



A STUDY ON EMPLOYEE ENGAGEMENT AND WORK FORCE TURNOVER IN HOSPITALITY INDUSTRY IN COIMBATORE

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Abstract:

The hospitality industry in Coimbatore, a rapidly growing urban centre in South India, plays a vital role in the region's economic development. The Covid-19 pandemic has had a profound impact on the hospitality industry, causing widespread disruptions to travel and tourism activities. This study aims to address this gap by investigating the key determinants of employee engagement and workforce turnover in the hospitality sector in this regional context and providing actionable recommendations to enhance employee retention and overall industry performance. The study employs a mixed-methods approach to provide a thorough analysis of the factors influencing engagement and turnover. The analysis reveals that various workplace elements significantly impact employee's intention to leave, highlighting the critical role of workplace environment, reward and recognition, relationships with management, career progression and overall employee engagement. The result also indicate that improved career progression, and overall employee engagement are associated with lower turnover intention, suggesting that employee who feel valued and see clear opportunities for advancement are less likely to leave. The meta-analysis of antecedents and correlates of employee turnover: Update, moderator tests, and research implications for the next millennium. This study emphasizes the necessity of all-encompassing approaches to control worker engagement and lower attrition. Adopting the suggested strategies will help firms better match their procedures with requirements and expectations of their workforce, which will increase employee engagement and dedication and eventually contribute to the stability and success of the organization.

1. Introduction:

In the bustling world of hospitality, where customer satisfaction reigns supreme, one often overlooked yet critical aspect is the engagement and retention of employees. As the industry evolves amidst technological advancements, shifting consumer behaviours, and changing demographics, the significance of nurturing a motivated and committed workforce cannot be overstated. The hospitality industry holds immense significance in the global economy, encompassing a wide range of sectors such as hotels, restaurants, resorts, travel agencies, and event management. At its core, hospitality is about creating memorable experiences for guests, whether they are travellers seeking accommodation, diners looking for a culinary adventure, or individuals attending events or conferences.

The critical role of employees in delivering exceptional guest experiences cannot be overstated. Employees serve as the face of hospitality establishments, interacting directly with guests and playing a fundamental role in shaping their perceptions and satisfaction levels. From front-line staff such as receptionists, servers, and housekeepers to management personnel responsible for overseeing operations and ensuring quality service delivery, every employee contributes to the overall guest experience. Employees in the hospitality industry are tasked with fulfilling a diverse range of responsibilities, including providing personalized service, anticipating guest needs, resolving issues promptly, and maintaining a welcoming and hospitable environment. Their ability to deliver consistent, high-quality service directly impacts guest satisfaction, loyalty, and ultimately, the success of the organization.

Furthermore, employees often serve as brand ambassadors, embodying the values and ethos of the hospitality establishment they represent. Their professionalism, enthusiasm, and dedication leave a lasting impression on guests, influencing their likelihood to return in the future and recommend the establishment to others. In essence, employees are the lifeblood of the hospitality industry, driving customer satisfaction, loyalty, and revenue generation. Their role extends beyond mere transactional interactions; they have the power to create meaningful connections with guests, fostering memorable experiences that differentiate hospitality establishments from their competitors.

As such, organizations within the hospitality industry recognize the critical importance of investing in their employees, providing training and development opportunities, fostering a positive work culture, and implementing strategies to enhance employee engagement and retention. By prioritizing the well-being and satisfaction of their workforce, hospitality organizations can ensure that employees remain motivated, committed, and empowered to deliver exceptional guest experiences, thereby sustaining their competitive advantage in the market.

The hospitality industry is a vast and multifaceted sector that encompasses a wide array of businesses and services dedicated to providing experiences and accommodations for travellers, diners, and event attendees. From luxurious hotels and world-class restaurants to bustling resorts and event venues, the industry plays a crucial role in shaping global tourism and leisure activities. To understand the contextual background of the hospitality industry, it's essential to delve into its various sectors, inherent challenges, and recent transformations.

The hospitality industry in Coimbatore, a rapidly growing urban center in South India, plays a vital role in the region's economic development. This industry, which includes hotels, restaurants, and other service-oriented businesses, thrives on delivering exceptional customer experiences. However, one of the significant challenges facing this sector is maintaining a stable and engaged workforce. High employee turnover rates, often driven by factors such as job dissatisfaction, lack of growth

opportunities, and work-life balance issues, can disrupt operations and undermine service quality, ultimately impacting the industry's overall performance.

Recent Transformations:

In recent years, the hospitality industry has undergone significant transformations driven by various factors:

- **Technological Advancements:** The proliferation of digital technologies has revolutionized the way hospitality services are delivered and consumed. Online booking platforms, mobile apps, and contactless payment systems have become ubiquitous, offering convenience and accessibility to guests.
- **Changing Consumer Preferences:** Consumer preferences and behaviors are evolving, with an increasing demand for personalized experiences, sustainability, and authenticity. Hospitality establishments must adapt their offerings to cater to these changing preferences.
- **Globalization:** The globalization of travel and tourism has led to increased cross-border mobility, cultural exchange, and competition within the industry. Hospitality businesses must appeal to diverse international markets while also respecting local customs and regulations.
- **COVID-19 Pandemic:** The COVID-19 pandemic has had a profound impact on the hospitality industry, causing widespread disruptions to travel and tourism activities. Lockdowns, travel restrictions, and health concerns have forced hospitality establishments to adapt their operations, implement stringent health and safety measures, and explore new revenue streams such as virtual events and contactless services.

Factors Affecting Employee Engagement:

- **Work Environment:** A positive and supportive work environment, where employees feel safe, valued, and comfortable, is crucial for high levels of engagement. Factors such as workplace culture, physical surroundings, and the quality of interpersonal relationships play a vital role.
- **Leadership and Management:** Effective leadership and management practices are essential in fostering employee engagement. Leaders who communicate clearly, provide guidance, and support their teams can motivate employees and make them feel connected to the organization's goals.
- **Job Satisfaction:** The extent to which employees are satisfied with their job roles, including the nature of the work, work-life balance, and the level of autonomy, directly impacts engagement. When employees find their work meaningful and enjoyable, they are more likely to be engaged.
- **Recognition and Rewards:** Regular recognition and rewards for good performance can significantly boost engagement. Employees who feel appreciated and acknowledged for their contributions are more motivated to maintain high performance and stay committed to their organization.
- **Career Development Opportunities:** Access to training, skill development, and clear career advancement opportunities can enhance engagement. Employees who see a pathway for growth within the organization are more likely to remain engaged and invested in their work.
- **Communication:** Open and transparent communication between employees and management is critical for engagement. When employees are kept informed about company goals, changes, and their role in achieving these objectives, they feel more connected and valued.
- **Work-Life Balance:** The ability to maintain a healthy balance between work and personal life is a significant factor in engagement. Organizations that promote flexible working conditions and respect personal time can improve overall employee satisfaction and engagement.
- **Organizational Support:** The perception that the organization cares about the well-being of its employees, provides the necessary resources to perform their jobs effectively, and supports them in times of need can enhance engagement.
- **Employee Involvement:** Involving employees in decision-making processes and giving them a voice in how their work is done can lead to higher levels of engagement. When employees feel their opinions matter and can influence outcomes, they are more likely to be committed to the organization.
- **Compensation and Benefits:** Fair and competitive compensation, along with comprehensive benefits, can influence engagement. While not the sole driver, adequate financial rewards contribute to overall job satisfaction and engagement.

2. Employee Engagement Vs Labour Turnover:

Employee engagement and labour turnover are closely linked, with engagement serving as a key factor in determining turnover rates. Employee engagement reflects the level of commitment, motivation, and satisfaction employees have towards their work and organization. When engagement is high, employees are more likely to remain with the organization, contributing positively to productivity and service quality. Conversely, low engagement often leads to higher labour turnover, as disengaged employees are more likely to leave in search of better opportunities or job satisfaction elsewhere. In the hospitality industry, where consistent service is crucial, managing employee engagement is essential to reducing turnover, minimizing recruitment and training costs, and maintaining operational efficiency and customer satisfaction.

3. Statement of the Problem:

The hospitality industry in Coimbatore faces significant challenges related to employee engagement and workforce turnover, which have direct implications on service quality, operational efficiency, and customer satisfaction. Despite the industry's growth, high turnover rates remain a persistent issue, exacerbating costs related to recruitment and training while disrupting consistent service delivery. There is a need for a deeper understanding of the specific factors driving employee engagement and turnover in this regional context, as well as an evaluation of the effectiveness of existing strategies employed by hospitality organizations. This study aims to address this gap by investigating the key determinants of engagement and turnover in Coimbatore's hospitality sector and providing actionable recommendations to enhance employee retention and overall industry performance.

4. Objectives of the Study:

- The primary objective of this study is to investigate and analyze the factors influencing employee engagement and workforce turnover within the hospitality industry in Coimbatore.
- Identify the key determinants of employee engagement and workforce turnover in the hospitality sector in Coimbatore.
- Assess the effectiveness of existing strategies employed by hospitality organizations in Coimbatore to enhance employee engagement and reduce workforce turnover.
- Explore innovative approaches and best practices that could be implemented in Coimbatore’s hospitality industry to improve employee engagement and retention.

5. Review of Literature:

- Kumar & Thomas (2017): Explores how a positive work environment enhances employee engagement in hospitality. Found that supportive leadership and good team dynamics improve engagement and service quality.
- Robinson, Perryman, & Hayday (2004): Identifies key drivers of employee engagement, including communication, recognition, and growth opportunities. High engagement leads to lower turnover and better morale.
- Baum & Kokkranikal (2005): Discusses HR practices in hospitality SMEs and highlights that targeted engagement strategies can help manage high turnover rates.
- Saks (2006): Examines the antecedents (e.g., job characteristics, organizational support) and consequences (e.g., job satisfaction, reduced turnover) of employee engagement, suggesting that fostering engagement reduces turnover.
- Hughes & Rog (2008): Focuses on talent management to improve recruitment, retention, and engagement in hospitality. Effective talent management practices can enhance engagement and reduce turnover.
- Guchait & Cho (2010): Investigates how HR practices (e.g., training, development) impact employee attitudes and behaviours. Effective HR practices lead to higher engagement and lower turnover in hospitality.

6. Research Methodology:

This study employs a comprehensive research methodology to explore employee engagement and workforce turnover within the hospitality industry in Coimbatore. Utilizing a mixed-methods approach, the research integrates both quantitative and qualitative data to provide a thorough analysis of the factors influencing these critical areas.

Research Design: The study adopts a descriptive and exploratory design to capture the current state of employee engagement and turnover, aiming to uncover the underlying factors affecting these variables. By combining quantitative and qualitative methods, the research seeks to provide a well-rounded understanding of the issues.

Data Collection Methods:

Quantitative Methods: Structured questionnaires will be administered to collect data on employee engagement, job satisfaction, and turnover intentions. The questionnaires will feature validated scales such as the Utrecht Work Engagement Scale (UWES) and the Job Satisfaction Survey (JSS). A stratified random sampling technique will be used to ensure representation across various departments and levels within hospitality organizations in Coimbatore.

Sampling Technique:

To ensure a representative and comprehensive analysis of employee engagement and workforce turnover in Coimbatore's hospitality industry, the study will use the following sampling technique:

- **Sampling Frame:** The target population consists of employees working in various hospitality organizations in Coimbatore, including hotels, restaurants, and other service-oriented establishments.
- **Sampling Method:** Stratified Random Sampling: This technique will be employed to ensure that the sample reflects the diversity of roles and departments within the hospitality sector. The population will be divided into strata based on key characteristics such as job role (e.g., front-line staff, managerial positions), type of establishment (e.g., luxury hotels, budget accommodations), and tenure (e.g., new hires, long-term employees).
- **Sample Size:** The sample size will be determined based on the total population of employees is 203 in the hospitality industry in Coimbatore and the desired level of statistical power. A sufficient sample size is 142 will be calculated to ensure reliable and valid results, taking into account the need for both quantitative and qualitative analysis.
- **Data Collection:** Data will be collected from the selected sample through structured surveys and interviews, ensuring that the sample is representative of different roles and departments within the hospitality sector.

7. Analysis & Interpretations:

Table 1: Correlation Analysis

Variables	Pearson Correlation	Type of Relationship
Workplace Environment		
Employee Engagement	0.646	Strong Positive
Intention to Turnover	-0.942	Strong Negative
Reward & Recognition		
Employee Engagement	0.587	Strong Positive
Intention to Turnover	-0.920	Strong Negative
Relationship with Management		
Employee Engagement	0.652	Strong Positive
Intention to Turnover	-0.844	Strong Negative
Career Progression		
Employee Engagement	0.935	Strong Positive
Intention to Turnover	-0.659	Strong Negative

- From the above table Strong positive correlation (0.646) with employee engagement and strong negative correlation (-0.942) with intention to turnover. A better workplace environment boosts engagement and reduces turnover intentions.
- Strong positive correlation (0.587) with employee engagement and strong negative correlation (-0.920) with intention to turnover. Effective rewards and recognition increase engagement and lower turnover intentions.
- Strong positive correlation (0.652) with employee engagement and strong negative correlation (-0.844) with intention to turnover. Positive management relationships enhance engagement and decrease turnover intentions
- Very strong positive correlation (0.935) with employee engagement and moderate negative correlation (-0.659) with intention to turnover. Career advancement opportunities significantly boost engagement and reduce turnover intentions.
- Moderate negative correlation (-0.662). Higher engagement levels are associated with lower turnover intentions.

Table 2: ANOVA

Source of Variation	Sum of Squares (SS)	Degrees of Freedom (df)	Mean Square (MS)	F-Value	p-Value
Between Groups	120.75	3	40.25	10.75	< 0.001
Within Groups	400.50	138	2.90		
Total	521.25	141			

- Between Groups: Variation due to differences in employee engagement across different conditions (e.g., different levels of workplace environment).
- Within Groups: Variation within each group.
- F-Value: Indicates whether there are significant differences in engagement between groups.
- p-Value: A p-value less than 0.05 suggests that the differences between groups are statistically significant.

Table 3: Regression Analysis

Variable	R ²	p-Value	Simple Regression Equation	Predicted TOI	Relationship
Workplace Environment	0.892	< .001	TOI = 6.443 - 1.071 × WE - 0.104	Strong Positive	High workplace environment significantly increases turnover intention
Reward & Recognition	0.869	< .001	TOI = 6.351 - 0.988 × RR - 0.211	Strong Positive	Increased reward & recognition strongly raises turnover intention
Relationship with Management	0.735	< .001	TOI = 6.744 - 1.108 × RM - 0.218	Strong Positive	Poor relationship with management strongly increases turnover intention
Career Progression	0.452	< .001	TOI = 4.832 - 0.323 × CP - 0.410	Moderate Positive	Limited career progression moderately increases turnover intention
Employee Engagement	0.439	< .001	TOI = 4.915 - 0.745 × EE	Moderate Positive	Lower employee engagement moderately increases turnover intention

- R²: Indicates how well the independent variable explains turnover intention (TOI).
- High R² values reflect strong explanatory power.
- p-Value: Shows significance of the model. Values less than 0.05 confirm statistical significance.
- Simple Regression Equation: Provides the formula for predicting TOI based on each variable.
- Predicted TOI: Describes how changes in the variable affect turnover intention.
- Strong Positive Relationship: Variables like workplace environment, reward & recognition, and relationship with management strongly influence turnover intention, meaning higher values lead to significantly increased turnover intention.
- Moderate Positive Relationship: Variables like career progression and employee engagement have a moderate effect, indicating that lower values or limited opportunities moderately increase turnover intention.

Table 4: Hypothesis Testing Table

Test	Null Hypothesis (H ₀)	Alternative Hypothesis (H ₁)	Test Statistic	df	p-Value	Conclusion
T-Test (e.g., Workplace Environment vs. Turnover)	There is no significant difference in turnover intention based on workplace environment.	There is a significant difference in turnover intention based on workplace environment.	t = 3.45	df = 140	0.001	Reject H ₀ ; Significant difference found
T-Test (e.g., Reward & Recognition vs. Turnover)	There is no significant difference in turnover intention based on reward & recognition.	There is a significant difference in turnover intention based on reward & recognition.	t = 2.89	df = 140	0.004	Reject H ₀ ; Significant difference found
ANOVA (e.g., Impact of Various Factors on Turnover)	The means of turnover intention are equal across different levels of factors (workplace environment, reward & recognition, etc.).	At least one group mean of turnover intention is different.	F = 8.75	df = 3, 138	< 0.001	Reject H ₀ ; Significant difference found

Correlation Test (e.g., Employee Engagement and Turnover)	There is no significant correlation between employee engagement and turnover intention.	There is a significant correlation between employee engagement and turnover intention.	r = -0.662	df = 140	< 0.001	Reject H ₀ ; Significant correlation found
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For all tests, the p-values are below 0.05, indicating statistically significant results. This means that the factors analysed (workplace environment, reward & recognition, relationship with management, career progression, and employee engagement) have a significant impact on turnover intention.

8. Recommendations:

- **Enhance Workplace Environment:** Invest in creating a positive and supportive workplace environment. This includes improving physical workspaces, ensuring safety, and fostering a collaborative atmosphere. A strong positive relationship was found between workplace environment and turnover intention. Enhancing the work environment can reduce turnover intention by making employees feel more comfortable and valued.
- **Improve Reward & Recognition Systems:** Develop and implement robust reward and recognition programs that acknowledge and reward employee achievements regularly. The analysis showed a significant positive impact of reward and recognition on turnover intention. Acknowledging employees' efforts can boost their morale and reduce their intention to leave.
- **Strengthen Relationships with Management:** Train managers and supervisors in effective leadership and communication skills. Encourage open dialogue and regular feedback between employees and management. Poor relationships with management were associated with higher turnover intention. Strengthening these relationships can help create a more supportive and engaging work environment.
- **Promote Career Progression:** Provide clear career development paths and opportunities for advancement. Offer training and development programs to help employees grow professionally. Limited career progression was found to increase turnover intention. By promoting career growth, employees are more likely to stay engaged and committed to the organization.
- **Boost Employee Engagement:** Implement strategies to increase employee engagement, such as involving employees in decision-making processes, providing meaningful work, and ensuring work-life balance. A negative correlation was found between employee engagement and turnover intention. Enhancing engagement can lead to lower turnover rates by making employees feel more connected and satisfied with their roles.
- **Regularly Monitor and Evaluate Engagement Metrics:** Conduct regular surveys and feedback sessions to assess employee satisfaction and engagement levels. Use the data to make informed decisions and improvements. Continuous monitoring helps identify emerging issues and areas for improvement, allowing for timely interventions to address factors contributing to high turnover intention.

9. Conclusion:

This study provides valuable insights into the factors influencing employee engagement and turnover intention within the hospitality industry in Coimbatore. The analysis reveals that various workplace elements significantly impact employees' intention to leave, highlighting the critical role of workplace environment, reward and recognition, relationships with management, career progression, and overall employee engagement. The findings underscore the strong positive relationships between a supportive workplace environment and higher turnover intention, as well as between reward and recognition systems and turnover. Conversely, the results indicate that improved career progression and higher employee engagement are associated with lower turnover intention, suggesting that employees who feel valued and see clear opportunities for advancement are less likely to leave. These insights emphasize the importance of targeted interventions to enhance employee satisfaction and retention. Organizations in the hospitality sector should focus on creating a positive workplace environment, implementing effective reward systems, strengthening managerial relationships, promoting career development, and boosting overall employee engagement. By addressing these key areas, hospitality organizations can reduce turnover intention, improve employee satisfaction, and foster a more committed and stable workforce. In summary, this study highlights the need for comprehensive strategies to manage employee engagement and reduce turnover. By adopting the recommendations provided, organizations can better align their practices with employees' needs and expectations, leading to a more engaged and dedicated workforce, ultimately contributing to organizational success and stability.

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