within hotels women do work, whether it is front of house, including reception, waitresses, bar work etc. or back of house such as housekeeping, administrations etc. Recently, hotel business is service oriented and they prefer the female worker in job categories of front office, housekeeping and administration. This is because the nature of hotel business in hotel industry requires the female workers.

**Table (4.7) Age of Respondents**

Age (years)	Number of Respondents	Percent
Under 21	3	0.8
21 to 30	154	43.2
31 to 40	121	34.0
41 to 50	60	16.9
Over 50	18	5.1
Total	356	100.0

Source: Survey data(2016)

Table (4.7) shows age of the respondents in selected hotels. 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 21-30years which is made up of 43.3% (154) of total respondents followed by age between 31and 40 yearsat 34% (121). Age 41-50 years is approximately 16.9% (60), over 50years is approximately at 5.1% (18) and age under 21years is only at 0.8% (3). Majority of respondents fall in age group 21 to 30years. According to nature of job, the hotel prefers the young and active age to serve and response the customer service.

**Table (4.8) Education Level of Respondents**

Education Level	Number of Respondents	Percent
-----------------	-----------------------	---------



Primary	1	0.3
Middle	12	3.4
High	120	33.7
Graduate	218	61.2
Post Graduate	5	1.4
Total	356	100.0

Source: Survey Data (2016)

Table (4.8) shows the education level of respondents. According to Table (4.8), majority of respondents are graduated at 61.2% or (218), followed by High school level with 33.7% (120) of total respondents. Respondents with middle level are 3.4% (12) of total respondents. Only a small proportion of the respondents are post-graduate at 1.4% or 5 and primary level at 0.3% or only one. Most of respondents are graduated. As nature of hotel business, they require the graduated staffs because the staffs are serving for local guest as well as foreigners. The staffs need in language skills fluently.

**Table (4.9) Marital Status of Respondents**

Marital Status	Number of Respondents	Percent
Single	176	49.4
Married	180	50.6
Total	356	100.0

Source: Survey Data (2016)

Both married and single employees included the sample. Marital status of respondents of the sample is illustrated in Table (4.9). Table (4.9) indicates that out of 356 respondents, 180(50.6%) are married and the rests176 (49.4%) are single employees. The proportion of single is nearly as same as married. The age group 31-40 years (second largest group of respondents)may be in married life.

**Table (4.10) Number of Dependents of Respondents**

Number of dependents	Number of Respondents	Percent
0	73	20.5
1-2	142	39.9
3-4	109	30.6
5-6	11	3.1
above 6	21	5.9
Total	356	100.0

Source: Survey Data (2016)

Table (4.10) shows number of dependents of the respondents in selected hotels. 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 39.9% (142) of total amount of respondents, followed by the category is 3 and 4 with 30.6% (109), category of no dependents is with 20.5% (73), category of above 6 persons is with 5.9% (21) and a very few percentage of respondents have the largest number of dependents such as 5 to 6 with 3.1% (11).

**Table (4.11) Positions of Respondents According to Job Area**

Job Area	Lower level		Middle Level		Total	
	Number of Respondents	Percent	Number of Respondents	Percent	Number of Respondents	Percent
Engineering	15	83	3	17	18	5.1
Finance	14	70	6	30	20	5.6
Food and beverage	54	67	27	33	81	22.8
Front office	36	75	12	25	48	13.5
Gym	4	57	3	43	7	2.0
Housekeeping	47	60	31	40	78	21.9

**Table (4.11) Cont'd**

Job Area	Lower level		Middle Level		Total	
	Number of Respondents	Percent	Number of Respondents	Percent	Number of Respondents	Percent
HR department	15	54	13	46	28	7.9
IT	4	80	1	20	5	1.4
Landscaping	1	50	1	50	2	0.6
Laundry	6	85	1	15	7	2.0
Maintenance	4	67	2	33	6	1.7
Marketing	1	12	7	88	8	2.2
Security	29	74	10	26	39	11.0
Stewarding	7	78	2	22	9	2.5
Total	237	66.6	119	33.4	356	100.0

Source: Survey Data (2016)

Table (4.11) shows employee responses regarding their responsible departments and positions in their departments. This Table indicates that the respondents of food and

beverage department and housekeeping department are the largest proportion of the sample as about 23 % and 22% respectively. Front office and security departments have 13.5% and 11% of total respondents. The least composition of respondents is at landscape department at 0.6%. Totally, the number of respondents from lower management is about twice compared to middle position; 237 (66.6%) compared to 119 (33.4%)

**Table (4.12) Length of Stay on Current Job According to the Position Level**

Years in Current Job	Lower Level		Middle Level		Total	
	Number of Respondents	Percent	Number of Respondents	Percent	Number of Respondents	Percent
below 2 years	28	12	5	4	33	9
2-4 years	80	34	31	26	111	31
5-7 years	63	27	29	25	92	26
8-10 years	26	11	19	16	45	13
above 10	40	16	35	29	75	21
Total	237	100	119	100	356	100

Source: Survey Data (2016)

In the Table (4.12), out of the 356 total respondents, 119 are middle level respondents. Among them, 29% have spent above 10 years with current employer, 26% have been with current employer for about between 2 and 4 years, 25% have spent between 5 and 7 years, 16% between 8 and 10 years; and 4% are below 2 years. On the other hand, of the 237 lower level respondents, 34 % have spent between 2 and 4 years, 27% had been with their employer for between 5 and 7 years, 16% have spent above 10 years, 12% below 2 years and 11% have between 8 and 10 years length of service within the organizations. As finding, the middle level managers have more intention to stay longer period in current job and the lower level have less intention to stay longer.

### 4.3 Reliability and Validity Test

Reliability refers to the degree to which measures are free from random error and therefore yield consistent results (Zikmund 1997). Whenever a scale consists of more than one item, it is important to measure how much they are internally consistent. According to Sekaran (2003), reliability of a measure is an indication of the stability and consistency with which the instrument measures the concept and helps to assess the goodness of the measure. Thus, the extent to which any

measurement procedure produces consistent results over time and an accurate representation of the total population under study is referred to as reliability. The study uses Cronbach's Alpha as a measure of internal consistency. Cronbach's Alpha is a reliability coefficient that indicates how well items in a set are positively correlated to one another (Sekaran, 2003). Based on the survey data, the reliability or the internal consistency among the variables was checked with the Cronbach's alpha. The result of Cronbach's alpha coefficient in survey study was shown in Table (4.13).

**Table (4.13) Reliability Test from Employee Responses on Scale Items**

<b>Factor</b>	<b>No. of Items</b>	<b>Items Retained</b>	<b>Cronbach's Alpha</b>
Compensation and benefits	10	8	0.904
Career management	10	8	0.942
Work-life balance	10	9	0.892
Employee participation	10	8	0.874
Job hopping culture	5	4	0.861
Alternative employment opportunities	5	5	0.857
Job satisfaction	10	9	0.917
Employee retention	10	10	0.925

Source: SPSS Outputs (Appendix B)

According to Table (4.13), it could be observed that the four human resource management practices, job hopping culture, alternative employment opportunity, job satisfaction and employee retention of the alpha values are more than 0.8. Alpha value for career management is the highest among factors at 0.942. Computed alpha values exceed 0.8 for all variables which are higher than acceptable score of 0.7. They are compensation and benefits, career management, work-life balance, employee participation, job satisfaction, job hopping culture and alternative

employment opportunity. It could be observed that the alpha values for job satisfaction and employee retention are 0.917 and 0.925. Therefore, internal consistency of items to the concepts is excellent.

Confirmatory Factor Analysis (CFA) was performed in order to validate the measures of the latent constructs (Cheng, 2001). In this study, Confirmatory Factor Analysis (CFA) with varimax rotation was performed. The Kaiser-Meyer-Okline (KMO) value was 0.927. The KMO value varies between 0 and 1. A value of 0 indicates that the sum of partial correlations is large relative to the sum of correlations, whilst a value close to 1 indicates that patterns of correlations are compact, and so factor analysis will yield reliable factors (Akbulut, et al., 2008). For each measured variable, the value of factor loading of each variable above 0.50 (Bagozzi and Yi, 1988; Liebermann and Hoffmann, 2008) was retained to do the final analysis. In this analysis, 2 items of compensation and benefits, 2 items of career management, 1 item of work-life balance, 2 items of employee participation, 1 item of job satisfaction, and 1 item of job hopping culture with factor loading less than 0.60 were removed from the analysis. The significant factor loadings provide the acceptable convergence validity. After inappropriate items were removed, human resource management practices were conducted with the remaining 34 items, job hopping was conducted with 4 items, alternative job satisfaction was conducted with 9 items and employee retention was conducted with 8 items. Finally, the factors with the factor loadings above 0.60 were included in this study.

**(a) Compensation and Benefit Practices**

The compensation and benefit practices include ten items. According to the confirmatory factor analysis (CFA), some measured variables show poor factor loading results. Thus, two items of compensation and benefits with factor loading less than 0.60 are removed from the analysis. The deleted item is “Rewarding employee who are hard working and results-oriented” and “Satisfied with the quality or quantity of the salary and benefit”. The detail results of factor analysis for compensation and benefit practices are shown in Table (4.14).

**Table (4.14) Compensation and Benefits Practices**

Factors and Items Loaded in Each Variables	Factor 1
--	----------

- Providing adequately reward on my contribution effort to hotels.	0.826
- Providing salary and other benefits comparable to the market and same industry.	0.830
- Earning more than others who occupy similar positions in other hotels.	0.781
- Receiving non-monetary benefits, such as vacation time and medical insurance that are better than other hotels.	0.759
- Reviewing satisfactorily compensation from time to time.	0.774
- Receiving salary and benefits commensurate with my responsibilities.	0.796
- Increasing my work effort in order to gain the reward.	0.648
- Perceiving compensation and reward that are important in order to stay with the organization.	0.775

Source: SPSS Outputs

Based on the results of Table (4.14), the Kaiser-Meyer-Oklin (KMO) value is 0.897 and Eigenvalue of 4.812. The Eigenvalues greater than 1.0 are maintained. In addition, the proportion of variance criteria can be met to satisfy the criterion of explaining 60.144%. Bartlett's Test of Sphericity revealed an Approx. Chi-Square value of 1566.623 with a significance value of 0.000, which meant that the factorability of the correlation matrix was proper.

**(b) Career Management Practices**

The career management practices include ten items. According to the confirmatory factor analysis (CFA), some measured variables show poor factor loading results. The eight items are organized into one factor and two items are low loading values. Thus, two items of career management with factor loading less than 0.60 are removed from the analysis. The deleted item is "Providing better career and learning opportunities in this organization as compared to others." and "There are opportunities for me to advance my career." The detail results of factor analysis for career management practices are shown in Table (4.15).

**Table (4.15) Career Management Practices**

<b>Factors and Items Loaded in Each Variables</b>	<b>Factor 2</b>
- Receiving sufficient training in this hotel to enable me do my job effectively.	0.879

- Providing opportunities for staff training and development on a yearly basis	0.857
- Identifying training needs through a formal performance appraisal.	0.857
- Receiving the adequate training for my current job.	0.862
- Offering formal training programs in order to increase their promoability in this organization	0.823
- Providing formal training for new staffs to fit with organization and their job.	0.818
- Gaining new knowledge, skills and abilities to perform team work after the training accomplished.	0.769
- Get the satisfied training because I can perform our responsibility skillfully.	0.888

Source: SPSS Outputs

According to Table (4.15), the Kaiser-Meyer-Okin (KMO) value was 0.934 and Eigenvalue of 5.713. The Eigenvalues greater than 1.0 were maintained. In addition, the proportion of variance criteria can be met to satisfy the criterion of explaining 71.417%. Bartlett’s Test of Sphericity revealed an Approx. Chi-Square value of 2362.440 with a significance value of .000, which meant that the factorability of the correlation matrix was proper. After extracting the two items which are lower than 0.6, the remaining items are considered as acceptable level.

**(c) Work-life Balance Practices**

The work-life balance practices include ten items. According to the confirmatory factor analysis (CFA), some measured variables show poor factor loading results. Thus, one item of work-life balance practices with factor loading less than 0.60 are removed from the analysis. The deleted item is “Having good work-life balance the organization, and contribute to be more effective and successful for their hotel”. The detail results of factor analysis for work-life balance practices are shown in Table (4.16).

**Table (4.16) Work-life Balance Practices**

<b>Factors and Items Loaded in Each Variables</b>	<b>Factor 3</b>
- Working life balances well with my family life	0.696
- Offering flexibility as to when to start and end the day’s work	0.667
- Allowing working for longer days per week to get a day off	0.719

- Giving the volume of work leading to stress.	0.692
- No hotels providing better work-life balance than my hotel.	0.769
- Easily taking time off for home crisis such as flooding, accidents or illness involving loved ones	0.728
- Satisfied with the amount of time I spend at work	0.818
- Achieving the desired balance between work and family life is a source of good health.	0.819
- Providing vacation trip or party for staff annually.	0.723

Source: SPSS Outputs

As shown in Table (4.16), the Kaiser-Meyer-Okin (KMO) value was 0.905 and Eigenvalue of 4.911. The Eigenvalues greater than 1.0 were maintained. In addition, the proportion of variance criteria can be met to satisfy the criterion of explaining 54.569%. Bartlett's Test of Sphericity revealed an Approx. Chi-Square value of 1540.165 with a significance value of 0.000, which meant that the factorability of the correlation matrix was proper. After extracting the one item which are lower than 0.6, the remaining items are supported to high significant level of items.

**(d) Employee Participation Practices**

The employee participation practices include ten items. As the results of confirmatory factor analysis (CFA), two items of employee participation practices with factor loading less than 0.60 are removed from the analysis. The deleted items are “Communication across all levels in this hotel is good” and “My organization assists me to gain more working experience in the job that I am doing”. The detail results of factor analysis for employee participation practices are shown in Table (4.17).

**Table (4.17) Employee Participation Practices**

<b>Factors and Items Loaded in Each Variables</b>	<b>Factor 4</b>
- Recognizing and valuing my ideas, suggestions and opinions by my supervisor.	0.774
- Allowing deciding how to solve the problem when I encounter.	0.687
- Getting plenty of freedom to decide how to do my work	0.719
- Creating a motivating and supportive work	0.768
- Recognizing my contribution fully.	0.731



- Getting on well with my work colleagues	0.673
- Encouraging to participate in improvement of working practices	0.715
- Putting in a great deal of effort beyond what is normally expected in order to help this hotel to succeed.	0.796

Source: SPSS Outputs

According to Table (4.17), the Kaiser-Meyer-Oklin (KMO) value was 0.854 and Eigenvalue of 4.311. The Eigenvalues greater than 1.0 were maintained. In addition, the proportion of variance criteria can be met to satisfy the criterion of explaining 53.886%. Bartlett’s Test of Sphericity revealed an Approx. Chi-Square value of 1318.449 with a significance value of 0.000. After extracting the two items which are lower than 0.6, the remaining items are supported to high significant level of items.

**(e) Job Satisfaction**

The job satisfaction includes ten items. As the results of confirmatory factor analysis (CFA), one item of job satisfaction with factor loading less than 0.60 are removed from the analysis. The deleted item is “Generally, I was very satisfied with my job.” The detail results of factor analysis for job satisfaction are shown in Table (4.18).

**Table (4.18) Job Satisfaction**

<b>Factors and Items Loaded in Each Variables</b>	<b>Factor 5</b>
- Generally satisfied with the kind of work I did in my job.	0.794
- Able to utilize my kills, abilities and experience in my present position	0.782
- Receiving recognition or praise for doing a good work.	0.736
- Having a clear understanding of performance standards and expectations to successfully perform my job.	0.753
- Giving me a feeling of personal accomplishment	0.797
- Working autonomously on my work assignments.	0.829
- Satisfied the good and safe working conditions in my hotel.	0.693
- Working in an open and comfortable work environment	0.808
- Working happily teamwork, which enhances effective accomplishment of tasks.	0.803

Source: SPSS Outputs

As shown in Table (4.18), the Kaiser-Meyer-Okin (KMO) value was 0.899 and Eigenvalue of 5.452. The Eigenvalues greater than 1.0 were maintained. In addition, the proportion of variance criteria can be met to satisfy the criterion of explaining 60.579%. Bartlett’s Test of Sphericity revealed an Approx. Chi-Square value of 1951.476 with a significance value of 0.000. After extracting the one items which are lower than 0.6, the remaining items are supported to high significant level of items.

**(f) Job Hopping Culture**

The job hopping culture includes five items. As the results of confirmatory factor analysis (CFA), one item of job hopping culture with factor loading less than 0.60 are removed from the analysis. The deleted item is “As soon as I can find a better job, I will leave this company.” The detail results of factor analysis for job hopping culture are shown in Table (4.19).

**Table (4.19) Job Hopping Culture**

<b>Factors and Items Loaded in Each Variables</b>	<b>Factor 6</b>
- Switching jobs is a kind of a habit	0.805
- Wanting to switch jobs because their colleagues do so	0.881
- Changing jobs for no apparent reasons.	0.886
- Finding better job in other hotels	0.791

Source: SPSS Outputs

In Table (4.19), the Kaiser-Meyer-Okin (KMO) value was 0.813 and Eigenvalue of 2.836. The Eigenvalues greater than 1.0 were maintained. In addition, the proportion of variance criteria can be met to satisfy the criterion of explaining 70.888%. Bartlett’s Test of Sphericity revealed an Approx. Chi-Square value of 673.968 with a significance value of 0.000. After extracting the one items which are lower than 0.6, the remaining items are supported to high significant level of items.

**(g) Alternative Employment Opportunities**

The alternative employment opportunities include five items. As the results of confirmatory factor analysis (CFA), 5 items are organized under factor 7. The detail results of all items in alternative employment opportunities are shown in Table (4.20).

**Table (4.20) Alternative Employment Opportunities**

<b>Factors and Items Loaded in Each Variables</b>	<b>Factor 7</b>
- If I quit your current job, the chances that I would be able to find another job which is as good as, or better than my present one is high	0.797
- If I have to leave this job, I would have another job as good as this one within a month	0.813
- Given your age, education, and the general economic condition, the chance of attaining a suitable position in some other organization is easy.	0.852
- The chance of finding another job that would be acceptable is high	0.851
- It would be easy to find an acceptable alternative employment	0.846

Source: SPSS Outputs

In Table (4.20), the Kaiser-Meyer-Oklin (KMO) value was 0.780 and Eigenvalue of 3.461. The Eigenvalues greater than 1.0 were maintained. In addition, the proportion of variance criteria can be met to satisfy the criterion of explaining 69.212%. Bartlett's Test of Sphericity revealed an Approx. Chi-Square value of 1199.775 with a significance value of 0.000. The items are supported to high significant level of items.

According to the mean values of the items, the respondents generally agree the four human resource management practices and one environmental factors of their job (mean values more than 3: Neither agree nor disagree). In this study, four human resource management practices and two other factors, employee job satisfaction and employee retention have been measured. Each factor includes different number of items and is measured on five-point Likert scale. As shown in Table (4.21), Career Management includes 8 items, Compensation and Benefits includes 8 items, Work-life Balance includes 9 items, Employee Participation includes 8 items, job hopping culture includes 4 items and Alternative job opportunity includes 5 items respectively, job satisfaction is measured in 9 items and Employee Retention is measured in 10 items. These items are asked by using five-point Likert scale. The choices normally are strongly disagree (SD), disagree (D), neutral (N), agree (A) and strongly agree (SA). All question in section of the questionnaire for employee

are using Likert scale, therefore the respondent can fill up their answer by selecting one from the five options. The high averaging scores suggest that employee have high perception on these dimensions. It means that employee accepts human resource management practices and other factors. The means value of variables are categorized into the three levels. Means value of less than 2 are as low level, means value between 2 and less than 3.5 are as moderate level and means value of 3.5 or higher are as high level of perception towards a particular variable (Sekaran, 2003).

**Table (4.21) Mean and Standard Deviation of Variables**

<b>Factor</b>	<b>Mean</b>	<b>Standard Deviation</b>
Compensation and benefits	3.52	0.78
Career management	3.83	0.82
Work-life balance	3.82	0.69
Employee participation	4.00	0.64
Job satisfaction	3.76	0.72
Job hopping culture	2.17	0.88
Alternative employment opportunities	3.34	0.75
Employee retention	3.67	0.81

Source: SPSS Outputs (Appendix B)

According to Table (4.21), compensation and benefits practices, career management practices, work-life balance practices, employee participation practices are perceived by employees as high levels. And also, job satisfaction and employee retention are perceived as high levels. However, job hopping culture and alternative employment opportunities are moderate level perception.

By using SPSS, the collected data were checked for validity and reliability. After removing some measured variables with factor loading less than 0.6, all of the results showed that the selected measured variables had the acceptable values to do the final analyses.

#### **4.4 Effect of Human Resource Management Practices on Job Satisfaction**

Multiple regression analysis was applied to investigate the factors that relates to job satisfaction. In multiple regression model, the job satisfaction is used as dependent variable and compensation and benefits, career management, work-life balance, and employee participation are used as independent variables. Job satisfaction included

ten dimensions. Job satisfaction is expected to be affected by compensation, career management, work-life balance, and employee participation.

Regression analysis is conducted with job satisfaction as the dependent variable and the four dimensions of human resource management practices as the independent variables. The results of SPSS output analyzing effect of human resource management practices on job satisfaction are shown in Table (4.22).

**Table (4.22) Effect of Human Resource Management Practices on Job Satisfaction**

Dependent variable (Job Satisfaction)	Unstandardized Coefficients		t test	Sig	VIF
	B	Standard error			
Constant	0.035	0.141	0.245	0.807	
Compensation and benefits	0.224***	0.040	5.573	<b>0.000</b>	2.126
Career management	0.204***	0.037	5.561	<b>0.000</b>	1.956
Work-life balance	0.113**	0.047	2.435	<b>0.015</b>	2.234
Employee participation	0.431***	0.052	8.298	<b>0.000</b>	2.403
R <sup>2</sup>	0.689				
Adj R <sup>2</sup>	0.685				
F-value	194.351***				
Durbin-Watson	1.912				

Source: SPSS Outputs (Appendix B)

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

According to Table (4.22), the adjusted R<sup>2</sup> 0.685 explains that 68.5 % of total variance in job satisfaction is accounted by four human resource management practices. Results suggest that four dimensions of human resource management practices variables have significantly explained the 68.5% of the variance in job. The value of calculated (Durbin-Watson) was 1.912 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 compensation and benefits is 0.224 at 1% significance level. This shows that there is direct relationship between compensation and benefit practices and job satisfaction. The regression coefficient of career management is 0.204 at 1% significance level. This shows that there is direct relationship between career management practices and job satisfaction. The regression coefficient of work-life balance practices is 0.113 at 5% significance level. This shows that there is direct

relationship between work-life balance and job satisfaction. The regression coefficient of employee participation practices is 0.431 at 1% significance level. This shows that there is direct relationship between employee participation practices and job satisfaction. Thus, human resource management practices are positively related job satisfaction.

The results suggest that compensation and benefit influences job satisfaction. As employees who receive good compensation may feel that they are appreciated by the hotels for their performance and contributions. They may then be motivated to contribute more and also satisfied with the hotels. Thus employees place a lot of value on compensation and it is therefore not surprising that compensation has a positive significant effect on job satisfaction. The significant relationship between career management and 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 satisfaction. The indication that employees may stay as the organization increases the provision of training and development. The work-life balance has a significant effect on job satisfaction because families play important roles in the lives of individual Myanmar citizen' life. Work-life balance is seen as the process for reconciling work, family and individual self-demands and time. When a hotel recognizes that employees have important family and extra organizational obligations that equally compete with their work commitment and assist their employees to strike a more meaningful and less stressful balance they are more likely to be happy and satisfied with current job. Generally, participated employees are highly involved in their jobs beyond their employment contractual agreement and satisfied with their current hotel for a long period of time. Although work-life balance showed the lowest level of satisfaction among the four human resource practices, it had the significant relationship with employee satisfaction. Work-life balance is one of the significant human resource practices for the hotels. Thus, the hotels should review their work-life balance condition and draw plans to gain the higher level of satisfaction of employees. The study found that organizations with higher participation levels have intention to stay and better results.

Among the four human resource management practices, the most influencing practice on job satisfaction is employee participation practices according to Table (4.22). In Myanmar hotel industry, the management should make to be satisfied the

talent employees by allowing the participation in work autonomy, decision making and problem solving rather than adjusting work schedule. 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 second influencing factor on satisfying the employee is compensation and benefits. The effective compensation encourages employee satisfaction in current job. The hotels should pay an individual monetary and nonmonetary inducement that matches or exceeds the individual's input into the organization. A well designed compensation and benefits plan helps the employees to attract, motivate and satisfy. Through these advantages, the talent employees can be retained by the organizations. Because of an attractive and effective compensation and benefits plan, the employees would be happy with their job, higher employee retention can be yielded. Thus, the organizations and the responsible persons should put more emphasis on compensation and benefits to attractive and satisfy the employees.

#### **4.5 Influencing Factors on Employee Retention**

Multiple regression analysis is applied to investigate the factors of employee retention. To develop the multiple regression model, the employee retention is used as the dependent variable, and job satisfaction, job hopping culture and alternative employment opportunities are used as independent variables.

Regression analysis is conducted with employee retention as the dependent variable and the three dimensions of job satisfaction, job hopping and alternative employment opportunities as the independent variables. The results of SPSS output analyzing effect of job satisfaction, job hopping and alternative employment opportunities on employee retention are shown in Table (4.23).

**Table (4.23) Influencing Factors on Employee Retention**

Dependent variable (Job Satisfaction)	Unstandardized Coefficients		t test	Sig	VIF
	B	Standard error			
Constant	1.485	.230	6.459	0.000	
Job satisfaction	0.724***	.045	16.11	<b>0.000</b>	1.02
Job hopping culture	-0.130**	.037	-3.467	<b>0.001</b>	1.06
Alternative employment opportunities	-0.077*	.043	-1.784	<b>0.075</b>	1.04
R <sup>2</sup>	0.460				
Adj R <sup>2</sup>	0.456				
F-value	100.059***				
Durbin-Watson	1.759				

Source: SPSS Outputs (Appendix B)

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

As results of Table (4.23), the adjusted R<sup>2</sup> is 0.456 that reveals 45.6% of total variance in employee retention is explained by three factors; job satisfaction, job hopping culture, and alternative employment opportunities. Results suggest that the three variables have significantly explained the 45.6% of the variance in employee retention. The value of calculated (Durbin-Watson) was 1.759 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 job satisfaction employee is 0.724 at 1% significance level. This shows that there is direct relationship between job satisfaction and employee retention. The regression coefficient of job hopping culture is 0.130 negatively at 5% significance level. This shows that there is indirect relationship between job hopping culture and employee retention. The regression coefficient of alternative employment opportunities is 0.077 negatively at 10% significance level. This shows that there is indirect relationship between alternative employment opportunities and employee retention.

The results suggest that job satisfaction has direct relationship with employee retention. This means that the higher the level of satisfaction with his or her job, the more likely employee retention for current job. The job satisfaction plays an important role in an employee's decision to stay. The employees could either stay or leave the current job if they are not only happy with the human resource management practices that have been initiated but also satisfied with their job.



Employee retention depends on how satisfied employees were with their jobs. This could imply that as the satisfaction of employees derive from their work is usually very important to them, human resource management practices equally plays a critical role in retaining employees. The higher the levels of the employee satisfaction, the more the organizations retain its employees. It means that the satisfied employees with their job mostly want to stay at their current job. Employee retention can be expected by the organizations through employee satisfaction. Thus, the job satisfaction of employees is an essence of the organizations which effectively implement the human resource practices.

The results also suggest that employee retention is negatively affected by job hopping culture. The employee might job hop because of external factors; such as having a greater number of labor market alternatives. Myanmar workers have been portrayed as money-oriented and inclined to job hop for better career offers. The tendency to job-hop determined an employee's decision to stay with or leave an organization. The study found alternative employment opportunities to be significantly and indirectly related to employee retention. This said that when options that are more attractive beckon from outside the industry, employees will not hesitate to leave. In addition, the results suggest that when options that are more attractive beckon from outside the industry, employees will not hesitate to leave.

Furthermore, the fact that most of the workforce in the hotel industry in Myanmar are aged 21-30 years and 31-40 years. It might explain the tendency of 'leaving' since these generations of people (Generation X and Y – born between 1965 – 1979 and 1980 – 2000 respectively) have often been described as having different perception towards a variety of workforce issues. This suggests that they prefer a more relaxed work environment with a lot of hand holding. The impact of job hopping on the intention to stay has received attention for the generation-Y workforce in Myanmar, as generation-Y employees were once described as having job mobility in their blood. However, to understand the influencing of the age group on employee retention, the next section presents analysis on the moderating effect of demographic variables.

In this study, the most important factor effecting employee retention is their job satisfaction. The result highlights the fact that for the hotels to retain their good and talent employees, they will inevitably have to cultivate job satisfaction. The employee job satisfaction can be created by several factors. Among those factors,

this study focused on compensation and benefits, career management, work-life balance and employee participation to create employee satisfaction. According to the results, these factors are essential for employee satisfaction, especially employee participation and the high level of employee satisfaction is the significant factor for employee retention. Therefore, to improve employees' satisfaction in their workplace, hotels must instill proper human resource management practices such as employee participation in the first place.

#### **4.6 Moderating Effect of Demographic Variables of the Employees on Factors Effecting Employee Retention in the Hotels of Myanmar**

The moderation effect analyzed using SPSS hierarchical multiple regression and the results are as follows. To verify the above possible moderation effect in a clear manner, hierarchical multiple regression analysis was performed and the results are shown in respective tables. In the first step, only the predictors' variables are entered into the model. Then, the multiplication of these two variables is added to the model, i.e., model 2. If the result shows as significant coefficient and incremental value of  $R^2$ , moderation effects have on relationship

##### **(a) Job Satisfaction and Employee Retention**

. The analysis on moderating effects of age between job satisfaction and employee retention demonstrates in Table (4.24).

**Table (4.24) Moderating Effect of Age between Job Satisfaction and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	1.078	.245	4.398	.000	1.228	.877	1.400	.162
Job Satisfaction	.736***	.047	15.818	.000	0.701	.203	3.454	.001
Age D <sub>1</sub>	-.083	.388	-0.213	.832	1.170	1.448	.808	.420

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
Age D <sub>2</sub>	-.278*	.155	-1.797	.073	-.571	.922	-.619	.536
Age D <sub>3</sub>	-.085	.157	-.545	.586	-.003	.916	-.003	.997
Age D <sub>4</sub>	-.178	.165	-1.079	.281	-1.032	1.028	-1.003	.316
JS*Age D <sub>1</sub>					-.470	.444	-1.057	.291
JS*Age D <sub>2</sub>					.074	.217	.340	.734
JS*Age D <sub>3</sub>					-.028	.215	-.130	.897
JS*Age D <sub>4</sub>					.212	.243	.872	.384
$\Delta R^2$	.007							
$R^2$	.445				.452			
F value	56.151***				31.735***			

Source: SPSS Outputs

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

The results (Table 4.24) confirmed that age group of respondents have no moderation effect on the relationship between job satisfaction and employee retention, although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the age of respondents cannot effect on the relationship between job satisfaction and employee retention.

The analysis on moderating effects of education level between job satisfaction and employee retention demonstrates in Table (4.25).

**Table (4.25) Moderating Effect of Education between Job Satisfaction and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	410	.339	1.210	.227	4.081	3.994	1.022	.308
Job Satisfaction	.754***	.046	16.527	.000	-.094	.919	-.102	.919
Edu D <sub>1</sub>	.994	.674	1.474	.141	.523	.844	.620	.536

Edu D <sub>2</sub>	.344	.328	1.049	.295	-3.659	4.072	-.899	.369
Edu D <sub>3</sub>	.483*	.282	1.711	.088	-2.674	4.005	-.668	.505
Edu D <sub>4</sub>	.404	.279	1.447	.149	-3.517	4.000	-.879	.380
JS* Edu D <sub>2</sub>					.935	.942	.993	.322
JS* Edu D <sub>3</sub>					.708	.923	.767	.444
JS* Edu D <sub>4</sub>					.913	.921	.991	.322
$\Delta R^2$	.009							
$R^2$	.439				.448			
F value	54.841***				35.173***			

Source: SPSS Outputs

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

Table (4.25) confirmed that education level of respondents have no moderation effect on the relationship between job satisfaction and employee although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the education level of respondents cannot effect on the relationship between job satisfaction and employee retention.

The analysis on moderating effects of number of dependents between job satisfaction and employee retention demonstrates in Table (4.26).

**Table (4.26) Moderating Effect of Number of Dependents between Job Satisfaction and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
Constant	1.171	.223	5.256	.000	-.103	1.020	-.101	.920
Job Satisfaction	.739***	.045	16.310	.000	.063***	.257	4.132	.000
Dep D <sub>1</sub>	-.317	.152	-2.086	.038	.895	1.086	.825	.410
Dep D <sub>2</sub>	-.350**	.143	-2.441	.015	.592	1.058	.560	.576
Dep D <sub>3</sub>	-.244*	.146	-1.669	.096	.578	1.062	1.486	.138
Dep D <sub>4</sub>	-.124	.228	-.542	.588	.561	1.535	.365	.715
JS* DepD <sub>1</sub>					-.307	.276	-1.114	.266

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
Constant	1.171	.223	5.256	.000	-.103	1.020	-.101	.920
JS* Dep D <sub>2</sub>					-.237	.267	-.886	.376
JS* Dep D <sub>3</sub>					-.470*	.268	-1.751	<b>.081</b>
JS* Dep D <sub>4</sub>					-.165	.399	-.415	.678
$\Delta R^2$	.011							
$R^2$	.444				.455			
F value	55.851***				32.072***			

Source: SPSS Outputs

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

The results (Table 4.26) confirmed that Model 2 of the interaction effect of number of dependents shows the results after the interaction term of number of dependents has been entered. The addition of the interaction term resulted in an  $R^2$  change of .011, in moderating effect with 3-4 dependents (coded as 1)  $B = -1.751$  at 10% significance level. This report supports the presence of a moderating effect. In other words, the moderating effect of number of dependents has between job satisfaction and employee retention. As number of dependents 3-4 as code 1, the relationship is stronger for employees who have 3-4 dependents as compared to other group.

The analysis on moderating effects of gender between job satisfaction and employee retention demonstrates in Table (4.27).

**Table (4.27) Moderating Effect of Gender between Job Satisfaction and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	.927	.175	5.287	.000	.793	.257	3.082	.002
Job Satisfaction	.747***	.045	16.531	.000	.783***	.068	11.553	.000
Gender	-.127*	.065	-1.941	.053	.116	.348	.334	.738
JS* Gender					-.065	.091	-.711	.477
$\Delta R^2$	.001							
$R^2$	.438				.439			
F value	137.410***				91.647***			

Source: SPSS Outputs

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

To test the moderating effect of gender, the results (Table 4.27) confirmed that gender of respondents have no moderation effect on the relationship between job satisfaction and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the gender of respondents cannot effect on the relationship between job satisfaction and employee retention.

The analysis on moderating effects of marital status between job satisfaction and employee retention demonstrates in Table (4.28).

**Table (4.28) Moderating Effect of Marital Status between Job Satisfaction and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	936	.180	5.208	.000	1.132	.242	4.687	.000
Job Satisfaction	.739***	.045	16.260	.000	.687***	.062	11.072	.000
Marital Status	-.090	.065	-1.371	.171	-.506	.348	-1.452	.147
JS* MS					.111	.091	1.216	.225
$\Delta R^2$	.002							
$R^2$	.435				.437			
F value	135.750***				91.116***			

Source: SPSS Outputs

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

The results (Table 4.28) confirmed that marital status of respondents have no moderation effect on the relationship between job satisfaction and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the marital status of respondents cannot effect on the relationship between job satisfaction and employee retention.

The analysis on moderating effects of position level between job satisfaction and employee retention demonstrates in Table (4.29).

**Table (4.29) Moderating Effect of Position Level between Job Satisfaction and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	.755	.186	4.054	.000	.813	.332	2.451	.015

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
Job Satisfaction	.754***	.046	16.528	.000	.739***	.084	8.803	.000
Position Level	.119*	.070	1.710	.088	.038	.390	.098	.922
JS* Position					.021	.100	.211	.833
$\Delta R^2$	.000							
$R^2$	.436				.436			
F value	136.669***				90.880***			

Source: SPSS Outputs

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

In verifying the moderating effect of position level, the results (Table 4.29) confirmed that position level of respondents have no moderation effect on the relationship between job satisfaction and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the position level of respondents cannot effect on the relationship between job satisfaction and employee retention.

The analysis on moderating effects demonstrates that only presence of dependents is moderator in relationship between job satisfaction and employee retention. Across five level of dependents presence, interaction effects were found only for 3-4 numbers category of dependents. Among employees who have three and four dependents, the results showed that job satisfaction is negatively moderated the effect on change in retention at current job. The finding suggests an idea that although employees who have three and four dependents would be made to be satisfied in current job, their intention did not increase to stay longer in current job. These findings also suggest that management could emphasize less on employees who have three and four dependents for providing compensation and benefits, career management, work-life balance and employee participation practices to create employee satisfaction, due to limited resources for managing.

The other demographic variables of the employees show no interaction effect between job satisfaction and employee retention. Employee satisfaction is the effect of how people feel about their job. Someone is satisfied about something because it is what they expected from it. Whether he or she may be any age group, single or married, any educational and position level, their satisfaction with current job can

influence the retention if the employee are satisfied with their working condition and management practices. Ignoring the demographic profile of employee except number of dependent presence, the management should provide four components of job satisfaction namely; compensation and benefits, career management, work-life balance and employee participation programs to raise employee satisfaction, then employees are more likely to remain with current job.

**(b) Job Hopping Culture and Employee Retention**

To verify the above possible moderation effect in a clear manner, hierarchical multiple regression analysis was performed and the results are shown. The analysis on moderating effects of age between job hopping culture and employee retention demonstrates in Table (4.30).

**Table (4.30) Moderating Effect of Age between Job Hopping Culture and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	4.606	.203	22.709	.000	5.128	.514	9.973	.000
Job Hopping	-.213***	.047	-4.525	.000	-.498*	.262	-1.900	.058
Age D <sub>1</sub>	-1.120**	.486	-2.306	.022	-2.641	1.228	-2.151	.032
Age D <sub>2</sub>	-.604**	.195	-3.099	.002	-1.218*	.544	-2.240	.026
Age D <sub>3</sub>	-.436	.197	-2.210	.028	-.871	.552	-1.578	.115
Age D <sub>4</sub>	-.328	.210	-1.567	.118	-.851	.559	-1.523	.129
JH*Age D <sub>1</sub>					.764	.555	1.377	.170
JH*Age D <sub>2</sub>					.326	.272	1.198	.232
JH*Age D <sub>3</sub>					.245	.276	.889	.375
JH*Age D <sub>4</sub>					.285	.278	1.024	.306
$\Delta R^2$	.007							
$R^2$	.101				.108			



Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
F value	7.866***				4.649***			

Source: SPSS Outputs

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

In Table (4.30), the results confirmed that age group of respondents have no moderation effect on the relationship between job hopping culture and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the age of respondents cannot effect on the relationship between job hopping culture and employee retention.

The analysis on moderating effects of education level between job hopping culture and employee retention demonstrates in Table (4.31).

**Table (4.31) Moderating Effect of Education between Job Hopping Culture and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	4.172	.370	11.276	.000	3.864	1.203	3.211	.001
Job Hopping	-.231***	.048	-4.826	.000	-.088	.535	-.165	.869
Edu D <sub>1</sub>	.656	.871	.753	.452	.606	.889	.682	.496
Edu D <sub>2</sub>	-.024	.423	-.058	.954	.903	1.323	.683	.495
Edu D <sub>3</sub>	.019	.363	.051	.959	.074	1.219	.061	.952
Edu D <sub>4</sub>	-.014	.359	-.038	.970	.396	1.212	.327	.744
JH* Edu D <sub>2</sub>					-.402	.574	-.700	.484
JH* Edu D <sub>3</sub>					-.030	.541	-.056	.955
JH* Edu D <sub>4</sub>					-.192	.538	-.356	.722
$\Delta R^2$	.011							
$R^2$	.064				.075			
F value	4.786***				3.527**			

Source: SPSS Outputs

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

According to Table (4.31), the results confirmed that education level of respondents have no moderation effect on the relationship between job hopping culture and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the education level of respondents cannot effect on the relationship between job hopping culture and employee retention.

The analysis on moderating effects of number of dependents between job hopping culture and employee retention demonstrates in Table (4.32).

**Table (4.32) Moderating Effect of Number of Dependents between Job Hopping Culture and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	4.569	.198	23.036	.000	5.210	.506	10.294	.000
Job Hopping	-.235***	.048	-4.932	.000	-.541**	.228	-2.374	.018
Dep D <sub>1</sub>	-.497	.195	-2.552	.011	-1.388**	.570	-2.434	.015
Dep D <sub>2</sub>	-.452	.184	-2.460	.014	-.743	.533	-1.393	.165
Dep D <sub>3</sub>	-.337	.187	-1.798	.073	-1.417**	.542	-2.613	.009
Dep D <sub>4</sub>	-.171	.293	-.583	.560	-.360	.775	-.465	.642
JH* DepD <sub>1</sub>					.419*	.254	1.653	<b>.099</b>
JH* Dep D <sub>2</sub>					.136	.240	.567	.571
JH* Dep D <sub>3</sub>					.501**	.241	2.076	<b>.039</b>
JH* Dep D <sub>4</sub>					.130	.310	.420	.674
$\Delta R^2$	.037							
$R^2$	.085				.122			
F value	6.475***				5.325***			

Source: SPSS Outputs

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

To verify the moderating effect of number of dependents, the results (Table 4.32) confirmed that Model 2 of the interaction effect of number of dependents shows the results after the interaction term of number of dependents has been entered. The addition of the interaction term resulted in an  $R^2$  change of .037, in moderating effect with no dependents (coded as 1)  $B = 0.419$  at 10% significance level and with 3-4 dependents (coded as 1)  $B = 0.501$  at 5% significance level. This report supports the presence of a moderating effect. In other words, the moderating effect of number of dependents has between job hopping culture and employee retention. As no dependents and number of dependents 3-4 as code 1, the relationship is stronger for employees who have no dependents and 3-4 dependents as compared to other group.

The analysis on moderating effects of gender between job hopping culture and employee retention demonstrates in Table (4.33).

**Table (4.33) Moderating Effect of Gender between Job Hopping Culture and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	4.183	.117	35.810	.000	4.458	.158	28.159	.000
Job Hopping	-.227***	.048	-4.748	.000	-.360***	.071	-5.102	.000
Gender	-.038	.085	-.448	.654	-.560**	.222	-2.527	.012
JH* Gender					.243**	.095	2.546	<b>.011</b>
$\Delta R^2$	.017							
$R^2$	.062				.079			
F value	11.734***				10.105***			

Source: SPSS Outputs

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

In Table (4.33), the results confirmed that Model 2 of the interaction effect of gender shows the results after the interaction term of number of dependents has been entered. The addition of the interaction term resulted in an  $R^2$  change of .017, in moderating effect with male (coded as 1)  $B = 0.243$  at 10% significance level. This report supports the presence of a moderating effect. In other words, the moderating effect of gender has between job hopping culture and employee retention. As male as code 1, the relationship is stronger for male employees as compared to female group.

The analysis on moderating effects of marital status between job hopping culture and employee retention demonstrates in Table (4.34).

**Table (4.34) Moderating Effect of Marital Status between Job Hopping Culture and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	4.247	.118	36.054	.000	4.153***	.152	27.283	.000
Job Hopping	-.228***	.047	-4.808	.000	-.184**	.065	-2.823	.005
Marital	-.166**	.084	-1.984	.048	.034	.222	.151	.880
JH* MS					-.092	.095	-.969	.333
$\Delta R^2$	.002							
$R^2$	.072				.075			
F value	13.724***				9.461***			

Source: SPSS Outputs

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

The results (Table 4.34) confirmed that marital status of respondents have no moderation effect on the relationship between job hopping culture and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the marital status of respondents cannot effect on the relationship between job hopping culture and employee retention.

The analysis on moderating effects of position level between job hopping culture and employee retention demonstrates in Table (4.35).

**Table (4.35) Moderating Effect of Position Level between Job Hopping Culture and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	4.156	.121	34.302	.000	4.298	.186	23.128	.000
Job Hopping	-.231***	.048	-4.817	.000	-.301***	.084	-3.560	.000
Position	.020	.090	.228	.820	-.196	.233	-.841	.401
JH* Position					.103	.103	1.006	.315
$\Delta R^2$	.003							
$R^2$	.062				.065			
F value	11.654***				8.107***			

Source: SPSS Outputs

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

The results (Table 4.35) confirmed that position level of respondents have no moderation effect on the relationship between job hopping culture and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the position level of respondents cannot effect on the relationship between job hopping culture and employee retention.

Presence of dependents and gender are the moderating factors on the relationship between job hopping culture and employee retention. The analysis on moderating effects demonstrates that presence of dependents is moderator in relationship between job hopping culture and employee retention. Across five level of dependents presence, interaction effects were found in employees who have no dependent and have three and four dependents. If the employee has three and four dependents or none, job hopping culture moderated the effect on change negatively in retention at current job. Based on the findings of analysis, the study suggests that it may seem to be more sensitive to job hop in employee who have no dependent and have three and four dependents, their intention did not increase to stay longer in current job. These findings also suggest that management could be emphasizing those types of employees for attracting retaining if they are competent and qualified employees.

This study also demonstrates that gender may be moderator of the effects of job hopping culture to employee retention. The result shows that the relationship is stronger for male as compared to female group. It suggests that male employees have more job hopping culture and lead to decrease the intention to stay in current job more than their female counterparts.

Age, education level, marital status and position level did not moderate the relationship between job hopping and employee retention. Job hopping culture links towards turnover. Myanmar employees have been portrayed as money-oriented and inclined to job hop for better career offers, as he or she may be any group of age, education level, marital status, and position level.

### **(c) Alternative Employment Opportunities and Employee Retention**

To verify the above possible moderation effect in a clear manner, hierarchical multiple regression analysis was performed. The analysis on moderating effects of age between alternative employment opportunities and employee retention demonstrates in Table (4.36).

**Table (4.36) Moderating Effect of Age between Alternative Employment Opportunities and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	4.379	.251	17.469	.000	4.976	.695	7.156	.000
AEO	-.056	.057	-.993	.322	-.261	.230	-1.136	.257
Age D <sub>1</sub>	-1.161**	.499	-2.326	.021	-4.382	7.740	-.566	.572
Age D <sub>2</sub>	-.661**	.201	-3.289	.001	-1.358*	.758	-1.791	.074
Age D <sub>3</sub>	-.486**	.204	-2.383	.018	-.889	.768	-1.158	.248
Age D <sub>4</sub>	-.356	.216	-1.646	.101	-1.404	.856	-1.640	.102
AEO*Age D <sub>1</sub>					1.042	2.467	.423	.673
AEO*Age D <sub>2</sub>					.235	.246	.954	.341
AEO*Age D <sub>3</sub>					.148	.248	.595	.552
AEO*Age D <sub>4</sub>					.340	.273	1.248	.213
$\Delta R^2$	.006							
R <sup>2</sup>	.051				.057			
F value	3.771**				2.334**			

Source: SPSS Outputs

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

According to Table (4.36), the results confirmed that age of respondents have no moderation effect on the relationship between alternative employment opportunities and employee retention although there is a few increment of R<sup>2</sup> ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results

suggest that the age of respondents cannot effect on the relationship between alternative employment opportunities and employee retention.

The analysis on moderating effects of education between alternative employment opportunities and employee retention demonstrates in Table (4.37).

**Table (4.37) Moderating Effect of Education between Alternative Employment Opportunities and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	3.982	.431	9.236	.000	5.071	2.660	1.906	.057
AEO	-.078	.058	-1.348	.179	-.356	.672	-.530	.597
Edu D <sub>1</sub>	.456	.901	.506	.613	.034	1.360	.025	.980
Edu D <sub>2</sub>	-.148	.438	-.338	.736	-2.066	2.800	-.738	.461
Edu D <sub>3</sub>	-.052	.375	-.139	.890	-.915	2.681	-.341	.733
Edu D <sub>4</sub>	-.047	.372	-.127	.899	-1.216	2.673	-.455	.650
EO* Edu D <sub>2</sub>					.548	.726	.755	.451
EO* Edu D <sub>3</sub>					.209	.679	.308	.759
EO* Edu D <sub>4</sub>					.301	.676	.445	.656
$\Delta R^2$	.005							
$R^2$	.007				.012			
F value	.485				.519			

Source: SPSS Outputs

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

According to Table (4.37), the results confirmed that education level of respondents have no moderation effect on the relationship between alternative employment opportunities and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the education level of respondents cannot effect on the relationship between alternative employment opportunities and employee retention.

The analysis on moderating effects of number of dependents between alternative employment opportunities and employee retention demonstrates in Table (4.38).

**Table (4.38) Moderating Effect of Number of Dependents between Alternative Employment Opportunities and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	4.326	.260	16.628	.000	3.895	.832	4.678	.000
AEO	-.075	.058	-1.303	.193	.055	.246	.225	.822
Dep D <sub>1</sub>	-.514**	.201	-2.556	.011	-.903	.932	-.969	.333
Dep D <sub>2</sub>	-.448**	.190	-2.364	.019	.534	.883	.605	.546
Dep D <sub>3</sub>	-.365*	.193	-1.887	.060	-.353	.930	-.380	.704
Dep D <sub>4</sub>	-.307	.302	-1.015	.311	1.068	1.107	.965	.335
EO* DepD <sub>1</sub>					.107	.272	.394	.694
EO* Dep D <sub>2</sub>					-.299	.261	-1.148	.252
EO* Dep D <sub>3</sub>					-.008	.273	-.028	.978
EO* Dep D <sub>4</sub>					-.446	.337	-1.325	.186
$\Delta R^2$	.030							
$R^2$	.026				.056			
F value	1.852				2.271*			

Source: SPSS Outputs

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

According to Table (4.38), the results confirmed that numbers of dependents of respondents have no moderation effect on the relationship between alternative employment opportunities and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the number of dependents of respondents cannot effect on the relationship between alternative employment opportunities and employee retention.



The analysis on moderating effects of gender between alternative employment opportunities and employee retention demonstrates in Table (4.39).

**Table (4.39) Moderating Effect of Gender between Alternative Employment Opportunities and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	3.962	.199	19.859	.000	4.250	.261	16.310	.000
AEO	-.075	.057	-1.310	.191	-.163**	.077	-2.122	.035
Gender	-.074	.087	-.850	.396	.734*	.395	-1.859	.064
AEO* Gender					-.197*	.115	1.714	<b>.087</b>
$\Delta R^2$	.008							
$R^2$	.007				.015			
F value	1.294				1.846			

Source: SPSS Outputs

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

In Table (4.39), the results confirmed that Model 2 of the interaction effect of gender shows the results after the interaction term of number of dependents has been entered. The addition of the interaction term resulted in an  $R^2$  change of .008, in moderating effect with male (coded as 1)  $B = -0.197$  at 10% significance level. This report supports the presence of a moderating effect. In other words, the moderating effect of gender has between alternative employment opportunities and employee retention. As male as code 1, the relationship is stronger for male employees as compared to female group.

The analysis on moderating effects of marital status between alternative employment opportunities and employee retention demonstrates in Table (4.40).

**Table (4.40) Moderating Effect of Marital Status between Alternative Employment Opportunities and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	4.022	.200	20.072	.000	3.976	.288	13.808	.000
AEO	-.079	.057	-1.387	.166	-.065	.084	-.775	.439

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
Marital Status	-.175**	.086	-2.032	.043	-.088	.392	-.224	.823
AEO* MS					-.026	.114	-.226	.821
$\Delta R^2$	0.000							
$R^2$	.017				.017			
F value	3.005*				2.015			

Source: SPSS Outputs

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

According to Table (4.40), the results confirmed that marital status of respondents has no moderation effect on the relationship between alternative employment opportunities and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results suggest that the marital status of respondents cannot effect on the relationship between alternative employment opportunities and employee retention.

The analysis on moderating effects of position level between alternative employment opportunities and employee retention demonstrates in Table (4.41).

**Table (4.41) Moderating Effect of Position Level between Alternative Employment Opportunities and Employee Retention**

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	3.990	.220	18.115	.000	4.187	.358	11.681	.000
AEO	-.085	.058	-1.452	.147	-.140	.099	-1.419	.157
Position Level	-.055	.093	-.588	.557	-.348	.432	-.806	.421
AEO* Position					.085	.122	.695	.487
$\Delta R^2$	.002							
$R^2$	.006				.008			
F value	1.104				.896			

Source: SPSS Outputs

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

The results (Table 4.41) confirmed that position level of respondents have no moderation effect on the relationship between alternative employment opportunities and employee retention although there is a few increment of  $R^2$  ( $\Delta R^2$ ) and regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regressions models. The results

suggest that the position level of respondents cannot effect on the relationship between alternative employment opportunities and employee retention.

The findings also highlight that alternative employee opportunities have a significant effect on employee retention. The analysis on moderating effects demonstrates that only gender of employees is moderator in relationship between alternative employee opportunities and employee retention. The result shows that the relationship is stronger for male as compared to female group. It suggests that male employees have more job opportunities and lead to decrease the intention to stay in current job more than their female counterparts. As traditional norms of Asian countries including Myanmar, there is given more attention to male workforce. Reference to women as care takers of family members is linked to the fact that women give birth and house work are often described as a duty, a must and as a consequence of men's opposite role, in working outside. Although the labor market offer opportunities for both men and women in Myanmar, women often have less access to productive resources, education, and skills development and labor market opportunities than men in many societies. Women are less likely to work full-time, and less likely to progress in their careers compared to men. The study concluded that the relationship is stronger for male as compared to female group. Therefore, the management should consider gender differences when making strategic decisions with retention practices especially regarding external labor market with retention practices.

#### **4.7 Summary of Analysis**

The result shows that the compensation system affects to retain the employees. Compensation and benefit influences job satisfaction, that is, employees who receive good compensation may feel that they are appreciated by the organizations for their performance and contributions. They may then be motivated to contribute more and also stay with the organization. And also, the relationship is direct between the career management practices and job satisfaction. The result shows that the career management practices foster to satisfy the employees to their job. If the training program and career development system is good, employees will satisfy their job.

There is direct relationship between the work-life balance practices and job satisfaction. The result shows that the work-life balance practices lead the employee

to satisfy their job. If employees receive flexible work schedules and balance between work and life, employees will satisfy their current job. Additionally, there is a direct relationship between the employee participation practices and job satisfaction. The result shows that the employee participation practices lead the employees to satisfy with their job. If employees receive empowerment and participation in decision making in respect of their job, employees will satisfy with their current job.

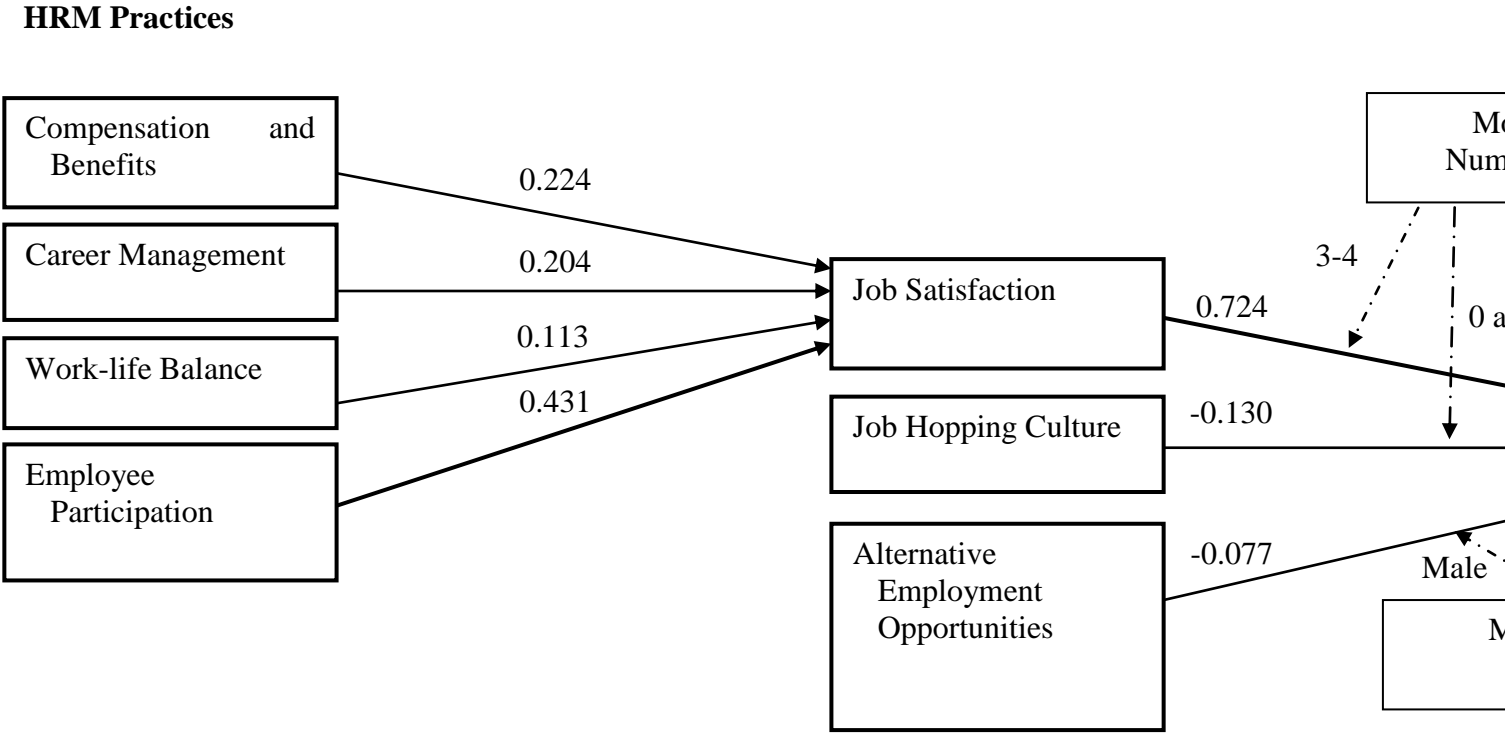
On the other hand, there is a direct relationship between the job satisfaction and employee retention. The result shows that the job satisfaction is directly related with the employee retention. Job satisfaction is strongly and consistently relate to an employee's decision to stay the organization. In addition, job hopping culture has significant effect on employee retention. The greater the instances or potential for job hopping within a short time period, the lower the employees' intention to stay. Alternative employment opportunities have influence on employee retention. The employee make the decision to leave if any of the alternatives is adjudged to be preferable than his current position. Alternative employment opportunities tend to be statistically significantly related to employee retention. The study suggests that when options that are more attractive beckon from outside the industry, employees will not hesitate to leave. Among these factors, job satisfaction obtains the highest coefficient value at 1% significance level. The most influencing factor on employee retention is job satisfaction.

Gender and number of dependents have the moderating effect on the factors influencing on employee retention. The analysis on moderating effects demonstrates that dependent presence of employees is moderator in relationship between job satisfaction and employee retention, and between job hopping culture and employee retention. And also, gender difference have moderating effect on relationship between job hopping culture and employee retention and between alternative employment opportunities and employee retention. Additionally, this study found no moderating effects of the demographic variables (age, gender, marital status, numbers of dependents, and position level of employees) of the respondents, except gender and dependent presence.

Figure (4.1) showed the final results of the employee retention in Myanmar hotel industry.

The next chapter discusses the findings and discussion, suggestions and recommendation, and also needs for further study.

**Figure (4.1) Employee Retention in Myanmar Hotel Industry**



## **CHAPTER 5**

### **CONCLUSION**

This chapter presents the findings of the study. It also discusses the major theoretical implications and suggestions. The implication of findings, limitations and future directions for further research are put forward. The study focuses on the hotels which have at least 100 rooms and above in Yangon and Nay Pyi Taw. Frequencies, percentages, means and standard deviation were presented in the data analysis. In order to infer the relationship between the variables, multiple linear regressions and hierarchical multiple regressions were employed. The findings based on the research objectives which guided the study are summarized below.

#### **5.1 Findings and Discussion of the Study**

The study investigated the factors influencing on employees retention. The motivation for this research objective of the study lies to explore the impact of human resource management practices as a critical tool to make employees of an organization more satisfied towards the organization, which in turn would produce positive impact on employee intention to stay within the organizations. In addition, as another central tenet of this study aims to contribute how the employees job hopping culture and alternative employment opportunities impact on the employees intention to stay within current organizations. Finally, to provide the meaningful implications to the hotels and HR managers of the organization, the study tries to achieve the understanding on demographic impact of employees between job satisfaction, job hopping culture, alternative employment opportunities and retention effort of employees.

Data for the study was collected through questionnaires which include both open and close-ended. Among (3171) employees of all the total population of the selected hotels, the survey questionnaires are distributed to 356 employees currently employing in selected hotels and fully receive a total of 356 survey questionnaire.

The target population for the study consists of employees working in the hotels in Yangon and Nay Pyi Taw.

Frequencies, mean, percentages, and standard deviation were employed to present the responses obtained from the respondents. The result shows that there are more female than male, that is, 195 (54.8%) out of the total population surveyed represent female while another 161 (45.2%) represent male. This is because the nature of hotel business in hotel industry requires more female workers than male. Besides that, out of total 356 respondents, 176 respondents (49.4%) are single while 180 (50.6%) are married. This may be because of most of the respondents are still in adult (i.e. age between 21 and 30 years). Regarding education, most of the staffs are graduated. There are 218 respondents (61.2%) who hold bachelor degree level, 120 respondents (33.7%) with high basic education level, while another 12 respondents (3.4%) at middle level, there is only 1 respondent (3%) at primary education level. Meanwhile, the highest job position of respondents is general manager in middle management position.

In addition to exploring characteristics of sample with descriptive information, multivariate analysis was used in order to ascertain the impact and relationship between and among variables. For this purpose, statistical Package for Social Science (SPSS) version 20.0 was employed. The collected data were checked for reliability and validity and correlations. It shows that all variables include compensation, career management, work-life balance, employee participation; job satisfaction, job hopping culture; alternative employment opportunities and employee retention have achieved satisfactory level for all the tests.

According to the data, the employees from hotels in Yangon and Nay Pyi Taw perceived compensation and benefits practices, career management practices, work-life balance practices, employee participation practices as high levels. And also, job satisfaction and employee retention are perceived as high levels. However, job hopping culture and alternative employment opportunities are at moderate level perception.

In line with first objective, the relationship between of human resource management practices and job satisfaction of employees in the hotels in Myanmar is examined. Subsequently, multiple linear regression is used to explain the relationship between one dependent variable and two or more independent variables. The independent variables refer to include compensation, career management, work-life balance, and



employee participation in study. As a preliminary analysis, all the four facets of job satisfaction show significant relationships with employee retention. The four practices- compensation and benefits, career management, work-life balance, and employee participation practices are related to the job satisfaction of employees.

Among the four human resource management practices, employee participation is the most influencing factor on employee satisfaction. Employees are desired to participate in the activities of their hotel, in the decision making process and in the career development programs. They believe that their participation is important for their hotel. Thus, the employee participation should be implemented and upgraded by the hotels. Compensation and benefits and career management showed the significant relationship with employee satisfaction. The compensation and benefits plans, and career development programs should be attractive for employees. On the other hand, the weakness coefficient of work-life balance among these four factors is also explored in this study. However, the study points out that work-life balance can influence employee satisfaction and retention. If the hotels have the plans to promote work-life balance of their employees, more satisfaction will be gained by them and employee retention can be seen as one of the success factors of the hotels. Thus, the human resource management practices should be implemented as the success factor for both employees and for the hotel industry.

In order to fulfill the second objective, the relationship between job satisfaction of employees, job hopping culture and alternative employment opportunities; and employee retention in the hotels in Myanmar are explored. The level of job satisfaction positively associates employee retention. Similarly, the changes of job hopping culture and alternative employment opportunities are negatively related to changes in the employee retention. The most influencing factors on employee retention are through job satisfaction. Their job hopping culture and labor market opportunities can also affect the decision to stay of employees on current job.

Among these factors, job satisfaction obtains the highest coefficient value at 1% significance level. In this study, the most important factor effecting employee retention is their job satisfaction. The result highlights the fact that if the hotels are to retain their good employees, they must promise job satisfaction. To improve employees' satisfaction in their workplace, hotels must instill proper human resource management practices such as employee participation in the first place. Another four human resource management practices were included to study the

influence of each human resource management practice. The result shows that career management, work-life balance and employee participation practices significantly predicted job satisfaction of employee. In this study, the most important factor effecting employee's satisfaction with their job is employee participation practices.

The third goal is to determine the moderating effect of demographic factors of the employees on the relationship between human resource management practices and employee retention in the hotels in Myanmar. The demographic variables in this case include age, gender, level of education, marital status, numbers of dependents, and position level in study. Hierarchical multiple regression was done in order to identify the relevant intervening variables. According to the interaction results, Gender and number of dependents have the moderating effect.. The analysis on moderating effects demonstrates that dependent presence of employees is moderator in relationship between job satisfaction and employee retention, and between job hopping culture and employee retention And also, gender difference have moderating effect on relationship between job hopping culture and employee retention and between alternative employment opportunities and employee retention. It is possible that the dependents presence condition of employees may force the effect of satisfaction level and effect of job hopping culture on intention to stay their job. Among employees who have three and four dependents, the results showed that job satisfaction is negatively moderated the effect on change in retention at current job. The finding suggests an idea that although employees who have three and four dependents would be made to be satisfied in current job, their intention did not increase to stay longer in current job. The study also suggests that it may seem to be more sensitive to job hop in employee who have no dependent and have three and four dependents, their intention did not increase to stay longer in current job. Therefore, it can generally conclude that employees who have three and four dependents can have job hopping culture so that their intention to stay current job may not be increased even if they are satisfied with current job. These findings also suggest that management could be emphasizing those types of employees for attracting retaining if they are competent and qualified employees. Thus, the hotels need to focus on the employee satisfaction of their employees.

Gender difference also have moderating effect on relationship between job hopping culture and employee retention and between alternative employment opportunities

and employee retention. The result shows that the relationship is stronger for male as compared to female group. As traditional norms of Asian countries, there is given more attention to male workforce. References to women are as care takers of family members in fact that give birth and house work are often described as a duty, a must and as a consequence of men's opposite role, in working outside. Although the labor market offer opportunities for both men and women in Myanmar, women often have less access to productive resources, education, and skills development and labor market opportunities than men in many societies. Women are less likely to work full-time, and less likely to progress in their careers compared to men. The study concluded that the relationship is stronger for male as compared to female group. Additionally, this study finds no moderating effects of the demographic variables (age, gender, marital status, numbers of dependents, and position level of employees) of the respondents, except gender and dependent presence.

## **5.2 Suggestions and Recommendation**

Retaining employee remains a primary concern for many organizations today. Critical analysis of workforce trends points to an impending shortage of highly-skilled employees who possess the requisite knowledge and ability to perform at high levels, meaning that organizations failing to retain high performers will be left with an understaffed, less qualified workforce that ultimately hinders their ability to remain competitive. The findings of the study have some valuable implications for hotel industry, organizations and employees. It will be particularly useful for hotels to understand how they can improve their employee retention strategy. Similarly this study holds some vital lessons for HRM practitioners and provides workable solutions to the problem of labor turnover. Based on the findings and conclusions of the study, it is recommended for industry level, organizational level and individual level.

### **(a) Industry level**

Hotels are the largest employers and the high mobility or turnover rate experienced within the industry is a common challenge. Since tourism including hotels is contributor in foreign direct investment and the biggest sector in services, low service quality affect directly on number of tourist arrivals. At macro level,

Ministry of Hotels and Tourism (MOHT) should work with the private sector, including Myanmar Tourism Federation (MTF), Myanmar Hotelier association (MHA) and its sector associations, FDI hotels and other local hotels together with its development partners to promote widespread take-up of HRM systems and processes by hotels throughout the industry.

Ministry of Hotels and Tourism and its sector associations should discuss and encourage hotels to reconsider and develop the fair compensation policies for all employees as it is more likely to result in employee satisfaction which leads to the increase of employees' work performance, higher level of employee commitment and higher retention levels. Myanmar Tourism Federation (MTF), Myanmar Hotelier association (MHA) and its sector associations support to carry out employee attitude surveys periodically as they can help to determine the rewards that are most needed or sought by their employees. The issue of work-life balance has also emerged as an issue for UN involvement. As a central element of their employment policies, all UN Member States have undertaken to support employees in reconciling work and family life. Ministry of Hotels and Tourism and its sector associations should commit them with hotels to design, implement and promote family-friendly policies, including the provision of care services for children and other dependents and parental and other leave schemes.

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 is working 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 encouraged.

**(b) Organization Level**

This study contributes knowledge for the hotel management to know the factors determining the employee retention. For organizational level, hotel management should encourage employees to remain in the organization for a long period of time by making the employees to be satisfied in their workplace because the study found that there is significant relationship between job satisfaction and employee retention hotel industry. Understanding these factors influencing job satisfaction can help to the hotel industry to increase their employee retention in hotel industry. An individual feels dissatisfied with his/ her job if the motivational practices of the organizations are not consistent with their values. This study also provides the evidence of important linkages between job satisfaction and employee retention. In addition to this, he/she also identified poor compensation and benefits, poor working conditions and poor work environment as indicators of job dissatisfaction that leads decision to intention to stay or leave. This study suggests that the hotel ability to retain the talent employees is directly related to its ability to make their employee satisfaction in current workplace. Therefore, it encourages to respective managers to apply appropriate human resource management practices in order to promote job satisfaction of employees. From time to time organizations must vary the kind of human resource management practices they initiate. This is because human resource needs of the employees may change over time. Hence if the same practice is repeated overtime, it will lose its efficacy and will therefore not achieve the intended purpose. Based on the study results, the recommendations are based on the four human resource management practices.

Compensation practices are important to affect the employee retention in hotel industry. In this study, it was found that the compensation practices have also significant relationship with job satisfaction. In the context of Myanmar hotel industry, the nature of employee at the hotel may be money oriented same as other industries. Among many business sectors of Myanmar, hotel sector includes in highest pay level. It may be possible that the job satisfaction of employees in hotel industry in Myanmar is influenced by compensation and benefits. The employees in hotel will pay less attention in compensation pattern rather than other practices

conducted by hotels. This finding is particularly concluding in that wages and fringed benefits are influencing for the employees in hotel. However, to increase and maintain the job satisfaction, hotels should consider reward when making decisions about highly valued resources such as pay increase or promotions, or making negative decisions such as those about dismissals. It is suggested that the hotel industry should reevaluate the compensation and benefits offered by the hotels. In order to improve employee retention, manager is suggested to use some method, like compensation level to determine the quality of the employee and reduce the job-hopping rate of the high qualified employee. Fair compensation management will improve job satisfaction level and employee retention of the organization. Pay scales should be increased according to the employee performance. As per the present records the pay scales of the employees in the hotel industries are set according to the standard of the hotels. During the peak timings, it is common in hotels that the staffs should have to work more than the usual timings and this causes dissatisfaction if it not recognized properly. Double pay system should be introduced for extra hours of work. An attractive incentive scheme also needs to be introduced in the hotel to decrease the rate of employee turnover. If the hotels provide better and more satisfied compensation and benefits to the employees, the employees will contribute their effort, their knowledge, skills and abilities to the success of their hotels.

According to survey result, career management practice is a determinant of job satisfaction of employee. Career management practices can provide the opportunity for employee to gain experience and training employee on skills. The career management 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 evidence that hotels should invest in the training of their employees. Professionals can be hired in cooking, interior designing, customer services, housekeeping and finance. Cross

training and inter departmental training should be started. Employees should be cross trained in other departments also to enhance the knowledge of employees in hotel operations. It is clear that as knowledge increase it improves the performance. If the employees are more concerned on developing knowledge then these practices could help to increase the job satisfaction.. At the busy periods staffs can be shifted from one department to another department according to the need and this also helps the employees to get a change the routine job. Human resource managers should employ effective employee performance appraisal systems that evaluate employees' performance openly and fairly. It should reveal potential opportunities; define strengths, weaknesses, and employees' career development needs. The HRM should align the current employee performance to future potential in a realistic way and use individual employee development plan as a tool for continual feedback and development

This study provides evidence that work-life balance has significant effect on job satisfaction in the hotels. However, work-life balance alone is not enough to retain a highly skilled, motivated and experienced workforce that the hotel needs to excel. Work-life balance is one of the factors that affect employees to satisfy or dissatisfy with the hotel. However, it can make sense that these days, many people prefer work smart than work hard syndrome. In addition, well work-life balance condition can reduce job stress and improve job satisfaction. Work-life balance practices include work hour flexibility, job sharing, family leave programs and social care such as child care and eldercare services. Mainly, the rush hours of working are depend on season as the nature of tourism. In winter and summer seasons, the guests are crowed in every hotel. At that time, the employees will get stress on working schedule and customer service. The stress on workplace can lead to dissatisfaction and provide bad services. Thus, hotel management would plan the flexible work schedules, work shift and incorporate family friendly policies into workplace. Employees would stay in an organization due to a satisfying workplace environment with suitable work conditions and also with good comfort needed to sustain daily work activity. Especially in this modern environment of corporate layoff and downsizing, many people prefer work-life balance rather than upward career mobility.

It can be concluded that employee participation shapes the success of hotels through satisfaction and retention. The most direct relationship between employee

participation practices and job satisfaction is found in this study. Employee participation practices can be a powerful motivator of job satisfaction. This is because high proportion of the respondents in this study is the young and middle age employees who are assumed to 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 job satisfaction 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. There can also be other factors to satisfy and retain the employees in hotel industry rather than presented in the study. It can be concluded that employees in hotel industry accept that the fulfillment of employee participation factors for their satisfaction by hotel is more important than compensation and benefits, career management and work-life balance. Secondly, the study shows the relationship between job hopping culture and employee intention to stay. Employees have been portrayed as money-oriented and inclined to job hop for better career offers. However, job hopping culture is because of exogenous factors. Additionally, the inverse significance of employment opportunities with employee retention suggests that when employees have a perceived available alternative employment opportunity then they have more intention to switch jobs. They are some external factors; such as having a greater number of labor market alternatives. These factors are out of control by hotels. The hotel cannot change this effect. Instead, the hotels can encourage the job satisfaction by means of human resource management practices to retain their employees. The study supported as it was found that job hopping culture of employee negatively affect the employee's intention to stay. For a typical hotel' employees, they have a little desire to move from one job to another without apparently instinctive reasons. However, for the job hopping person, he or she will move vertically or laterally if other opportunities are find out. Thus, the finding becomes make sense that as the job hopping behavior increase, an employee's motivation to stay within the organization declines. And also, it was



found that alternative opportunity in labor market negatively affect the employee's intention to stay. The results imply that employees would leave their current jobs the moment they saw other job opportunities elsewhere be it in the hotel industry or any other industry.

Additionally, this study finds no moderating effects of the demographic variables (age, gender, marital status, numbers of dependents, and position level of employees) of the respondents, except gender and dependent presence. It is suggested that the dependents presence of employees have effect on the more satisfaction and want to continue to stay through this satisfaction and also on job hopping culture and retention. Thus, the hotels need to pay attention on the employee satisfaction based on the number of dependents of employees. It suggests that male employees have more job opportunities and alternative employment opportunities and lead to decrease the intention to stay in current job more than their female counterparts. Therefore, the management should consider gender differences when making strategic decisions with retention practices especially regarding external labor market with retention practices.

### **(c) Individual Level**

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.

### **5.3 Needs for Further Study**

In the study, the data are collected from hotels in Yangon and Nay Pyi Taw 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 career management, 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.

To examine in other antecedents such as job hopping culture and alternative employment opportunities, the different characteristic will have different perception on employee satisfaction which will impact their intention to stay in hotel industry. Thus, the further researches can look at the factors underlying for the job hopping culture and how it will change over time. The further study should also focus on different human resource management practices for other service industries and make comparison on how hotel practices and underlying factors differ across different service industries for contributing to service human resource management literature. In addition, a comparative study with manufacturing industry can also be

made with the service industry. According to the management type such as local management, foreign management and partly foreign-local management, the further study can be done as comparative study. Further researchers can continue to explore the changes trends of employee retention in Myanmar hotel industry with different periods.

**APPENDIX A**  
**Questionnaire I**  
**(For Owner or HR manager)**

Dear Sir/Madam

The purpose of this questionnaire is to collect information on the *Employee Retention in Myanmar hotel industry* as part of a study for the award of PhD at Yangon University of Economics. I will be most grateful if you could take time off your busy schedule to respond to the questions. This is only an academic exercise and you are assured of anonymity and confidentiality. Thank you

**Section A: Background Information**

The questions below are about your hotel background. Please answer the questions correctly as they apply to you. (Some of question with “  “, please tick ✓ )

1. When did your hotel establish and operate?
  
2. When did the license get?
  
3. Which best describes your company operation pattern?
  - Domestic company-owned Chain
  - Domestic chain with a franchise agreement
  - International Chain with a management contract
  - International Chain with a franchise agreement
  - Others

4. No of employees	2014	2015
BOD/ Directors	-----	-----
Manager	-----	-----
Remaining staff/employee	-----	-----

5. Your information:
  - a. Age:
  - b. Gender:
  - c. Position:
  - d. Education:
  - e. How long have you been employed in this organization?

**Section B: HRM practices**

1. Is there human resource department?  
 Yes                       No
2. If yes, Number of staff in HR department  
 -----
3. What activities are carried out by HR department?  
 HR planning                       Job analysis  
 Recruitment and selection       Compensation and benefit  
 Training and Development       Performance Appraisal  
 Career Development               Others -----  
 -
4. Major Purpose of conducting HR activities  
 -----
5. If No, Please give your responsibility  
 -----
6. Which department carried out HRM activities?  
 -----
7. Who take the responsibility of HRM activities?  
 -----

**I. HR Planning**

8. Does your hotel conduct HR planning?  
 Yes                       No
9. Purpose of HR planning?  
 -----  
 -----
10. How does your hotel conduct HR planning?  
 -----  
 -----

**II. Job analysis**

11. Purpose of Job analysis?  
 -----
12. How does your hotel conduct Job analysis?  
 -----  
 -----

**III. Recruitment and Selection Practices**

13. How your hotel does announce job vacancy?

-----  
-----

14. How do your recruitment programs conduct?

-----  
-----

15. How does your hotel conduct selection for new staff?

-----  
-----

16. Does your hotel have standard criteria for selection? What are they?

-----  
-----

17. Recruitment sources

- Employee referrals
- Advertising
- Employment Agency
- Recommendation of other hotels
- Others -----

18. Selection method

- CV only
  - CV and personal interview
  - Skill test and practical test
  - Others -----
- 

19. Who are responsible for selection decision?

- Owners/ BOD
- Admin / HR manager
- Department Manager

**IV. Career Management**

20. Does your company have a training plan which includes training needs, goals, and objectives?

- Yes
- No

If yes, please describe the content.

-----

21. Is it compulsory for employees to attend training programs
- Yes  No
22. Are newly acquired knowledge and skills through training evaluated in the performance appraisal systems?
- Yes  No
23. The type of training is
- On the job  Off the job
24. Trainers for job training
- Managers  Supervisors
- Others -----
25. Evaluation of training
- Performance  Test
- Interview  Others -----
26. Do you conduct training needs assessment before providing training?  
-----
27. On the average, how many times per year does your organization conduct training for employees?  
-----
28. Do you think the impact of the training can reduce the turnover rate?  
-----
29. How do you evaluate your employee's performance?
- their manager evaluate
- their co-workers evaluate
- you interview employee and test
30. How often does your hotel perform performance appraisal ( per year )?  
-----
31. What are the top three important purposes of performance appraisal practices?  
*(Please select three only)*
- Determine appropriate pay
- Plan training programs for employees
- Recognize employees for works done well
- Evaluate employees' goal achievement
- Identify employees' strengths and weaknesses

- Determine employees' promotability

**V. Compensation**

32. Pay raises for employees in the hotel are based on

- Rank of positions
- Evaluation of performance
- Annual
- Seniority
- Company's profit increase
- External labor market
- Education level
- Achievement
- Others -----

33. Which of the following compensation packages are used in your organization?

- Basic pays
- Performance based
- Bonus
- Overtime pay
- Commission
- Medical allowance

34. Which of the following benefits packages are used?

- Uniform allowance
- Travelling allowance
- Transportation
- Accommodation
- Maternity leave
- Study leave
- Pension
- Holiday/vacation
- Lunch
- Health care

35. How does your organization implement compensation and benefit practice?

-----

36. How often does adjust salary level?

37. Does the company think the compensation program can maintain and retain the talent employee?

-----

38. To attract the employee who intended to quit, does the pay level be increased?

-----

39. Does your company offer any incentive program for retention or performance improvement?

-----



**VI. Work-life balance**

40. How control would your company have in scheduling employee work hours?  
-----

41. How manage the employee work-stress in rush season?  
-----

42. Do your company have the program for employees' family affair?  
-----

43. For working mother, do your company provide child care service?  
-----

44. Which type leave do your company offer for the employee who have family problem?  
-----

45. How do you plan work schedule in rush season?

- |  |  |
|--|--|
| <input type="checkbox"/> Flexible work schedules | <input type="checkbox"/> Part-time work  |
| <input type="checkbox"/> Overtime                | <input type="checkbox"/> Job sharing     |
| <input type="checkbox"/> Shift work              | <input type="checkbox"/> Sub contracting |

**VII. Employee Engagement**

46. Type of Participation

- |   |   |
|---|---|
| <input type="checkbox"/> Teamwork                       | <input type="checkbox"/> Acceptance of Suggestion       |
| <input type="checkbox"/> Information sharing            | <input type="checkbox"/> Involvement in decision making |
| <input type="checkbox"/> Involvement in Problem solving | <input type="checkbox"/> Sharing goals                  |

47. Do you encourage employees to participate in working ?  
-----

48. What turnover rate has your company had in the last years?

- 0%-5%
- 6%-10%
- 11%-15%
- 16%-20%
- 21%-25%
- 26%-30%
- 31% and above

49. Have exit interviews been conducted?  
-----

50. What is the most reason for individual's turnover? (*Please select one only*)

- Dissatisfaction with work policies

- Alternatives/ new opportunities, eg: new job, starting own business etc.
- External factors, eg: housing, transportation etc.
- Organisation initiated, eg: layoff, end of temporary employment etc.
  - Personal factors, eg: personal illness, personal injury, pregnancy, dependents etc.
- Unclear
- Others

51. What kind of HRM practices do you think will help retain your employees?

## Questionnaire II (for Employees)

Dear Respondent,

I am Phu Pwint Nyo Win Aung, Ph.D student of the University of Economics, Yangon.

Although I am conducting a research on the topic “Employee retention in Myanmar Hotel Industry”, as part of the requirement for the Ph.D programme, I need to do **questionnaire survey** in your hotel. To be completed the research, I need your help in completing this questionnaire form. This questionnaire will take your time about five minutes to ten minutes. Your participation in this survey is completely voluntary and you may skip any question if you wish. The study is basically for academic purposes, thus, I guarantee that your responses will be kept strictly anonymous and confidential. Thank you very much for your participation.

### Section A: Background Information

The questions below are about your personal background. Please answer the questions correctly as they apply to you.

1. What is your current age (at your last birthday)?
  - Under 20     21 to 30     31 to 40     41 to 50
  - over 50
2. What is your sex ?
  - Female     Male
3. Educational background ( your highest completed level of education).
  - Primary     Middle     High     Graduated
  - Post-graduate

4. What is your marital status?
  - Single     Married

5. Your previous work experiences

	Job 1.	Job 2.	Job 3.
Industry	-----	-----	-----
Position	-----	-----	-----

6. How long have you been working for the current hotel?
  - \_\_\_\_\_ Years \_\_\_\_\_ Months

7. What is your current position in your hotel?

\_\_\_\_\_

8. What is your current department in your hotel?

\_\_\_\_\_

**Please write ( ✓ ) at the cell which you would prefer in the table and answer**

**Section B : Independent Variables**

Please indicate the extent to which you agree or disagree with the statements in the table. *Where 5= strongly agree,4= Agree, 3= Neither Agree Nor Disagree,2= Disagree, 1= Strongly Disagree*

**I. Compensation**

	Factors	5	4	3	2	1
1	My contribution is adequately rewarded.					
2	In our hotel, salary and other benefits are comparable to the marke					

	t and same industry.					
3	I earn more than others who occupy similar positions in other hotels.					
4	The non-monetary benefits, such as vacation time and medical insurance that I receive here are better than those I could get at other hotels.					
5	People who are hard working and results-oriented are rewarded in the organization.					
6	Compensation is satisfactorily reviewed from time to time.					

7	I am satisfied with the quality or quantity of the salary and benefit					
8	The salary and benefits I receive in this organization is commensurate with my responsibilities					
9	I am ready to increase my work effort in order to gain the reward					
10	Compensation and reward are very important in order for me to stay with the organization.					

## II. Career Management

	Factors	5	4	3	2	1
11	I have received sufficient –[training in this hotel to enable me do my job effectively.					
12	The hotel provides opportunities for staff training and development on a yearly basis					
13	Training needs are identified through a formal performance appraisal.					
14	The training I receive					

	Factors	5	4	3	2	1
4	for my current job is adequate.					
1 5	Formal training programs are offered to employees in order to increase their promoability in this organization					
1 6	There are formal training for new staffs to fit with organization and their job.					
1 7	I gained new knowledge, skills and abilities to perform team work after the training accomplished.					
1 8	I satisfied the training because I can perform our responsibility skillfully.					
1 9	There are better career and learning opportunities in this organization as compared to others.					
2 0	There are opportunities for me to advance my career.					

### III. Work-Life Balance

Factors	5	4	3	2	1

	Factors	5	4	3	2	1
21	My working life balances well with my family life					
22	My organization offers flexibility as to when to start and end the day's work					
23	My organization allows working for longer days per week to get a day off					
24	The volume of work that I have been assigned does not give me stress.					
25	Other hotels do not offer better work-life balance than my organization.					
26	I can easily take time off for home crisis such as flooding, Accidents or illness involving loved ones					
27	I am satisfied with the amount of time I spend at work					
28	My ability to achieve the desired balance					

	Factors	5	4	3	2	1
	between work and family life is a source of good health.					
29	There are vacation trip or party for staff annually.					
30	I have good work-life balance the organization, so I will contribute to be more effective and successful for their hotel					

#### IV. Employee Participation

	Factors	5	4	3	2	1
31	Communication across all levels in this hotel is good.					
32	My supervisor recognizes and values my ideas, suggestions and opinions.					
33	I can decide how to solve the problem when I encounter.					
34	I get plenty of freedom to decide how to do my work					
3	My supervisor					



5	creates a motivating and supportive work					
3 6	My contribution is fully recognized.					
3 7	I get on well with my work colleagues					
3 8	Manager always encourages participating in improvement of working practices					
3 9	I am prepared to put in a great deal of effort beyond what is normally expected in order to help this hotel to succeed.					
4 0	My organization assists me to gain more working experience in the job that I am doing					

## V. Job Hopping

Please indicate the extent to which you agree or disagree with the statements in the table regarding job hopping by employees. Where 5= strongly agree,4= Agree, 3= Neither Agree Nor Disagree,2= Disagree, 1= Strongly Disagree.

	Factors	5	4	3	2	1
4 1	For me, switching jobs is a kind of a habit					
4 2	I want to switch jobs because their colleagues do so					
4 3	Employees tend to change jobs for no apparent reasons.					
4 4	I could find better job in other hotels					
4 5	As soon as I can find a better job, I will leave this company.					

## VI. Alternative Employment Opportunities

Please indicate the extent to which you agree or disagree with the statements in the table regarding your perception of alternative employment opportunities. Where 5= strongly agree,4= Agree, 3= Neither Agree Nor Disagree,2= Disagree, 1= Strongly Disagree.

	Factors	5	4	3	2	1
4 6	If I quit your current job, the chances that I would be able to find another job which is as good as, or better than my present one is high					
4 7	If I have to leave this job, I would have another job as					

	good as this one within a month					
48	Given your age, education, and the general economic condition, the chance of attaining a suitable position in some other organization is easy.					
49	The chance of finding another job that would be acceptable is high					
50	It would be easy to find an acceptable alternative employment					

## VII. Job Satisfaction

Please indicate the extent to which you agree or disagree with the statements in the table. Where 5= strongly agree,4= Agree, 3= Neither Agree Nor Disagree,2= Disagree, 1= Strongly Disagree.

	Factors	5	4	3	2	1
51	Generally, I was very satisfied with my job.					
52	I am generally satisfied with the kind of work I					

	Factors	5	4	3	2	1
	did in my job.					
5 3	I am fully able to utilize my kills, abilities and experience in my present position					
5 4	I receive recognition or praise for doing a good work.					
5 5	I have a clear understanding of performance standards and expectations to successfully					

	Factors	5	4	3	2	1
	perform my job.					
5 6	My work gives me a feeling of personal accomplishment					
5 7	I can work autonomously on my work assignments.					
5 8	The working conditions in my hotel are good and safe.					
5 9	Management has created an open and comfortable work environment					

	Factors	5	4	3	2	1
60	The organizational structure facilitates teamwork, which enhances effective accomplishment of tasks happily.					

**Section C : Dependent Variables**

**VIII. Retention**

	Factors	5	4	3	2	1
61	I am willing to continue my employment in this organization at this part of time.					
62	I am willing to stay with this organization even if other jobs offer me more pay.					
63	I have no desire to quit from current job for coming one year.					

64	I want to get a long service experience at current hotel.					
65	I will remain with this organization even if I am offered a better opportunity from other hotels.					
66	I will remain even if there is better or same opportunity in other industry					
67	If I had another job offer that paid the same as the one have, I'd stay here in a minutes.					
68	I plan to work at my present job for as long as possible					
69	I plan to stay in this job for at least two to three years.					
70	I would hate to quit this job often.					

Thank you very much for your valuable contribution!

**APPENDIX A**  
**Questionnaire I**  
**(For Owner or HR manager)**

---

Dear Sir/Madam

The purpose of this questionnaire is to collect information on the *Employee Retention in Myanmar hotel industry* as part of a study for the award of PhD at Yangon University of Economics. I will be most grateful if you could take time off your busy schedule to respond to the questions. This is only an academic exercise and you are assured of anonymity and confidentiality. Thank you

---

**Section A: Background Information**

The questions below are about your hotel background. Please answer the questions correctly as they apply to you. (Some of question with “  “, please tick ✓ )

6. When did your hotel establish and operate?
7. When did the license get?
8. Which best describes your company operation pattern?
- Domestic company-owned Chain
  - Domestic chain with a franchise agreement
  - International Chain with a management contract
  - International Chain with a franchise agreement
  - Others
9. No of employees
- |                          | 2014  | 2015  |
|--------------------------|-------|-------|
| BOD/ Directors           | ----- | ----- |
| Manager                  | ----- | ----- |
| Remaining staff/employee | ----- | ----- |
10. Your information:
- f. Age:
  - g. Gender:
  - h. Position:
  - i. Education:
  - j. How long have you been employed in this organization?



Section B: **HRM practices**

52. Is there human resource department?

- Yes  No

53. If yes, Number of staff in HR department

-----

54. What activities are carried out by HR department?

- HR planning  Job analysis  
 Recruitment and selection  Compensation and benefit  
 Training and Development  Performance Appraisal  
 Career Development  Others -----

-

55. Major Purpose of conducting HR activities

-----

56. If No, Please give your responsibility

-----

57. Which department carried out HRM activities?

-----

58. Who take the responsibility of HRM activities?

-----

**VIII. HR Planning**

59. Does your hotel conduct HR planning?

- Yes  No

60. Purpose of HR planning?

-----

-----

61. How does your hotel conduct HR planning?

-----

-----

**IX. Job analysis**

62. Purpose of Job analysis?

-----

63. How does your hotel conduct Job analysis?

-----

-----  
**X. Recruitment and Selection Practices**

64. How your hotel does announce job vacancy?

-----  
-----

65. How do your recruitment programs conduct?

-----  
-----

66. How does your hotel conduct selection for new staff?

-----  
-----

67. Does your hotel have standard criteria for selection? What are they?

-----  
-----

68. Recruitment sources

- |   |   |
|---|---|
| <input type="checkbox"/> Employee referrals | <input type="checkbox"/> Advertising                    |
| <input type="checkbox"/> Employment Agency  | <input type="checkbox"/> Recommendation of other hotels |
| <input type="checkbox"/> Others -----       |   |

69. Selection method

- |  |  |
|--|--|
| <input type="checkbox"/> CV only                       | <input type="checkbox"/> CV and personal interview |
| <input type="checkbox"/> Skill test and practical test | <input type="checkbox"/> Others -----              |
| -----  |  |

70. Who are responsible for selection decision?

- |   |   |
|---|---|
| <input type="checkbox"/> Owners/ BOD        | <input type="checkbox"/> Admin / HR manager |
| <input type="checkbox"/> Department Manager |   |

**XI. Career Management**

71. Does your company have a training plan which includes training needs, goals, and objectives?

- |                              |                             |
|------------------------------|-----------------------------|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No |
|------------------------------|-----------------------------|

If yes, please describe the content.

-----  
72. Is it compulsory for employees to attend training programs

- Yes  No

73. Are newly acquired knowledge and skills through training evaluated in the performance appraisal systems?

- Yes  No

74. The type of training is

- On the job  Off the job

75. Trainers for job training

- Managers  Supervisors  
 Others -----

76. Evaluation of training

- Performance  Test  
 Interview  Others -----

77. Do you conduct training needs assessment before providing training?  
-----

78. On the average, how many times per year does your organization conduct training for employees?  
-----

79. Do you think the impact of the training can reduce the turnover rate?  
-----

80. How do you evaluate your employee's performance?

- their manager evaluate  
 their co-workers evaluate  
 you interview employee and test

81. How often does your hotel perform performance appraisal ( per year )?  
-----

82. What are the top three important purposes of performance appraisal practices?

*(Please select three only)*

- Determine appropriate pay  
 Plan training programs for employees  
 Recognize employees for works done well  
 Evaluate employees' goal achievement

- Identify employees' strengths and weaknesses
- Determine employees' promotability

**XII. Compensation**

83. Pay raises for employees in the hotel are based on

- |  |  |
|--|--|
| <input type="checkbox"/> Rank of positions         | <input type="checkbox"/> Evaluation of performance |
| <input type="checkbox"/> Annual                    | <input type="checkbox"/> Seniority                 |
| <input type="checkbox"/> Company's profit increase | <input type="checkbox"/> External labor market     |
| <input type="checkbox"/> Education level           | <input type="checkbox"/> Achievement               |
| <input type="checkbox"/> Others -----              |  |

84. Which of the following compensation packages are used in your organization?

- |                                     |  |
|-------------------------------------|--|
| <input type="checkbox"/> Basic pays | <input type="checkbox"/> Performance based |
| <input type="checkbox"/> Bonus      | <input type="checkbox"/> Overtime pay      |
| <input type="checkbox"/> Commission | <input type="checkbox"/> Medical allowance |

85. Which of the following benefits packages are used?

- |  |   |
|--|---|
| <input type="checkbox"/> Uniform allowance | <input type="checkbox"/> Travelling allowance |
| <input type="checkbox"/> Transportation    | <input type="checkbox"/> Accommodation        |
| <input type="checkbox"/> Maternity leave   | <input type="checkbox"/> Study leave          |
| <input type="checkbox"/> Pension           | <input type="checkbox"/> Holiday/vacation     |
| <input type="checkbox"/> Lunch             | <input type="checkbox"/> Health care          |

86. How does your organization implement compensation and benefit practice?

-----

87. How often does adjust salary level?

88. Does the company think the compensation program can maintain and retain the talent employee?

-----

89. To attract the employee who intended to quit, does the pay level be increased?

-----

90. Does your company offer any incentive program for retention or performance improvement?

**XIII. Work-life balance**

91. How control would your company have in scheduling employee work hours?  
-----

92. How manage the employee work-stress in rush season?  
-----

93. Do your company have the program for employees' family affair?  
-----

94. For working mother, do your company provide child care service?  
-----

95. Which type leave do your company offer for the employee who have family problem?  
-----

96. How do you plan work schedule in rush season?

- |  |  |
|--|--|
| <input type="checkbox"/> Flexible work schedules | <input type="checkbox"/> Part-time work  |
| <input type="checkbox"/> Overtime                | <input type="checkbox"/> Job sharing     |
| <input type="checkbox"/> Shift work              | <input type="checkbox"/> Sub contracting |

**XIV. Employee Engagement**

97. Type of Participation

- |   |   |
|---|---|
| <input type="checkbox"/> Teamwork                       | <input type="checkbox"/> Acceptance of Suggestion       |
| <input type="checkbox"/> Information sharing            | <input type="checkbox"/> Involvement in decision making |
| <input type="checkbox"/> Involvement in Problem solving | <input type="checkbox"/> Sharing goals                  |

98. Do you encourage employees to participate in working ?  
-----

99. What turnover rate has your company had in the last years?

- 0%-5%
- 6%-10%
- 11%-15%
- 16%-20%
- 21%-25%
- 26%-30%
- 31% and above

100. Have exit interviews been conducted?  
-----

101. What is the most reason for individual's turnover? (*Please select one only*)
- Dissatisfaction with work policies
  - Alternatives/ new opportunities, eg: new job, starting own business etc.
  - External factors, eg: housing, transportation etc.
  - Organisation initiated, eg: layoff, end of temporary employment etc.
    - Personal factors, eg: personal illness, personal injury, pregnancy, dependents etc.
  - Unclear
  - Others
102. What kind of HRM practices do you think will help retain your employees?

## Questionnaire II (for Employees)

Dear Respondent,

I am Phu Pwint Nyo Win Aung, Ph.D student of the University of Economics, Yangon.

Although I am conducting a research on the topic "Employee retention in Myanmar Hotel Industry", as part of the requirement for the Ph.D programme, I need to do **questionnaire survey** in your hotel. To be completed the research, I need your help in completing this questionnaire form. This questionnaire will take your time about five minutes to ten minutes. Your participation in this survey is completely voluntary and you may skip any question if you wish. The study is basically for academic purposes, thus, I guarantee that your responses will be kept strictly anonymous and confidential. Thank you very much for your participation.

### Section A: Background Information

The questions below are about your personal background. Please answer the questions correctly as they apply to you.

9. What is your current age (at your last birthday)?

- Under 20     21 to 30     31 to 40     41 to 50  
 over 50

10. What is your sex ?

- Female     Male

11. Educational background ( your highest completed level of education).

- Primary     Middle     High     Graduated  
 Post-graduate

12. What is your marital status?

- Single     Married

13. Your previous work experiences

	Job 1.	Job 2.	Job 3.
Industry	-----	-----	-----

Position -----

14. How long have you been working for the current hotel?

\_\_\_\_\_ Years \_\_\_\_\_ Months

15. What is your current position in your hotel?

\_\_\_\_\_

16. What is your current department in your hotel?

\_\_\_\_\_

**Please write ( ✓ ) at the cell which you would prefer in the table and answer**

**Section B : Independent Variables**

Please indicate the extent to which you agree or disagree with the statements in the table. *Where 5= strongly agree,4= Agree, 3= Neither Agree Nor Disagree,2= Disagree, 1= Strongly Disagree*

**IX. Compensation**

	Factors	5	4	3	2	1
1	My contribution is adequately rewarded.					
2	In our hotel, salary and other benefits are comp					

	<p>comparable to the market and same industry.</p>					
3	<p>I earn more than others who occupy similar positions in other hotels.</p>					
4	<p>The non-monetary benefits, such as vacation time and medical insurance that I receive here are better than those I could get at other hotels.</p>					
5	<p>People who are hard working and results-oriented are rewarded in the organization.</p>					



6	Compensation is satisfactorily reviewed from time to time.					
7	I am satisfied with the quality or quantity of the salary and benefit					
8	The salary and benefits I receive in this organization is commensurate with my responsibilities					
9	I am ready to increase my work effort in order to gain the reward					
10	Compensation and reward are very important in order for me to stay with the organization.					

**X. Career Management**

	Factors	5	4	3	2	1
11	I have received sufficient –[training in this hotel to enable me do my job effectively.					
12	The hotel provides opportunities for staff training and development on a yearly basis					
13	Training needs are identified through a					

	Factors	5	4	3	2	1
	formal performance appraisal.					
1 4	The training I receive for my current job is adequate.					
1 5	Formal training programs are offered to employees in order to increase their promoability in this organization					
1 6	There are formal training for new staffs to fit with organization and their job.					
1 7	I gained new knowledge, skills and abilities to perform team work after the training accomplished.					
1 8	I satisfied the training because I can perform our responsibility skillfully.					
1 9	There are better career and learning opportunities in this organization as compared to others.					
2 0	There are opportunities for me to advance my career.					

**XI. Work-Life Balance**

	Factors	5	4	3	2	1
21	My working life balances well with my family life					
22	My organization offers flexibility as to when to start and end the day's work					
23	My organization allows working for longer days per week to get a day off					
24	The volume of work that I have been assigned does not give me stress.					
25	Other hotels do not offer better work-life balance than my organization.					
26	I can easily take time off for home crisis such as flooding, Accidents or illness involving loved ones					
27	I am satisfied with the amount of time I spend at work					

	Factors	5	4	3	2	1
28	My ability to achieve the desired balance between work and family life is a source of good health.					
29	There are vacation trip or party for staff annually.					
30	I have good work-life balance the organization, so I will contribute to be more effective and successful for their hotel					

## **XII. Employee Participation**

	Factors	5	4	3	2	1
31	Communication across all levels in this hotel is good.					
32	My supervisor recognizes and values my ideas, suggestions and opinions.					
33	I can decide how to solve the problem when I encounter.					
34	I get plenty of freedom to					

	decide how to do my work					
3 5	My supervisor creates a motivating and supportive work					
3 6	My contribution is fully recognized.					
3 7	I get on well with my work colleagues					
3 8	Manager always encourages participating in improvement of working practices					
3 9	I am prepared to put in a great deal of effort beyond what is normally expected in order to help this hotel to succeed.					
4 0	My organization assists me to gain more working experience in the job that I am doing					

### XIII. Job Hopping

Please indicate the extent to which you agree or disagree with the statements in the table regarding job hopping by employees. Where 5= strongly agree,4= Agree, 3= Neither Agree Nor Disagree,2= Disagree, 1= Strongly Disagree.

	Factors	5	4	3	2	1
4 1	For me, switching jobs is a kind of a habit					
4 2	I want to switch jobs because their colleagues do so					
4 3	Employees tend to change jobs for no apparent reasons.					
4 4	I could find better job in other hotels					
4 5	As soon as I can find a better job, I will leave this company.					

### XIV. Alternative Employment Opportunities

Please indicate the extent to which you agree or disagree with the statements in the table regarding your perception of alternative employment opportunities. Where 5= strongly agree,4= Agree, 3= Neither Agree Nor Disagree,2= Disagree, 1= Strongly Disagree.

	Factors	5	4	3	2	1
4 6	If I quit your current job, the chances that I would be able to find another job which is as good as, or better than my present one is high					
4 7	If I have to leave this job, I would have another job as					

	good as this one within a month					
48	Given your age, education, and the general economic condition, the chance of attaining a suitable position in some other organization is easy.					
49	The chance of finding another job that would be acceptable is high					
50	It would be easy to find an acceptable alternative employment					

### XV. Job Satisfaction

Please indicate the extent to which you agree or disagree with the statements in the table. Where 5= strongly agree,4= Agree, 3= Neither Agree Nor Disagree,2= Disagree, 1= Strongly Disagree.

	Factors	5	4	3	2	1
51	Generally, I was very satisfied with my job.					
52	I am generally satisfied with the kind of work I					

	Factors	5	4	3	2	1
	did in my job.					
5 3	I am fully able to utilize my kills, abilities and experience in my present position					
5 4	I receive recognition or praise for doing a good work.					
5 5	I have a clear understanding of performance standards and expectations to successfully					



	Factors	5	4	3	2	1
	perform my job.					
5 6	My work gives me a feeling of personal accomplishment					
5 7	I can work autonomously on my work assignments.					
5 8	The working conditions in my hotel are good and safe.					
5 9	Management has created an open and comfortable work environment					

	Factors	5	4	3	2	1
60	The organizational structure facilitates teamwork, which enhances effective accomplishment of tasks happily.					

**Section C : Dependent Variables**

**XVI. Retention**

	Factors	5	4	3	2	1
61	I am willing to continue my employment in this organization at this part of time.					
62	I am willing to stay with this organization even if other jobs offer me more pay.					
63	I have no desire to quit from current job for coming one year.					

64	I want to get a long service experience at current hotel.					
65	I will remain with this organization even if I am offered a better opportunity from other hotels.					
66	I will remain even if there is better or same opportunity in other industry					
67	If I had another job offer that paid the same as the one have, I'd stay here in a minutes.					
68	I plan to work at my present job for as long as possible					
69	I plan to stay in this job for at least two to three years.					
70	I would hate to quit this job often.					

Thank you very much for your valuable contribution!

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## APPENDIX A

### Questionnaire I

(For Owner or HR manager)

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Dear Sir/Madam

The purpose of this questionnaire is to collect information on the *Employee Retention in Myanmar hotel industry* as part of a study for the award of PhD at Yangon University of Economics. I will be most grateful if you could take time off your busy schedule to respond to the questions. This is only an academic exercise and you are assured of anonymity and confidentiality. Thank you

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#### Section A: Background Information

The questions below are about your hotel background. Please answer the questions correctly as they apply to you. (Some of question with “  “, please tick  )

1. When did your hotel establish and operate?
2. When did the license get?
3. Which best describes your company operation pattern?
  - Domestic company-owned Chain
  - Domestic chain with a franchise agreement
  - International Chain with a management contract
  - International Chain with a franchise agreement
  - Others

4. No of employees

	2014	2015
BOD/ Directors	-----	-----
Manager	-----	-----
Remaining staff/employee	-----	-----

5. Your information:
  - a. Age:
  - b. Gender:
  - c. Position:
  - d. Education:
  - e. How long have you been employed in this organization?



## Appendix B

### Reliability Test

Compensation and Benefit

#### Reliability Statistics

Cronbach's Alpha	N of Items
.904	8

Career Management

#### Reliability Statistics

Cronbach's Alpha	N of Items
.942	8

Work-life Balance

#### Reliability Statistics

Cronbach's Alpha	N of Items
.892	9

Employee Participation

#### Reliability Statistics

Cronbach's Alpha	N of Items
.874	8



**Factor Analysis**  
**Compensation and Benefits**

**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.812	60.144	60.144	4.812	60.144	60.144
2	.712	8.896	69.040			
3	.654	8.178	77.218			
4	.490	6.125	83.343			
5	.437	5.458	88.801			
6	.387	4.833	93.634			
7	.302	3.778	97.412			
8	.207	2.588	100.000			

**Career Management**

**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.713	71.417	71.417	5.713	71.417	71.417
2	.652	8.146	79.563			
3	.401	5.008	84.570			
4	.339	4.242	88.812			
5	.269	3.368	92.180			
6	.246	3.078	95.258			
7	.199	2.488	97.746			
8	.180	2.254	100.000			

**Work-life Balance**

**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.911	54.569	54.569	4.911	54.569	54.569
2	.858	9.532	64.101			
3	.813	9.033	73.134			
4	.557	6.184	79.319			
5	.458	5.084	84.403			
6	.420	4.665	89.067			
7	.385	4.276	93.344			
8	.337	3.740	97.084			
9	.262	2.916	100.000			

**Employee Participation**

**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.311	53.886	53.886	4.311	53.886	53.886
2	.947	11.840	65.726			
3	.751	9.387	75.113			
4	.613	7.664	82.777			
5	.495	6.186	88.963			
6	.317	3.968	92.930			
7	.303	3.786	96.716			
8	.263	3.284	100.000			

**Job Hopping Culture**

**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.836	70.888	70.888	2.836	70.888	70.888
2	.539	13.487	84.374			
3	.342	8.552	92.926			
4	.283	7.074	100.000			

**Alternative Employment Opportunities**

**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.203	64.053	64.053	3.203	64.053	64.053
2	.656	13.122	77.175			
3	.509	10.172	87.347			
4	.368	7.357	94.705			
5	.265	5.295	100.000			

**Job Satisfaction**

**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.452	60.579	60.579	5.452	60.579	60.579
2	.727	8.083	68.662			
3	.690	7.667	76.328			
4	.532	5.909	82.238			
5	.460	5.115	87.353			
6	.388	4.308	91.661			
7	.294	3.269	94.930			
8	.268	2.973	97.903			
9	.189	2.097	100.000			

## Multiple Linear Regression

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.830 <sup>a</sup>	.689	.685	.40420	1.912

a. Predictors: (Constant), EP, Compensation, Career, Worklife

b. Dependent Variable: Satisfaction

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	127.010	4	31.753	194.351	.000 <sup>b</sup>
	Residual	57.345	351	.163		
	Total	184.355	355			

a. Dependent Variable: Satisfaction

b. Predictors: (Constant), EP, Compensation, Career, Worklife

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
		1	(Constant)	.035		
	Career	.204	.037	.232	5.561	.000
	Compensation	.224	.040	.242	5.573	.000
	Worklife	.113	.047	.108	2.435	.015
	EP	.431	.052	.383	8.298	.000

a. Dependent Variable: Satisfaction

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.678 <sup>a</sup>	.460	.456	.60167	1.759

a. Predictors: (Constant), AEO, Satisfaction, Jobhopping

b. Dependent Variable: Retention

ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	108.667	3	36.222	100.059	.000 <sup>b</sup>
	Residual	127.427	352	.362		
	Total	236.093	355			

a. Dependent Variable: Retention

b. Predictors: (Constant), AEO, Satisfaction, Jobhopping

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.485	.230		6.459	.000		
	Satisfaction	.724	.045	.640	16.110	.000	.973	1.028
	Jobhopping	-.130	.037	-.140	-3.467	.001	.936	1.069
	AEO	-.077	.043	-.072	-1.784	.075	.954	1.048

a. Dependent Variable: Retention