FACTORS INFLUENCING YOUNG EMPLOYEES TO LEAVE THE
HOSPITALITY INDUSTRY

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By
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SIGNATURE PAGE

PROJECT: FACTORS INFLUENCING YOUNG EMPLOYEES TO LEAVE THE HOSPITALITY INDUSTRY

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ABSTRACT

Employees, especially the younger ones, are leaving the hospitality industry at an increasing rate resulting to reduced performance and overall productivity. This study aimed to establish the factors that contribute to young employee turnover in the industry and to define the impact of organizational factors, social, and individual factors on young employee turnover. A qualitative research design, using the MEBS method, was employed to gather pertinent data. Two simple background stories, positive and negative stories, were uploaded in Survey Monkey for respondents to answer. Participants (n=63) included were hospitality students from the researcher’s school, with some also working in the hospitality industry. Results from the survey showed that low salary was the most prevalent factor for leaving employment based on the respondents’ narratives (36.23%). This was followed by being overworked (33.33%), career change (21.74%), bad working conditions (18.84%), management issues (18.84%), burnout (17.39%), social conflict (14.49%), career growth (11.59%), guest behavior (10.14%), company issue (1.45%), culture shock (1.45%), and work environment (1.45%). The findings from the study indicate that contrary to anticipated, technological factors and COVID-19 security only had minimal impact on hospital employees’ turnover behaviors. Instead, hygiene and motivational factors were the key drivers for employee attrition. Hence, business leaders should focus their initiatives on addressing this factors in order reduce employee turnovers.
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CHAPTER 1: INTRODUCTION

Employee turnover measures the number of employees who leave an organization and are replaced by new employees during a specific period (Nickson, 2013). It is a huge burden on the company since human capital, which refers to employee knowledge, skills, experience, personalities, as well as internal and external relationships, is crucial in building its specific advantage. As employees leave the company, it can have negative implications. The employer needs to invest additional time and effort in the recruitment process for new employees (Edirisinghe & Manuel, 2019). Moreover, higher attrition leads to huge training costs as new employees joining on board must be trained (Holston-Okae, 2018).

The employee turnover rate is relatively high in the hospitality industry (Edirisinghe & Manuel, 2019). According to the Bureau of Labor Statistics, the hospitality industry had a turnover rate of 129.8% in 2020. The high number coincided with the recent COVID-19 pandemic and the closure of most hospitality infrastructures. Nevertheless, even before the pandemic, the rate was already relatively high at 79.3% (United States Bureau of Labor Statistics, 2022). This huge number or resignation from the hospitality industry contributes to the already worsening labor shortage brought about by an imbalance in the demand for labor and the available labor supply (Kwok, 2022).

Employee turnover in this industry can lead to reduced employee morale, motivation, commitment, and job satisfaction, all of which negatively influence productivity levels. Damaged brand image and reputation due to an increased number of employees exiting a particular company or organization culminates into a reduced number of customers attracted to that business entity or sector (Holston-Okae, 2018). The
hospitality business involves social service activities, focused on satisfying the needs of the guests for rest, sleep, food, cultural entertainments, and more (Groblena & Tokarz-Kocik, 2016). However, if the number of employees able to provide these services is inadequate, the guests will not likely be accommodated well, hence, customer satisfaction will not be achieved. As Edirisinghe & Manuel (2019) stated, the success of every company is directly affected by the performance of its employees. According to Nickson (2013), the affected organization cannot perform optimally with frequent change in its workforce, which has to be acquainted with the organization's culture, work policies, and processes.

It has been highlighted in many previous studies that people are important in the world economy (Felsenstein, Schamp & Shachar, 2013). Employees play a critical role in successful hospitality business operations (Grobelna & Tokarz-Kocik, 2016). However, most organizations have been facing employee turnover, making this problem a highly researchable topic (Edirisinghe & Manuel, 2019). Turnover among young hospitality employees is particularly worth investigating because in a short time, they will become most of the workforce. In particular, Generation Y, which includes individuals born in the 1980s and 1990s, is currently entering the labor market. They are known to have different sets of values, communication methods, and expectations, as well as a distinct manner of accomplishing tasks than the prior generation. Evidence has shown that 75% to 90% of Generation Y individuals cannot imagine themselves working for a single employer for more than three years (Grobelna & Tokarz-Kocik, 2016). Meanwhile, according to the 2021 report by the Congressional Research Service (CRS), unemployment rates have the tendency to increase among younger workers. The unemployment rate for women ages
from February to April 2020, was at 36.6% (CRS, 2022). These trends among the younger employees, if they continue, may cause some challenges to employers, especially those in the hospitality industry (Grobelna & Tokarz-Kocik, 2016).

According to the U.S Bureau of Labor Statistics, the annual attrition rates in the hospitality industry in 2016 were 73.8% (U.S Bureau of Labor Statistics, 2020). This percentage represented an average of 6% of employees exiting the industry (U.S Bureau of Labor Statistics, 2020). Apparently, every time an employee leaves the position, the slot must be filled with a new worker, who must be trained and equipped with the requisite skills. Adeyinka-Ojo (2018) further supports the above findings by acknowledging the fact that the turnover rates are particularly high in the initial phases of starting employment, which is usually between 6 and 9 months. According to a survey conducted by Deloitte (2020) in 2019, 49% of the young employees were ready to leave employment if they get a choice. This number has drastically increased from 38%, as recorded in the year 2017. Therefore, this implies that there is a high likelihood of an increased turnover rate among young employees. Given that younger employees are the future of every organization, it is important to understand the causes of turnover among younger employees in the hospitality industry.

Although the factors influencing employee turnover has received much attention, prior research has focused on the reasons why hospitality employees leave an organization. It is possible that employees not only leave the organization but also the hospitality industry and there might be specific factors pushing employees outside of the hospitality industry. Also, there might be certain causes that influence younger employees to consider leaving
the industry and looking for jobs in other industries. However, younger employees and their attrition rates in the hospitality industry have been understudied.

To fill these gaps, this study aims to investigate the fundamental reasons instigating the high turnover of young employees in the hospitality industry, resulting in them moving out of the industry. Specifically, the following research questions were answered through structured interviews.

**Research Questions**

- What organizational factors prompt younger employees to leave the hospitality industry?
- What individual factors prompt younger employees to leave the hospitality industry?
- What situational factors prompt younger employees to leave the hospitality industry?

The results showed the impact of personal, organizational, and situational factors (e.g., the impact of the COVID-19 pandemic) and a series of recommendations on how the turnover could be reduced were provided. The current research contributed to the existing knowledge and understanding regarding the problem under investigation. The findings obtained from the current research can be used by organizations and important stakeholders in the hospitality industry to come up with effective strategies that can help improve employee retention. Finally, the findings obtained from the current research can also be utilized in setting a basis for conducting future research in this study area.
CHAPTER 2: LITERATURE REVIEW

Employee Turnover

Puteh (2015) defines employee turnover as the rate at which employees leave and get replaced in their workplaces, whether voluntarily or involuntarily. Further, Puteh (2015) posits that employee turnover intention is the likelihood of a worker leaving their current job or organization. Employees' turnover is considered a severe HR issue due to its adverse effects on product and service quality, productivity, and profitability (Long, Kowang, & Chin, 2017).

Employee turnover is a costly and intractable HR challenge facing most global organizations since it means investment wastage in personnel selection and training (Guilding, Lamminmaki, & McManus, 2014). Long et al. (2017) posit that employee turnover subject organizations to enormous costs for recruitment and selection, induction and training of new hires, and loss of expertise acquired by the lost employees during their service at the company.

Moreover, high employee turnover has adverse impacts on the motivation level of existing employees, leads to a high workload, and creates challenges in planning. The hospitality industry is founded on providing the best quality services to clients visiting the restaurants or hotels; hence the industry's success highly relies on the employees (Zhang, Torres, & Jahromi, 2019). Understanding the reasons behind turnover among young employees is critical since being a service industry, constant turnover is costly and challenging to satisfy customer expectations.

Guilding et al. (2014) elucidate that to understand how to lower employee turnover within the hospitality sector; it is vital first to establish the reasons they leave. In
most cases, involuntary employee turnover results from managerial decisions to terminate a employees' contract or transfer them. Guilding et al. (2014) elucidate that voluntary turnover occurs when an employee is dissatisfied with their jobs hence decide to leave.

In an empirical work review, AK (2018) found out that the intentions to leave one's job is because of different reasons that vary between individuals. With appropriate communication, employers can learn about employees' intentions to leave and resolve them on time. AK (2018) revealed that critical issues that trigger intentions to leave include job stress, job dissatisfaction, organizational commitment and culture, leadership and management styles, salary, and promotional opportunities, and demographic variables.

Employee turnover occurs when employees leave organizations whether voluntary or involuntary and are replaced. Voluntary turnover occurs when the employee prefers to leave the organization for other choices. Causes of voluntary turnover include finding green pastures, low job satisfaction, and work stress among others. However, when employees are forced by the employer circumstances to leave the organization is considered involuntary turnover. Employee turnover is among the issues that face HR managers due to its costs and other adverse impacts on the organization. Other adverse effects associated with high employee turnover include low profits, low productivity, and reduced employee motivation among others.

Factors Influencing Employee Turnover

Burnout

Worker's burnout refers to the exhaustion resulting from the roles assigned to employees. Burnout can be mental, emotional, or physical and mainly result from an
excessive workload or job-related stress. Most burnout manifests through the continuous feeling of being overwhelmed and pressured to perform jobs that one may not be able to do due to exhaustion. Burnout leads to job dissatisfaction and engagement, which has a direct impact on employee happiness and, in turn, increases intentions to leave the organization.

A study by Scanlan and Still (2019) revealed that turnover intention, job satisfaction, and burnout have a positive correlation. Employees in the hospitality sector are highly susceptible to workplace burnout; thus, most employees decide to leave their jobs and look for less stressing work leading to high employee turnover (Scanlan & Still, 2019). The study concluded that constant workload, inability to reach set targets, and condescending supervisors within the hospitality sector led to burnout, which contributes to high turnover.

Another study by Santhanam and Srinivas (2019) demonstrated that a positive correlation exists between employees' happiness and workplace engagement and turnover intentions due to burnout. Santhanam and Srinivas (2019) found out that in some instances, employees may disengage in the workplace but are happy, which leads to reduced burnout.

Puteh (2015) posits that high turnover rates indicate a significant weakness in the achievement of organizational goals. Therefore, Puteh (2015) sought to identify key turnover intention determinants and found out that work-life balance and availability of job alternatives were the two primary factors leading to employee turnover intentions. Poor work-life balance leads to burnout as employees struggle to balance their life and their work with most deciding to leave if they feel the pressure is beyond them.
The more the burnout, the higher the chances that employees are going to leave their jobs. With less burnout, employees are more likely to be satisfied with their organizations, hence reducing intentions to leave unless other issues affect them, such as poor pay. Numerous researchers agree that burnout significantly contributes to employees' intentions to leave their jobs (Puteh, 2015; Santhanam & Srinivas; Scanlan & Still, 2019).

**Human Resources Management Practices**

Employees' compensation is an essential factor that has a significant impact on employees' intentions to leave the hospitality sector. The hospitality sector is highly competitive, with many organizations using compensation as a competitive advantage, thus attracting top talents. Therefore, compensation has a high likelihood of impacting employees' decisions to leave their jobs.

In their study, Holston-Okae and Mush (2018) sought to examine the link between compensation and motivation on employees' turnover intentions. The study, which was based on the Herzberg theory of motivation, revealed that compared to motivation, compensation has a high impact on employee turnover since it influences satisfaction among employees. Thus, when employees are dissatisfied with the compensation offered to them, they develop intentions to leave and look for better employment opportunities.

AK (2018) completed a literature review, which demonstrated that, in general, job-related rewards such as lack of promotion significantly influence intentions to leave among employees. Rewards act as a motivational force that makes employees feel appreciated and valued by the organization hence less likely to leave. Thus, when
companies with limited or no rewards for their personnel are likely to experience continuous employee turnover as employees value rewards.

Employee training is also a critical factor affecting intentions to leave since it contributes to career growth (Santhanam et al., 2017). In their study, Malek, Kline, and DiPietro (2018) evaluated the impacts of management training on employees’ turnover in the hospitality sector and found out that management training had an inverse impact on employee turnover.

The more the training, the less likely employees intend to leave their workplaces. However, in their study, Nguyen and Shao (2019) demonstrated a different perspective revealing that sometimes employee training increases turnover intentions since employees acquire more skills tempting them to want to explore advanced opportunities.

**Organizational Support**

Organization support is the level of value, and support employees receive from the management. The support varies from extended leave days for employees suffering from mental health, transport to employees living far from places of work, scholarships for those interested in advancing their education, and ensuring employees who take leaves retain their jobs when they resume.

Research completed by Jayasundera and Jayawardana (2017) revealed the existence of a strong link between employee turnover intentions and organizational support. Jayasundera and Jayawardana (2017) found out that a negative relationship exists between employees’ intention to leave and organizational support. Thus, lack of organizational support leads to employees seeking new employment opportunities in organizations that support them.
Kundu and Lata (2017) examined the organizational engagement mediating effect in the link between supportive work environments (SWE) and employee retention. The findings revealed that SWE is a useful tool in forecasting employee retention and that organizational engagement leads to a partial mediation of the relationship between employee retention and SWE. Kundu and Lata (2017) conclude that lack of organizational support prompts employees to seek better employment opportunities in organizations that support and value their efforts.

Another study by Akgunduz and Sanli (2017) sought to explore the impact of perceived organizational support, employee advocacy, and turnover intentions in the hotel sector. The study was concerned that employees tend to display positive behaviors towards their employers if they feel their interests are favored and protected. Akgunduz and Sanli (2017) concluded that organizational support significantly influences employees' intentions to leave their jobs.

Notably, the relationship between organizational management acts as an indication of organizational support to their employees or lack it. Kundu and Lata (2017) elucidate that employees want to feel appreciated and know that the management has their interests at heart. Therefore, if employees realize they do not have organizational support, they develop intentions to seek employment in other companies where they will be valued, protected, and supported.

Job Aspirations and Career Growth

Atongdem and Combert (2019) conducted a study that aimed at investigating factors that fuel employee turnover within the hospitality sector. Among the several factors identified as having substantial influence or employee's intentions to leave the
industry were weak career opportunities. Atongdem and Combert (2019) noted that every employee is looking for growth and aspires to hold a higher position with better compensation and benefits.

Notably, weak career development platforms, lack of learning and growth opportunities, and delayed promotion significantly influence employees' intentions to leave their present jobs in search of growth opportunities. According to Chin (2018), a positive correlation exists between job satisfaction and career development. Hence, employees' lack of career growth opportunities leads to dissatisfaction prompting employees to seek employment elsewhere.

Employees consider promotion as a form of career growth. Thus, AK (2018) elucidates that any limited rewards, such as lack of promotions, which limits employees' advancement, significantly trigger their intentions to leave. The hospitality sector has limited room for growth, which partially explains the high turnover rates among young people (Arshad, 2016).

Arshard (2016) found out that opportunities for career advancement in the workplace have a direct correlation with organizational support. Therefore, in line with Kundu and Lata's (2017) findings, career advancement portrays organizational support that mediates between job satisfaction, and employees intend to leave.

Overall, it is evident that management teams, especially in the hospitality sector, should consider all possible means to help employees grown by any possible means. As a result, employee training comes handy with retention since when offered training opportunities, employees stand higher promotion chances that translate to career growth.
The Influence of COVID-19

**Job Security**

Covid-19 pandemic has resulted in a business environment that undermines job security, especially in the hospitality sector. As a result, the majority of industrial employees are looking for opportunities in other sectors since they fear job loss. As it stands, employees in the hospitality sector have no assurance of retaining their jobs once the sector opens up (Mao et al., 2020). With the continued rise in Covid-19 cases across the world, the hospitality sector is expected to continue suffering significant consequences since it thrives on travel and tourism. Accordingly, Mao et al. (2020) posit that even the employees who are still holding their jobs are not sure of their job security since it is unknown when the pandemic will end. Zeng, Chen, and Lew (2020) posit that job-related uncertainties continue to push employees out of the hospitality sector. Uncertainties about the hospitality sector's fate lead to increased job insecurities as employees are afraid of losing their jobs, which will ultimately prompt them to leave the sector, exposing it to a labor shortage.

It is unknown when the pandemic will end since no vaccine or treatment has been found, yet an infection is still on the rise in most countries. Besides, more challenges are predicted, and with countries still maintaining the border restrictions, the hospitality industry cannot support a large volume of employees. Thus, by the time things return to normal, the sector will have lost a considerable number of employees to other sectors.

Patel and Kulkarni (2020) agree that the hospitality sector, which depends on travel, tourism, and trade, is among the industries that are most hit by the coronavirus. The World Travel and Tourism Council estimated that about 75 million tourism and
travel jobs are at risk globally. In the U.S., the hospitality industry has declined with 459,000 job cuts (Patel & Kulkarni, 2020). For the week ending 7 March 2020, the revenue of hotels per available room fell 11.6%. The travel sector has grappled a substantial drop in demand and an unprecedented surge of cancellations amid strict governmental directives to implement social distancing as well as unnecessary travel restrictions (Nicola et al., 2020). Unlike some sectors, hotels and travel companies are directly affected by the lockdowns and movement cessation across the world. Countries are reluctant to lift the restrictions; hence more employees in the hospitality sector risk being jobless for a more extended period. The decline in cash flow also means that the hotels cannot sustain many employees; hence, redundancy will rise.

**Safety at Work**

In addition to job security issues, Covid-19 has also led to safety-related complexities in the hospitality sector. The industry is service-oriented hence involves a lot of human interactions. As a result, employees are worried about their health safety while in their workplaces, hence a significant percentage of the workforce leaving or considering leaving the industry.

According to Grobelna and Tokarz-Kocik (2016), young people will become the largest group in the hospitality sector's workforce hence crucial to the recovery and functioning of the sector. However, a recent Global Data survey revealed that a significant percentage of Gen Y and Z (35% and 48% respectively) are extremely concerned about the coronavirus pandemic (Mao et al., 2020). These concerns translate to fears about their safety while at work in a sector that entails extreme human interactions.
Therefore, such safety concerns are likely to push many young people to seek employment in other sectors.

People have adapted to the change brought about by the coronavirus crisis, paying attention to the safety of their environment (Patel & Kulkarni, 2020). Social distance measures are being practiced and employees are seeking opportunities in other sectors as many companies have been considering the use of technology (Zeng et al., 2020). Due to the emergence of computers and the internet, transactions can be carried out online making it suitable for the new life brought about by the pandemic situation. Many jobs can be done remotely and a lot of industries have allowed employees to work from home (Dey et al., 2020).

As earlier mentioned, the hospitality sector is a service industry and entails physical interactions with customers. Because of this, employees cannot work from home, unlike other sectors, as they have to report to work. The high death and infection rates have been a cause of fear among most people; hence a considerable number may be uncomfortable going back to work in hospitality companies and instead seek work opportunities that allow them to work remotely due to fears about their health safety while at work.

Accordingly, the COVID-19 pandemic has resulted in extreme impacts on the hospitality sector, and the sector may take a long time to recover from the shock. People are afraid of their job security as well as their health safety while at work. Therefore, Zeng et al. (2020) posit that most employees are likely to seek work opportunities in other sectors leading to high employee turnover in the hospitality sector.
The Influence of New Technology

The hospitality sector relies much on having stable personnel to serve customers. Technology adversely influence young employees' intentions to exit the hospitality sector as they aspire to grow their careers. The new technology significantly leads to job autonomy in organizations giving employees a sense of freedom and growth expectations. Zeng et al. (2020) elucidate that technology is an essential factor in any work environment and impacts on both organizational and individual outcomes (positive or negative). In their study, Zeng et al. (2020) revealed that improved technology awareness significantly increases young people's desire to leave the hospitality sector as they seek better work opportunities. Another study by Li et al. (2019) revealed that some employees are afraid of losing their jobs in the long run due to the advanced technologies hence seeking alternative job opportunities. New technologies are thus contributing to job insecurities prompting young people to seek alternative jobs with a long-term guarantee.

According to Goh and Jie (2019), the hospitality sector is faced with a shrinking workforce market with high employees' turnover and a rise in the departure of older employees. Goh and Jie (2019) posit that with new technologies, young people are finding new ways of making money in the comfort of their homes; hence most of them are leaving the sector, which requires physical reporting to work. Therefore, it can be argued that the sector needs to find new ways of attracting and retaining younger generations.

Lastly, in their study Abu-Elhassan et al. (2016) examined new technologies' influences on job satisfaction among different generations of employees. The findings revealed that different generations had been affected by new technologies in regards to
job satisfaction. Abu-Elhassan et al. (2016) posit that compared to other generations, young people are less likely to experience job satisfaction if their workplace is not filled up with modern technologies (e.g. computer, software, and other modern equipment) hence more likely to leave the hospitality sector in search of technology-oriented job opportunities in other sectors.
CHAPTER 3: METHODOLOGY

Research Design

The study employed a qualitative research design and used empathy-based stories (mEBS), a qualitative data collection method. With this method, the researcher was able to generate the list of items that showed the scope and range of themes, which the younger generation perceive as critical factors for their future work. MEBS was considered a suitable method for examining the participants’ reasoning, perceptions, expectations, and values regarding a particular phenomenon or experience (Wallin et al., 2018).

Participants

Participants were young hospitality students from the researcher’s school. The researcher selected this group because they are the next generation of employees in the hospitality industry in the next two years. This group is projected to make up the so-called young employees who might eventually leave the industry after a certain period of time. Participants were recruited through email, flyers, and by directly asking them in the campus. A written consent was secured from the participants.

Data Collection Method

The primary data collection instrument of the study is the mEBS method. This method can be considered as a cross between a survey and an interview. MEBS uses at least two simple background stories (Appendix A) with varied factors, for the survey respondents to interpret and explain (Wallin et al., 2018). In this research on young generation in the hospitality industry, the respondents were provided with one positive and one negative story about work motivation of two employees named John (see
Appendix A) and Mark (see Appendix B). The respondents were asked to explain why the characters felt the way they did. Some of the survey answers for the negative story was based on the survey administered by Fratrièová & Kirchmayer (2018)’s in their study on work motivation among Generation Z groups.

The survey questions were uploaded in Survey Monkey, an online survey platform. A survey link that they can click on and open online, were emailed to the participants. Participants were given one week to answer the survey. A follow up was conducted if the participant failed to answer the survey after a week. Once the questions were saved in Survey Monkey, the researcher was able to download the results and analyze them accordingly. The answers from the survey respondents were coded based on the themes observed in the comments. For the survey question on why employees leave the hospitality industry, the following codes were used: low salary; overworked; career change; bad working conditions; management issues; burnout; social conflict; career growth; guest behavior; company issues; culture shock; and work environment. Meanwhile, for the survey question on why employees stay in the hospitality industry, the following codes were used: good working condition; passionate about the job; loves challenges; good work life balance; career growth; good management; good motivation; good salary; good pay; gain experience; good; and good benefits.
CHAPTER 4: RESULTS AND FINDINGS

This study aims to evaluate and establish the various factors that influence young employee turnover in the hospitality industry. To accomplish this, a qualitative research design was used to collect and analyze data. The study employed a modified version of empathy-based stories (mEBS). The participants were presented with two simple background stories, one negative, one positive, and were asked to provide their own reasons why they think the characters in the stories left or stayed with their respective jobs.

Participants’ Demographics

Analysis of the sample population showed that that 62% of the survey respondents (N = 39) were female while 38% (N=24) were male. Meanwhile, the age of the participants was primarily between 18-25 years old, with 73% (N=46) share of the total sample population. Meanwhile, in terms of ethnicity, majority of the participants were Asian or Pacific Islander (43%), followed by Hispanic or Latino (38%), and White/Caucasian (25%). Most of the participants were single and have never married (76%). In terms of education level, majority had three years of college education (48%) and 27% graduated from college. In addition, 56% of the participants were working part-time and only 22% were working fulltime (Table 1). Based on the overall characteristics of the participants it can be considered that there was a wide range of employees from hospitality industry, an indication of a proper population representation.
Table 1

Participants’ Characteristics

<table>
<thead>
<tr>
<th>Gender</th>
<th>N</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>24</td>
<td>38.10%</td>
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<tr>
<td>Female</td>
<td>39</td>
<td>61.90%</td>
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<table>
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<tr>
<th>Age</th>
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<th>Percentage %</th>
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<tr>
<td>18-25</td>
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<td>73.02%</td>
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<tr>
<td>26-35</td>
<td>16</td>
<td>25.40%</td>
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<td>36-45</td>
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<td>46-55</td>
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<td>56-65</td>
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<td>65+</td>
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<th>Race/Ethnicity</th>
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<th>Percentage %</th>
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</thead>
<tbody>
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<td>American Indian or Alaskan Native</td>
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<td>0.00%</td>
</tr>
<tr>
<td>Asian or Pacific Islander</td>
<td>23</td>
<td>36.51%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>2</td>
<td>3.18%</td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>21</td>
<td>33.33%</td>
</tr>
<tr>
<td>White / Caucasian</td>
<td>17</td>
<td>26.98%</td>
</tr>
<tr>
<td>Prefer not to answer</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Other (please specify)</td>
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<td>0.00%</td>
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<td>1 year of college</td>
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<td>1.59%</td>
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<td>2 years of college</td>
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<td>12.70%</td>
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<td>47.62%</td>
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<td>Graduated from college</td>
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<td>26.98%</td>
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<tr>
<td>Completed graduate school</td>
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<td>11.11%</td>
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<thead>
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<th>Employment</th>
<th>N</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed, working full-time</td>
<td>14</td>
<td>22.22%</td>
</tr>
<tr>
<td>Employed, working part-time</td>
<td>35</td>
<td>55.56%</td>
</tr>
<tr>
<td>Not yet employed, still studying</td>
<td>8</td>
<td>12.70%</td>
</tr>
<tr>
<td>Not employed, looking for work</td>
<td>6</td>
<td>9.52%</td>
</tr>
<tr>
<td>Not employed, Not looking for work</td>
<td>0</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

Factors Causing Employees to Leave

The items generated during the survey were calculated by frequencies as shown in Table 2 below. Most participants provided multiple answers to the survey question.
Table 2

Factors Causing an Employee to Leave

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>low salary</td>
<td>25</td>
<td>36.23%</td>
</tr>
<tr>
<td>Overworked</td>
<td>23</td>
<td>33.33%</td>
</tr>
<tr>
<td>career change</td>
<td>15</td>
<td>21.74%</td>
</tr>
<tr>
<td>bad working conditions</td>
<td>13</td>
<td>18.84%</td>
</tr>
<tr>
<td>management issues</td>
<td>13</td>
<td>18.84%</td>
</tr>
<tr>
<td>burnout</td>
<td>12</td>
<td>17.39%</td>
</tr>
<tr>
<td>social conflict</td>
<td>10</td>
<td>14.49%</td>
</tr>
<tr>
<td>career growth</td>
<td>8</td>
<td>11.59%</td>
</tr>
<tr>
<td>guest behavior</td>
<td>7</td>
<td>10.14%</td>
</tr>
<tr>
<td>company issues</td>
<td>1</td>
<td>1.45%</td>
</tr>
<tr>
<td>culture shock</td>
<td>1</td>
<td>1.45%</td>
</tr>
<tr>
<td>work environment</td>
<td>1</td>
<td>1.45%</td>
</tr>
</tbody>
</table>

**Total Respondents (n)**

<table>
<thead>
<tr>
<th>Total Respondents (n)</th>
<th>63</th>
</tr>
</thead>
</table>

*each respondent gave multiple responses

Low salary was the most prevalent factor for leaving employment based on the respondents’ narratives (36.23%). They pointed out that the main reason for Jack’s negative feelings toward his job was due to low salary. According to the narratives, Jack wants to leave the hospitality industry because he is not being paid enough and that he wants to find a higher paying job.

Being overworked was the second leading factor that would make Jack want to leave the hospitality industry (33.33%). According to the respondents’ narratives, Jack is working long hours (including nights and weekends) and his workload is also beyond his capacity. In addition, they also pointed out that being overworked affects his work life balance.

Career change was the third highest factor that would make Jack leave the hospitality industry (21.74%). Based on the respondents’ narratives, Jack wants
something new or a different career path. They also pointed out that Jack felt that his job at the hospitality industry is not for him and he is not suitable for hospitality work.

Bad working conditions the fourth leading factor that would make Jack leave the hospitality industry (18.84%). According to the respondents’ narratives, bad working condition includes bad relationship with coworkers and bad environment. They also pointed bad attitude from coworkers that contribute to the bad working condition.

Management issues (18.84%) is another factor that would make Jack leave the hospitality industry. Respondents indicated that lack of support to employees is an indication of bad management. They also pointed out that bad management can also make employees feel unvalued.

Burnout is the sixth factor that would prompt Jack to leave the hospitality industry (17.39%). Based on the narratives by the respondents, burnout is often accompanied by being overworked, bad working conditions, and even low salary. Social conflict on the other hand, is the seventh factor that could make Jack leave the hospitality industry (14.49%). Respondents characterized this factor by Jack not having a personal life and disharmonious relationship with colleagues.

Career growth is the eight factor that would make Jack leave the hospitality industry (11.59%). Respondents attribute this to no opportunity for promotion. They also pointed out that Jack may feel that he is not advancing in terms of his professional life at his current job.

Meanwhile, the ninth factor that could make Jack leave his job is guest behavior (10.14%). Respondents attribute this factor to rude customers. They also attributed rudeness to those customers with overwhelming demands.
The remaining three factors had lesser frequencies with percentage share of less than 10%. Company issue (1.45%) is about Jack talking bad about his company to others due his negative experience from it. Culture shock (1.45%) is about being unfamiliar with the job while work environment (1.45%) is about having an unacceptable working environment.

**Factors Causing Employees to Stay**

The factors causing employees to stay were also explored in the survey. Below were the results of the survey on why employees choose to stay in the hospitality industry. Most participants provided multiple answers to the survey question.

**Table 3**

*Factors Causing an Employee to Stay*

<table>
<thead>
<tr>
<th>Description</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>good working condition</td>
<td>23</td>
<td>33.33%</td>
</tr>
<tr>
<td>passionate about the job</td>
<td>19</td>
<td>27.54%</td>
</tr>
<tr>
<td>loves challenges</td>
<td>19</td>
<td>27.54%</td>
</tr>
<tr>
<td>good work life balance</td>
<td>18</td>
<td>26.09%</td>
</tr>
<tr>
<td>career growth</td>
<td>9</td>
<td>13.04%</td>
</tr>
<tr>
<td>good management</td>
<td>6</td>
<td>8.70%</td>
</tr>
<tr>
<td>good motivation</td>
<td>5</td>
<td>7.25%</td>
</tr>
<tr>
<td>good salary</td>
<td>3</td>
<td>4.35%</td>
</tr>
<tr>
<td>good pay</td>
<td>1</td>
<td>1.45%</td>
</tr>
<tr>
<td>gain experience</td>
<td>1</td>
<td>1.45%</td>
</tr>
<tr>
<td>good management</td>
<td>1</td>
<td>1.45%</td>
</tr>
<tr>
<td>good benefits</td>
<td>1</td>
<td>1.45%</td>
</tr>
</tbody>
</table>

**Total Respondents (n)**

63

*each respondent gave multiple responses*

Good working condition was the leading factor for staying based on the respondents’ narratives (33.33%). They pointed out that the main reason for Mark’s
positive feelings toward his work which include being surrounded by great team members. Being comfortable at work was also another reason why Mark chose to stay.

Being passionate about the job was the second leading factor that would make Mark stay with the hospitality industry (27.54%). According to the respondents’ narratives, Mark’s passion for the industry and the nature of his job was the reason why he chose not to leave the hospitality industry.

A love for challenges was the third highest factor that would make Mark stay with the hospitality industry (27.54%). Based on the respondents’ narratives, Mark loves the challenges of the job and enjoys finding ways to overcome them.

Good work life balance was the fourth leading factor that would make Mark stay with the hospitality industry (26.09%). According to the respondents’ narratives, Being able to balance his job and personal life allows Mark to continue to stay with the hospitality industry.

Career growth (13.04%) was the fifth factor that would make Mark stay with the hospitality industry. Respondents indicated opportunity for career advancement was the reason why Mark would not leave the hospitality industry.

The remaining factors had lesser frequencies with percentage share of less than 10%. These were good management (8.70%), good motivation (7.25%), good salary (4.35%), good pay (1.45%), good experience (1.45%), good management (1.45%), and good benefits (1.45%).
CHAPTER 5: DISCUSSION

The study's results were well aligned with the concepts of Herzberg's Two Factor Theory as well as findings from earlier empirical studies. In addition, the results of this study also revealed that contrary to what was anticipated, job insecurity and technological development were not significant factors in causing employees from the hospitality industry to leave their jobs. Instead, the study revealed the organizational, individual, and social factors that prompt younger employees to leave the hospitality industry.

Individual Factors

Individual factors are personally related factors that affect how a person perceives his/her job and its impact on her. In the duration of the study, the leading individual factors that emerged were career change, burnout, and career growth (Ann & Blum, 2019).

Burnout is the sixth leading factor that may prompt employees to leave the hospitality industry. The narratives from respondents defined this as physical and mental exhaustion brought about by the rigorous nature of the job which include long hours and increased workloads:

“*The hospitality industry can be both mentally and physically challenging. Jack wanting to leave the field can possibly be due to burn out.*”

Career change was the third factor that can make employees leave the hospitality industry. The respondents’ narratives defined this as employees’ feeling not engaged to their career and feeling that the job is not for them:
“With the information given, I think Jack may have realized that maybe he did not like the hospitality industry as much as he thought he would. Or he may change careers because he feels that he is not suitable for hospitality work.”

Career growth is the eighth factor that employees might leave hospitality industry. Respondents’ narrative defined this as employees feeling limited and not having an opportunity to grow their career:

“Jack may choose to go to another hospitality management company for a promotion and learning opportunity. Perhaps Jack doesn’t see any potential job growth in the field”

Organizational Factors

Organizational factors are attributed to the support that management provides to their employees which enable them to continue performing their tasks (Jayasundera & Jayawardana, 2017).

Based on the results, low salary was the leading factor that can prompt hospitality employees to leave the industry. These pertain to employees receiving salaries that are not competitive enough, when compared to other industries:

“I think Jack would want to leave after a year due to his rate of pay compared to other industries.”

Being overworked is the second leading factor that can prompt hospitality employees to leave their jobs. The respondents’ narratives characterized this as having workload more than they can handle, which in turn, affects their personal lives:

“Long hours, late nights, no weekends. This leads to no work-life balance”
Bad working conditions is fourth leading factor that can drive employee attrition in the hospitality industry according to survey results. Respondents characterized this as experiencing unenjoyable working environment:

“A failed work team may make Jack unable to integrate into the work, which may be the reason why Jack wants to leave. Other people at the job are causing and not making it enjoyable.”

Management issues is another factor that can cause employees to leave the hospitality industry. Respondents described this as having leaders who are difficult to deal with:

“Jack probably wants to leave because there are problems with management or leadership. It could be because he has had bad managers and doesn’t want to put up with them anymore.”

**Social Factors**

Social factors pertain to employees’ engagement and interaction with the people they work with. This can also pertain to their interaction with their customers as well as other people who are connected to the hospitality industry (Alshmemri et al., 2017)

Social conflict is the seventh factor that can make hospitality employees leave the industry. Respondents defined this as having challenging relationships with colleagues and co-workers:

“The job could be not what he was looking for, but the likelihood is that the other people at the job are causing drama and not making it enjoyable.”
Meanwhile, the ninth factor that could make hospitality employees leave the industry is guest behavior. Respondents characterized this as interactions with rude and demanding customers:

“With recent trends, we have more customers that are constantly complaining to employees, attacking the uniform, and these types of jobs are minimum wage. Not only that owners and managers are more concerned with public opinion rather than employee concerns.”

Theoretical Implications

Results from this study support the concepts of Herzberg's Two Factor Theory. This theory indicates that there are two factors that influence motivation in the workplace. These are hygiene and motivating factors (Table 4). If not present, hygiene factors can prompt an employee to work less. Meanwhile, the presence of motivating factors can encourage an employee to work harder (Alshemri et al., 2017). The theory further explains that a person’s safety, physiological, security, and social needs are considered as hygiene factors. Meanwhile, the self-actualization and self-esteem are considered as motivation factors (Ann & Blum, 2019).
Table 4

*Hygiene and Motivating Factors*

<table>
<thead>
<tr>
<th><strong>Hygiene Factors</strong></th>
<th><strong>Motivating Factors</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>low salary</td>
<td>career change</td>
</tr>
<tr>
<td>overworked</td>
<td>career growth</td>
</tr>
<tr>
<td>bad working conditions</td>
<td>passionate about the job</td>
</tr>
<tr>
<td>management issues</td>
<td>loves challenges</td>
</tr>
<tr>
<td>burnout</td>
<td>good motivation</td>
</tr>
<tr>
<td>social conflict</td>
<td>gain experience</td>
</tr>
<tr>
<td>guest behavior</td>
<td></td>
</tr>
<tr>
<td>company issues</td>
<td></td>
</tr>
<tr>
<td>culture shock</td>
<td></td>
</tr>
<tr>
<td>work environment</td>
<td></td>
</tr>
<tr>
<td>good working condition</td>
<td></td>
</tr>
<tr>
<td>good work life balance</td>
<td></td>
</tr>
<tr>
<td>good management</td>
<td></td>
</tr>
<tr>
<td>good salary</td>
<td></td>
</tr>
<tr>
<td>good pay</td>
<td></td>
</tr>
<tr>
<td>good management</td>
<td></td>
</tr>
<tr>
<td>good benefits</td>
<td></td>
</tr>
</tbody>
</table>

The main findings from the study indicated that hygiene factors are the leading cause of employees leaving the hospitality industry. Low salary was characterized by having compensation that does not compensate for the work done as well as being paid less, compared to other industries.

Another hygiene factor that emerged from this study is being overworked. This is the second leading factor that would drive Jack want to leave the hospitality industry. Overworked was characterized by responders as having long hours, workload beyond his capacity, and lack of work life balance.

The findings from this study also revealed that when hygiene factors are present, employees are more likely to stay. This was supported by data obtained from the second
survey on what would make employees stay. Results showed that Mark, the character in the positive story, did not leave his job because of great working conditions. This was the top reason for staying, as indicated by survey responses. The respondents attribute this to good pay and benefits which could encourage employees to stay:

“The benefits can be a big factor and also the hours. Benefits are a big thing and many look for a job that has that. Sometimes people are willing to drive hours for the job. People can be morning and night person and some work can accommodate with that which people love that.”

In terms of motivational factors, career change was the third highest factor that emerged during the survey, which would make Jack leave the hospitality industry. Responders describe this factor as wanting something new or something more from his current career.

Meanwhile, study results also showed that if motivational factors such as being passionate about the job, loving challenges, and having opportunities for career growth were present, employees would be more likely to stay. This was supported by the findings from the survey in which the respondents indicated that Mark did not leave his job because these factors were present at his place of work:

“I believe that Mark is very passionate about the industry and wants to continue to immerse himself in the industry and learn as much as he can.”

The results from the survey also confirm and are aligned with the findings from prior empirical studies. A study by Holston-Okae and Mushi (2018), examined the associations between compensation and motivation on employees' turnover intentions. Their findings showed that compared to motivation, compensation has greater impact on
employee turnover due to its influence on employee satisfaction (Holston-Okae & Mushi, 2018). Meanwhile, a study by Heirmerl et al. (2020) revealed that their analyses of data from 345 employees showed that personal development opportunities was one of the most important factors for job satisfaction. These findings were the same with the findings in this study in which, low salary, the need to change careers (due to lack of motivation/interest), and lack of promotion, were among the leading drivers of employee turnover based on the survey conducted.

Studies in the last two years showed that job insecurity heightened by the COVID-19 pandemic was among the common drivers of employee turnover and intention to stay in the hospitality industry (Chen & Chen, 2021; Jung et al., 2021). Similarly, a study by Goh and Jie (2019) indicated that with the emergence of technologies, young people are able to find new and innovative ways of making money while staying at the comfort of their homes. The convenience of working from home because of technology can prompt employees to leave the sector, which requires physical reporting to work (Goh & Jie, 2019). However, the findings from this study proved otherwise. On the contrary, it was the basic hygiene and motivating factors that dictate whether people leave or stay at their current jobs. These factors include low salary, being overworked, and career change.

The threat of COVID-19 to health security as well as emerging technology were not compelling enough to discourage employees from quitting or leaving their jobs. Earning good salary to sustain one’s needs remained as the top priority of employees from different sectors (Holston-Okae & Mushi, 2018). As evidenced by the study by Uwimpuhwe et al. (2018), significant correlation of .582 was found after their analysis of
questionnaire responses, indicating that compensation system has a moderate influence on staff attraction and retention.

Evidence from a study by Ariza-Montes et al. (2019) also revealed that having good working conditions were among the top concerns of employees and that failure to offer good working conditions as among the leading reasons why the hospitality industry was losing motivated workers. In addition, Ruiz-Palomo et al. (2020) criticized the hospitality industry for its unsocial and irregular working hours, such as working in shifts, night, and weekends, thereby creating poor working conditions for its employees.

The results from the current study also revealed similar findings in which being overworked, characterized by long working hours and working on weekends, was deemed as the second leading factor that would make an employee want to leave the hospitality industry (33.33%).

**Practical Implications**

Findings from this study have implications on the industry leaders, customers, the hospitality industry as a whole, as well as the academic aspect of the industry. The study managed to bring to light the key drivers that are causing the employees in a hospitality industry leave. The results provided insights into the root concerns that can prompt an employee in the hospitality industry to leave his/her job.

With regard to implications on business leaders, the findings from this study can guide human resource managers in framing initiatives that will help them retain or prolong the tenure of the employees in their respective organizations. It will provide them insights into the reasons why employees in the hospital industry leave and give them the
opportunity to implement action items that will address turnover in employees before they even happen. Based on the study’s findings, these initiatives should be aimed at addressing hygiene and motivational drivers of employee turnover. Contrary to expectations, technological and COVID-19 related factors had minimal impact on employee turnover based on the study results. Instead, findings revealed that low and unfair salary are the leading reasons why employees leave their jobs. Hence, business leaders must find ways to improve their compensation and benefits package in order retain more employees. In addition, other organizational factors such as poor working environment, heavy workload, and poor management must also be given attention and taken into consideration when making plans for employee retention.

The study's findings also demonstrated the significance of considering motivating elements, which include monetary rewards, job qualities, career advancement, recognition, management, and work-life balance. This attributed to the study findings which revealed that individual factors such as burnout and career growth were also leading drivers of employee turnover. Therefore, industries such as the hospitality industry, should create effective retention tactics in a comprehensive way to lower turnover rates. These techniques may require extra funding, employer commitment, and significant changes in attitude within the organization, but the long-term return will be well worth it.

Another implication of the study’s findings is that reducing employee turnover will help the whole hospitality industry. Effective employee retention can prevent productivity losses for a company. Workplaces with high retention rates typically have more engaged employees who produce more work. Customer relationships are more
likely to be improved by engaged personnel, and teams that have had time to gel also typically provide better results. In addition, improved patient care and customer service could result in higher profits and more savings for businesses like the hotel sector.

Meanwhile, finding, hiring, and training a substitute employee may cost twice the pay of the current employee. Turnover can negatively affect the morale of the remaining employees in addition to diminishing production and making it more challenging to locate new talent. Hence, decreasing turnover and increasing staff retention would likewise result in improved returns for businesses and sectors.

Lastly, the findings from this study can also provide educators who are teaching hospitality courses insights into how they must approach the younger generation. They can focus more on honing and strengthening key attributes such as resilience and passion for the job. They can use the insights from this study in creating a curriculum that will better prepare the students for the challenges of working in a hospitality industry.

Limitations and Future Research

This study has two limitations that must be considered when interpreting the results. The first limitation is the small sample size and generalizability of the findings. The sample size may not represent the actual working population in the hospitality industry. Since this study recruited mostly hospitality students, it may provide a complete representation of the entire hospitality industry working population. The second limitation is the study’s design (qualitative). This method did not provide data that can be quantified to determine if the reasons mentioned by respondents are statistically significant.
A small sample size may not produce results that represent majority of the study’s target population. On this note, it is recommended for future research to be conducted on a larger sample population. A larger sample size will result that are more representative of the bigger population. Meanwhile, a quantitative study design on the same issue and population group is also recommended for future research. Leaders in the hospitality industries can benefit from a more detailed and data-driven report of the factors that are causing employees in the hospital industry to leave. Knowing which among the identified factors are statistically significant can help the leaders determine which imitative to prioritize. Doing this will allow for collection of quantifiable data that can be statistically analyzed. Doing this will help future researchers determine statistically signification relations between different variables that may impact employee turnover intentions.
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