EFFECTS OF EMPOLYEE ENGAGEMENT FACTORS ON STAFF TURNOVER IN THE HOSPITALITY INDUSTRY: A SURVEY OF RATED HOTELS IN UASIN GISHU COUNTY

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ABSTRACT

Most of the hotels in Kenya have been facing challenges where most employees do not stay for long in the industry hence they move to other firms due to poor salaries and job dissatisfaction. This has seriously affected the performance of hotels especially in Kenya and specifically Uasin Gishu County. It is against this insight that the study examined employee engagement factors affecting staff turnover in the hospitality industry in rated hotels in Uasin Gishu County. The study was guided by the following objectives: to determine the effects of organizational justice on staff turnover in the hospitality industry in Uasin Gishu County; to establish the effects of leadership on staff turnover in the hospitality industry in Uasin Gishu County; and to establish the effects of high performance work practice on staff turnover in the hospitality industry in Uasin Gishu County. The study was based on Theory of Reasoned Action by Martin and Icek (2015). A descriptive survey design was employed. The target population comprised of 430 employees from Bomma inn hotel, Noble conference hotel, Poa Place Resort, Hotel Winstar, Hotel Comfy and Lodge, Ciccada Hotel, Kenmosa Resort, Star bucks Hotel, and The Pearl Tourist Hotel. Simple random sampling technique was used in selecting 205 respondents while questionnaire was used as data collection instruments. Data was analyzed using both qualitative and quantitative analysis. Quantitative analysis included both descriptive and inferential statistics. Descriptive statistics include percentages, frequencies and means. Inferential statistics was multiple regression analysis. It contented that organizational justice has a significant effect on employee turnover in hotels within Uasin Gishu County (p=0.016). The study reported that leadership affects employee turnover in hotels within Uasin Gishu County (p=0.000). The study found out that high performance work practices affects employee turnover in hotels within Uasin Gishu County (p=0.001). The study concludes that employee engagement factors affects employee turnover in hotels within Uasin Gishu County. The study recommends that hotels should take employee engagement factors seriously if they are to deliver high quality services to their customers; the hotel management needs to offer good communication channel in order to solve employee complaints hence increasing employee retention and decrease employee turnover; the management of the hotels need to offer reward and training programs in order to increase service delivery in hotels; and management of the businesses should establish the reasons for employees leaving their organizations and therefore come up with measures to stop this trend.

Keywords: Employee Engagement, Staff Turnover, Organizational Justice, Leadership, High Work Performance Practices.

INTRODUCTION

Many hotels in the global world remain low in maintaining competitive advantage. The position of these firms need to implement human resource firm strategies in order to increase their efficiency and effectiveness of operations through minimizing employee turnover (Edward, 2016). Human resource strategy is a technique that facilitates change and innovation in organizational structure, culture, employees, technology and leadership in order to manage employee turnover. For success in employee productivity there should by good implementation of human resource organization practices (Johnson, 2016).

Alexandra and Timothy (2016) asserted that public organizations in Brazil have adopted different human resource firm practices which have increased their operations such as service delivery, increase employee performance; reduce employee turnover and enhance employee relations hence increasing organization performance and competitive advantage.

Adeye and Obinekel (2014) reported that majority of commercial banks in Ghana have increased their employee performance through adoption of employee retention practices through implementing of new employee management practices which have improved retention of employees hence reduced employee turnover. It has helped the banks in terms of how to retain employees in order to increase job satisfaction hence increasing competitive advantage (Simon & Zedan, 2016).

Kamau (2014) asserted that most hotels in Kenya have increased their service delivery for the past 10 years hence increasing competitive advantage and it is through adoption of employee retention practices where many managers need to invest on employees by providing reward incentives in order to motivate them at their work hence reducing employee turnover.

Most of the hotels in Kenya have tried to compete with one another but most of them are faced with challenges such as late payment of employees, high employee turnover, employee retention which has affected the performance of the hotels especially in Uasin Gishu County (Kenya Bureau of Statistics, 2016). It against this insight that the study examined employee engagement factors affecting staff turnover in the hospitality industry in rated hotels in Uasin Gishu County.

However, hotels in Uasin Gishu County, have not implemented employee engagement techniques in order to increase efficiency, reduce employee turnover and enhance competitive advantage compared with other hotels in different counties which has resulted to many customer complaints due to poor service delivery, poor retention of employees, employee not meeting the needs of the clients, high employee turnover hence affecting the performance of the hotels (Kenya Bureau of Statistics, 2016). It is against this insight that the study assessed employee engagement factors affecting employee turnover in the hospitality industry in rated hotels in Uasin Gishu County.

Methodology

Research Design

The study adopted descriptive survey design. The descriptive design was adopted because descriptive survey design is not only useful for fact finding but often result in the formulation of important principles of knowledge and solution to significant problems (Yin, 2014). A descriptive survey design provided available source of information for gaining knowledge

and insight into employee engagement factors affecting employee turnover in the hospitality industry in rated hotels in Uasin Gishu County.

Target Population

The target population was 430 from all the rated hotels in Uasin Gishu County as per data from tourism regulatory authority north rift branch.

Table 1: Target population

Company	Target population
Bomma inn hotel	90
Noble conference hotel	52
Poa Place resort	70
Hotel Winstar	32
Hotel comfy and lodge	54
Ciccada Hotel	35
Kenmosa resort	32
Starbucks hotel	35
The pearl tourism hotel	30
Total	**430**

Source (Tourism Regulatory Authority North Rift, 2015)

Sample and Sampling procedure

Sample Size

In this study the Sample Frame consisted Bomma inn hotel, Noble conference hotel, Poa Place Resort, Hotel Winstar, Hotel Comfy and Lodge, Ciccada Hotel, Kenmosa Resort, Star bucks Hotel, The Pearl Tourist Hotel . The study used Krejcie and Morgan Table (1970) to calculate the sample size where it recommends that there is no need of using sample size determination formula for 'known' population since the table has all the provisions one requires to arrive at the required sample size. Sampling was done further by proportional random sampling which attracted a sample size of 205 respondents from a target population of 430 respondents.

Sample Procedure

The study adopted a cluster sampling approach, whereby the hotels formed clusters. All the rated hotels within the county was sampled by use of census technique. After which simple random sampling within these clusters were chosen, the size of each group being determined through proportional allocation. Therefore 205 respondents was selected for a sample for this study. The sample proportion from each hotel was determined as:

Table 1: Sample Size

Strata	Target population(N)	$n_i = (N_i \times n)/N$	Sample size(n)
Bomma inn hotel	90	(90/430)x 205	43
Noble Hotel	52	(52/430)x205	25
Poa Place	70	(70/430)x205	33
Hotel winstar	32	(32/430)x205	15
Hotel comfy	54	(54/430)x205	26
Ciccada Hotel	35	(35/430)x205	17
Kenmosa Resort	32	(32/430)x205	15
Star bucks hotel	35	(35/430)x205	17
Pearl Tourist hotel	30	(30/430)x205	14
Total	**430**	**205**	**205**

Data Collection Instruments and Procedures
Questionnaire was used as the main data collection instrument.

Questionnaire
Questionnaires were administered to the respondents. Both open and close ended questionnaires were used. Questionnaires were preferred because they are easy to administer and cost and time effective. The researcher constructed closed- ended and open- ended questionnaires, which were administered to the respondents. The researcher used questionnaire because of its low cost in distribution to its respondents, it is free from bias, respondents have adequate time to give well thought out answers and large samples can be made use of and thus the results can be made more dependable and reliable (Kothari, 2009). The questionnaires contained both the structured and semi- structures questions. This allowed the respondents to give their views freely without the interference from the researcher. The questionnaires were administered to the employees working in hotels within Uasin Gishu County.

Data Analysis and Presentation
Data Analysis
Quantitative technique was used to analyze the data. Data was analyzed using quantitative analysis and the first process was by use of descriptive statistics. Descriptive statistics was then used to analyze the data. Descriptive statistics included measures of central tendency that is mean, frequencies and percentages.

The inferential statistics involved multiple regression analysis. Regression analysis involves finding best fit line so as to explain how the variation in the outcome (employee turnover) depends on the variation of an independent variables (organizational justice, leadership and high performance work practices). Multiple regression analysis was used to determine the relationship between independent and dependent variables. Assumptions of multiple regression model included; the relationship between independent and dependent variables were linear; errors between predicted and observed values were normally distributed and there was no multicollinearity of data, homoscedasticity of data and residual values are independent. This relationship was described in the following model.
The regression model is as follows:
$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$
Where:
Y = Employee turnover
X = Factors of employee engagement
X_1 = Organizational justice
X_2 = Leadership
X_3 = High performance work practice
ε = Is the error in the observe value for the with case
β_0 = The constant in the equation
β = is the Coefficient of X
While β1, β2, β3 and β4 are coefficients of determination and ε is the random error term.

Data Presentation
The study used frequency distributions, pie charts and percentages in presenting the data. The data used was coded and entered into the computer for analysis using SPSS. Descriptive statistics such as percentages and frequency distributions were used to describe data. Presentation of data was done on tables. The data collected was adopted and coded for

completeness and accuracy of information at the end of every field data collection day and before storage

Results and Discussions
The study involved descriptive and inferential statistics

The effects of leadership on employee turnover in the hospitality industry in Uasin Gishu County.

The research sought to investigate the effects of leadership on employee turnover in the hospitality industry in Uasin Gishu County.

Table 3: Leadership and Employee Turnover

Statement		SD	D	UD	A	SA	Mean	Std	Skw	Kurt
Good leadership Increases employees' trust in the organization	Freq	44	48	36	32	19	2.63	1.31	0.33	-1.05
	%	24.6	26.8	20.1	17.9	10.6	52.6			
Leadership has enhanced high customer service, satisfaction, loyalty and retention	Freq	33	37	47	57	5	2.8	1.16	-0.21	-1.12
	%	18.4	20.7	26.3	31.8	2.8	56			
Leaders provide support to employees in case of work challenges	Freq	35	27	14	72	31	3.21	1.41	-0.42	-1.25
	%	19.6	15.1	7.8	40.2	17.3	64.2			
Leaders have ensured Employees are involved in decision making processes	Freq	28	42	29	29	51	3.18	1.46	-0.07	-1.42
	%	15.6	23.5	16.2	16.2	28.5	63.6			

From the findings 24.9% of the respondents strongly disagree, 26.8% disagreed, 20.1% were undecided, 17.9% agreed and 10.6% strongly agreed that good leadership increases employees' trust in the organization through involvement of employees in decision making. It had a mean of 2.63, Std=1.31, skweness=0.33 and kurtosis=-1.05. The data had a high skweness and platykurtic type of kurtosis. The data was normal distribution.

The results indicate 18.4% of the participants strongly disagreed, 20.7% disagreed, 26.3% were undecided, 31.8% agreed and 2.8% strongly disagreed that leadership has enhanced high customer service, satisfaction, loyalty and retention through offering employees training programs on customer service hence increasing customer satisfaction. It had a mean of 2.80, Std=1.16, skweness=-0.21 and kurtosis=-1.21. The data had a high skweness and platykurtic type of kurtosis. The data was normal distribution.

Table 3 shows 19.6% of the respondents strongly disagreed, 15.1% disagreed, 7.8% were undecided, 40.2% agreed and 17.3% strongly agreed that leaders provide support to employees in case of work challenges through the human resource management practices which provide good working environment in the workplace. It had a mean of 3.21, Std=1.41, skweness=-0.42 and kurtosis=-1.25. The data had a high skweness and platykurtic type of kurtosis. The data was normal distribution.

Moreover the findings indicate 15.6% of the participants strongly disagreed, 23.5% disagreed, 16.2% were undecided, 16.2% agreed and 28.5% strongly agreed that leaders have ensured employees are involved in decision making processes hence enhancing employee satisfaction. It had a mean of 3.18, Std=1.46, skweness=-0.07 and kurtosis=-1.42. The data had a high skweness and platykurtic type of kurtosis. The data was normal distribution.

From the findings majority of employees in the hotels within Uasin Gishu County agreed that presence of leadership affects employee turnover in hospitality industry whereby good leadership increases employees' trust in the organization through involvement of employees in decision making; leadership has enhanced high customer service, satisfaction, loyalty and retention through offering employees training programs on customer service hence increasing customer satisfaction; leaders provide support to employees in case of work challenges through the human resource management practices which provide good working environment in the workplace; and leaders have ensured employees are involved in decision making processes hence enhancing employee satisfaction.

From the findings majority of participants with 64.2% (mean 3.21) were of the view that leaders provide support to employees in case of work challenges through the human resource management which provide good working environment in the workplace.
From the study as concurred by Arnold & Herman, (2015) found out that good leadership is a significance reason for which employees retain their jobs in an organization hence reducing employee turnover. Prince, (2015) also concurred with the findings where he identified leadership styles for growth as a significant reason for staff retention.

Regression Analysis
The study sought to investigate the relationship between independent and dependent variable using multiple liner regression.

Table 4: Model Summary representing the linear relationship between leadership and employee turnover

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.899[a]	.809	.808	.41805

a. Predictors: (Constant), Leadership

Table 4 above displays R (the correlation between the observed and predicted values of the dependent variable), which is 0.899. This is a very strong relationship between the observed and predicted value of the dependent variable.
The table also displays R squared which is the proportion of variation in the dependent variable explained by the regression model. In this case, it is 0.809. This means that 80.9% of the variation employee turnover dependent variable) can be explained from the one independent variable. The value of the standard error (sy/x) is shown in the output as 0.41805.

The regression was a very good fit describing 82% of the variance in employee turnover R^2adj=80.8% this indicates only a slight overestimate with the model.

Table 5: An ANOVA representing the linear relationship between independent variables and staff turnover

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	130.724	1	130.724	748.009	.000[a]
	Residual	30.933	177	.175		
	Total	161.656	178			
a. Predictors: (Constant), Leadership						
b. Dependent Variable: Indicators of Staff Turnover						

The overall relationship was statistically significant (F=748.009, p=0.000). The study results indicated that the regression model was significant at p=0.000.

Table 6: Coefficients representing the linear relationship between independent variables and staff turnover

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.556	.097		5.758	.000
	Leadership	.845	.031	.899	27.350	.000
a. Dependent Variable: Indicators of staff turnover						

The regression equation was modeled as follows: $Y = \beta_0 + \beta_1 X_1 + error\ (e)$
The regression equation computed was:
$Y = 0.556 + 0.899 + 0.097$
Y (Staff turnover) = 0.556 + 0.899 (Leadership) + 0.097 (Standard Error).
From the equation it is therefore clear that the leadership affects staff turnover in hotels the most up to 89.9%.

Hypothesis Testing
H0[1:] There is no significant relationship between leadership and staff turnover in the hospitality industry in Uasin Gishu County.
The study findings indicated there was a significant relationship between leadership and staff turnover in the hospitality industry in Uasin Gishu County (p=0.000).
The study therefore rejected the null hypothesis.

This implies that good leadership style is a major factor in promoting employee dedication at work where most hotel managers involve themselves on how employees do their tasks in monitoring and having communication with them at the workplace hence motivating employee performance and also decreases moving out of the organization.

The study is supported by De Grip and Sieben (2013) where they found out that good leadership styles enhance employee performance in small companies in Brazil since the managers of the firms involve themselves on the firm operations. Also Ndahiro, Shukla, & Oduor, (2015) concur with the findings that managers commitment on how employees work in Kenya hotels motivate employees to increase their workforce hence increasing employee retention and reducing staff turnover.

SUMMARY AND CONCLUSIONS

From the findings majority of employees at hotels in Uasin Gishu County that agreed that presence of leadership affects employee turnover in hospitality industry whereby good leadership increases employees' trust in the organization through involvement of employees in decision making; leadership has enhanced high customer service, satisfaction, loyalty and retention through offering employees training programs on customer service hence increasing customer satisfaction; leaders provide support to employees in case of work challenges through the human resource management practices which provide good working environment in the workplace; and leaders have ensured employees are involved in decision making processes hence enhancing employee satisfaction.

From the findings majority of participants with 64.2% (mean 3.21) were of the view that leaders provide support to employees in case of work challenges through the human resource management practices which provide good working environment in the workplace.

The results also revealed effect of leadership on employee turnover in hotels within Uasin Gishu County by using The theory of employee engagement where good leadership style is a major factor in promoting employee dedication at work where most hotel managers involve themselves on how employees do their tasks in monitoring and having communication with them at the workplace hence motivating employee performance and also decreases moving out of the organization.

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