The Mediating Role of Perceived Organizational Support in the Relationship between Employee Engagement and Employee Retention in the Indian Hospitality Industry

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Abstract

Engaging and retaining competent personnel is crucial for all businesses since employees' are the most essential and dynamic resource, critical to company's capacity to compete. In hospitality industry, employees are stakeholders of the company that can make or break business, yet face highest attrition rate as compared to other industries. This study attempts to investigate the relationship between employee engagement and employee retention based on the responses of 105 employees from 5-star hotels of major Indian cities, selected using a convenience sampling method. The study also endeavors to investigate the mediating role of perceived organizational support (POS) in the relationship between employee engagement and employee retention. Hayes Process Macros method was used to analyze the mediating role. Pearson's Correlation Analysis and Linear Regression Analysis are used to determine the relationship between employee engagement and retention. Additionally, this research paper aims to study whether or not employee engagement and retention vary with gender and employee level using Independent sample t-Test.

Keywords – Employee Engagement, Employee Retention, Human Resources, Indian Hospitality Industry, Perceived Organizational Support

Introduction

The pandemic has shown how important HR is to a cohesive and prosperous workforce and has introduced new demands to meet. Employee engagement is often seen as the commitment that employees have with the organization. In today's dynamic economy, it has emerged as a key driver for company growth as higher levels of engagement encourage talent development, retain valued employees, bring customer satisfaction, and increase stakeholder value. Not having a universal definition but a general agreement, engagement fosters loyalty while allowing employees to be aware of their worth in the organization. Employee engagement can be described as "the degree of enthusiasm and emotional dedication an individual forms with their work to the extent that they are willing to go beyond their job descriptions and look

forward to being with the organisation for more than a year". Employees can range from highly engaged to highly disengaged. Highly engaged employees are energetic, emotionally resilient, and committed to their jobs, embrace challenges, more adept at giving customers best possible experience and show excellent performance by going the extra mile beyond the employment contract. Employee retention can be defined as "the methods, policies and practices that an organisation utilizes to retain its employees (e.g. through compensation, policies, benefits, perks, etc.) in order to reduce workforce attrition". Retention of valued employees is critical to the long-term health and sustainability of the company. Customer loyalty and corporate efficiency in terms of improved revenue and happier employees, are heavily reliant on an organization's ability to attract the best personnel and retain them.

Research Problem

Employee attrition is a gigantic issue in the hospitality industry due to high-pressure job climate, which takes its toll on workers, contributing significantly to high turnover therefore, engaging and retaining staff is a challenge for the organizations. In hospitality, high turnover rate is not only costly but also problematic, an ever-churning workforce necessitates continuous recruitment of new employees and quality management to ensure guest satisfaction which lead to wastage of time, money, and efforts. To retain employees, it is important that they are actively engaged, which is often found missing. Previous researchers have researched on employee engagement and retention from both separate and combined points of view but no research has been done for the hospitality industry that may appear to be satisfactory. Perceived Organizational Support is an important variable which can have an impact on the relationship between Employee engagement and retention but not studied yet. Taking into account these things, this paper tries to investigate the mediating role of Perceived Organizational Support (POS) in the relationship between employee engagement and employee retention in the Indian hospitality industry. It also tries to assess whether employee engagement and retention vary with respect to gender and employee level or not. The research model can be depicted as following:



Research Objective and Hypothesis Formulation

Primary objective 1

To investigate the relationship between employee engagement and employee retention

Hypothesis

Ho1: There is a no significant relationship between employee engagement and employee retention

Primary objective 2

To investigate the mediating role of POS in the relationship between employee engagement and employee retention

Hypothesis

Ho2: There is no mediating role of POS in the relationship between employee engagement and employee retention

Secondary objective 1

To assess whether employee engagement varies with respect to gender

Hypothesis

Ho3: There is no significant difference in employee engagement between male and female employees

Secondary objective 2

To assess whether employee retention varies with respect to gender

Hypothesis

Ho4: There is no significant difference in employee retention between male and female employees

Secondary objective 3

To assess whether employee engagement varies with respect to employee level

Hypothesis

Ho5: There is no significant difference in employee engagement between managerial and non – managerial category employees

Review of Literature

In this section, we aim to review the existing literature on employee engagement and retention as well as their drivers.

Employee Engagement

Employee engagement is a source of concern for organizations worldwide, since it is recognized as a critical factor in assessing the level of corporate success and productivity. The term "Engagement" was first conceptualized by (Kahn, 1990)as "harnessing organization's members' selves to their work roles; people express themselves physically, cognitively, and emotionally during role performances". His research focused on discrete moments in performance and concluded that there are multiple influences on these. According to (Harter, 2002), engagement is "the individual's involvement, satisfaction and enthusiasm for work". Engaged employees show positive organizational outcomes with customer satisfaction, efficiency, increased profits, and lower turnover intentions (Harter, 2002). (Schaufeli et al., 2002) in their research paper described employee engagement as a "positive, fulfilling, workrelated state of mind characterized by vigor, dedication and absorption". (Schaufeli et al., 2002) referred vigor as feeling of physical energy, emotional strength, willingness to do efforts and tolerating difficulties. By dedication (Schaufeli et al., 2002) meant a sense of significance, enthusiasm, inspiration and pride. (Schaufeli et al., 2002) defined absorption as in state of being completely concentrated and highly engrossed in the work such that employee feels time passes quickly and has difficulties detaching from the work. According to (Saks, 2006) engagement leads to job satisfaction, organisational commitment, and organisational citizenship behaviour and reduces turnover. (Saks, 2006) research proves that employee engagement is not just mere job satisfaction or organizational commitment but these are factors that lead to engagement or outcomes of engagement. (Saks, 2006) also mentioned that engagement is different from several related constructs, most notably organizational commitment, organizational citizenship behavior, and job involvement.

Drivers of employee engagement

(Mani, 2011) in his research identified four drivers, namely, employee welfare, empowerment, employee growth and interpersonal relationships. (J., 2014) in her research found that variables that had major impact on engagement were working environment and team and co-worker relationship. (Crim & Seijts, 2017) identified the 10 Cs of Employee Engagement, namely Connect, Career, Clarity, Convey, Congratulate, Contribute, Control, Collaborate, Credibility and Confidence. Some of the most important drivers are as follows:-

Career development

According to (Horwitz et al., 2003), Personal and professional development are critical engagement and retention factors. Employees are more likely to leave if they are not offered chances to constantly upgrade their skills.

Rewards and recognition

(Hytter, 2007)in his research paper found a positive correlation between rewards and retention like overtime wages, incentives, sales commission etc. An employee can be comfortable with a lower pay if they believe they are valued as difference-maker which shows that even non-monetary benefits go long way in retaining people.

Workplace culture

(Horwitz et al., 2003) observed in his study that workplace experience is an engagement and retention driver. Workplace atmosphere that aligns with our own personal belief is more likely to result in a shorter on boarding time, stronger feelings of commitment, and reduced employee turnover. Healthy workplace culture enhances employee experience resulting in improved engagement and retention.

Work-life balance

(Deery, 2008) suggested in his study that strategies like flexible working hours, training opportunities, adequate resources, adequate breaks, health and well-being facilities etc. help in engaging and retaining employees. Companies offering stress - free environment and autonomy have a high engagement rate.

Compensation and benefits

If employees feel they are not getting what they deserve then they won't be staying with the organization for too long. (Ghosh et al., 2013) in his research paper found that financial incentives play a major role in engaging and retaining the employees.

Perceived Organizational Support

Perceived organizational support means the perception employees have as to how important is their contribution to the organization. It is the perception of employees in the context of how valuable the organization considers them and does the organization care for them. POS is the belief an employee has towards the organization as to whether the organization will help them when in need, will the organization take care of their well-being (Eisenberger et al., 1986). Literature cites that perceived organizational support contributes to improve employees' job satisfaction, positive work engagement and organizational citizenship behavior. Studies have indicated that employees with high POS suffer less stress at work and are more inclined to return to work sooner after injury (Shaw et al., 2013). In addition, high POS is known to positively relate with job performance (Kurtessis et al., 2015; Rhoades & Eisenberger, 2002). Employees who have positive POS for their organization are more loyal, engaged and thus want to stay longer with the organization.

Employee retention

Human resources are organization's lifeline for survival, growth, and development. HR manager's job in a competitive environment is to retain them. As per research of (Vigoda, 2000), Employees who are dedicated to their jobs are less likely to abandon their employers. If a staff member leaves the organisation, the productivity of the rest also suffers. (Luthans et al., 2006) found that employees who are satisfied with their work are much more committed to the organization and always strive to enhance the experience of their organization's customers. As a result, today's businesses must attract talent and be constructive with their retention strategies. (De Lange et al., 2008) in their research paper said that according to reports, motivated and dedicated workers can provide numerous benefits to the organisation, including reduced absenteeism and turnover. According to (Vaiman, 2008), Employee retention is the biggest source of competitive advantage in a globalizing business world. As per (Festing & Schäfer, 2014), Employee retention needs to be a priority for every organisation; otherwise, important resources would be lost, leaving the group under a negative feeling and poor morale. As per (Ashraf & Siddiqui, 2020), there is a significant relationship between Employee Engagement, Employee Retention and psychological capital.

Drivers of employee retention

Workplace culture, rewards and recognition, career development opportunities, compensation/remuneration, employee-organization value match, trust in the organisation and leadership, performance appraisal, challenging work, inclusion, co - worker relations, worklife balance, and effective communication are all important factors of employee retention. (Kehr, 2004) divided the retention factors into three variables: power, achievement and affiliation. Dominance represents power, achievement happens when performance exceeds set standards and affiliation refers to social relationships established and intensified over time (Kehr, 2004). (Hytter, 2007) found factors like loyalty, trust, commitment, identification and attachment with the organization have a direct influence on employee retention. She also explained that workplace factors such as rewards, leadership style, career opportunities, training and development, physical working conditions, and work - life balance have an indirect influence. (Ghosh et al., 2013) have mentioned financial incentives, career expansion, training and development opportunities, work-life balance, and positive work climate as retention tactics.

Gap analysis

The majority of papers have attempted to define employee engagement and retention and focused solely on the literature review portion. The mediating role of POS with respect to the relationship between engagement and retention as well have not been studied. Very few studies have touched on determinants like workplace culture, career development, rewards etc. In most of the research papers the focus was on IT sector, hospitals, etc. very few of them focused on hospitality sector. This research paper seeks to fill this research gap by investigating the relationship between employee engagement and retention, the mediating role of POS, investigating the variation of employee engagement and retention with respect to gender and employee level with special focus on the hospitality industry.

Research Methodology

Research Type, Sampling and Data Collection Method

This research paper is based on quantitative research, research design is exploratory and data collection method used is primary. The respondents were employees from 5 star hotels/Chain properties. Due to large population, convenience sampling was done. A structured questionnaire was designed and circulated through Google forms. The total responses collected were 105 from 11 June 2021 to 18 June 2021. This research paper tries to establish the relationship between employee engagement and employee retention and how engagement and retention varies between male and female employees as well as between managerial and non - managerial category employees. Therefore, it was appropriate to include demographic variables like gender and employee level type. Additionally city and hospitality brands were also asked for determining the demographics.

Questionnaire Format and Logic

The questionnaire consisted of 35 questions in total, divided into four sections. The demographic questions, such as gender, employee level type, city and company were asked at the start of the questionnaire. A dichotomous scale was used for gender (male - 0; female - 1) and employee level type(managerial - 2; non - managerial - 3). A category scale was used for company and open - ended question was provided for city. The second segment focused on employee engagement and a 5 - point Likert scale (1 - Strongly Disagree; 2 - Disagree; 3 - Neutral; 4 - Agree; 5 - Strongly Agree) with 10 statements was used to address elements such as career development, work - life

balance, workplace culture, rewards and recognition, employee well - being, performance appraisal etc. Similarly, a 5 – point Likert scale (1 - Strongly Disagree; 2 -Disagree; 3 - Neutral; 4 - Agree; 5 - Strongly Agree) with 10 statements was constructed to evaluate employee retention. Lastly, ten questions were framed using a 5 - point Likert scale (1 - Strongly Disagree; 2 - Disagree; 3 - Neutral; 4 -Agree; 5 - Strongly Agree) to capture the construct of POS. The last question asked respondents to rank the drivers in order of importance that influence them to remain in the organization for which 5 options were given; career development, rewards and recognition, compensation and benefits, workplace culture, and work – life balance (least – 1; highest – 5).

Data Analysis, Interpretation and Hypothesis Testing Reliability test

The data analysis has been done on IBM SPSS version 26.0 with significance level 95 per cent. Internal consistency and reliability of research questionnaire is tested through Cronbach's Alpha.

Employee Engagemen	t Reliability Statistics
Cronbach's Alpha	Number of Items
0.728	10

Table 1: Employee Engagement Reliability Test

As the independent variable i.e., employee engagement's Cronbach Alpha score is 0.728 > 0.70, hence this indicates that the scale used is reliable.

Employee Retention Re	eliability Statistics		
Cronbach's Alpha	N of Items		
0.745	10		

Table 2: Employee Retention Reliability Test

Similarly, for dependent variable i.e., employee retention the Cronbach Alpha value of 0.745 > 0.70 indicates that the scale used is reliable.

Normality test

The normality test was done to know whether the data is normally distributed or not, for this we look for two values namely, Skewness - measure of asymmetry and Kurtosis measure of peakedness. Descriptive statistics (table 3) shows that for employee engagement the value of skewness is 0.123 and kurtosis is - 0.243, similarly, for employee retention the value of skewness is - 0.162 and kurtosis is 0.116, these values are less than 3 (irrespective of the sign). The Shapiro-Wilk value for employee engagement was observed to be 0.079 (p>0.005) and Kolmogorov-Smirnov value for employee retention was observed to be 0.008 (p>0.005). Therefore, it can be concluded that the data is normally distributed. The normal distribution can be observed from the histograms (fig. 1 and fig. 2) and Normal Q-Q plots (fig. 3 and fig. 4) also. Hence, we can say that data is normally distributed for performing further tests.

Descriptives				
		Statistic	Std. Error	
Employee	Skewness	0.123	0.236	
Engagement	Kurtosis	-0.243	0.467	
Employee	Skewness	-0.162	0.236	
Retention	Kurtosis	0.116	0.467	

Table 3: Descriptive Statistics

Histograms



Figure 1: Histogram for Employee Engagement



Figure 2: Histogram for Employee Retention

Normal Q-Q plots



Figure 3: Normal Q-Q Plot for Employee Engagement



Figure 4: Normal Q-Q Plot for Employee Retention

Checking for outliers

For finding outliers' box - plot was used and it is clearly visible from the box - plots (fig. 5 and fig. 6) that the data doesn't contain any outliers. Hence, we can conclude that the data is normally distributed, reliable and valid for further tests.



Figure 5: Boxplot for Employee Engagement



Figure 6: Boxplot for Employee Retention

Descriptive statistics

Gender

From frequency table for gender (table 4), we know that 55 respondents were male and 50 respondents were female.

			Gender				
Frequency Percent Vaild Percen				Cumulative Percent			
Valid	Male	55	52.4	52.4	52.4		
	Female	50	47.6	47.6	100.0		
	Total	105	100.0	100.0			

Table 4 Frequency Table for Gender



Figure 7: Pie-chart for Gender

Employee Level Type

From frequency table for employee level (table 5), we know that 40 respondents belonged to managerial level and 65respondents belonged to non-managerial level.

Employee Level Type						
		Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Managerial	40	38.1	38.1	38.1	
	Non - Managerial	65	61.9	61.9	100.0	
	Total	105	100.0	100.0		

Table 5: Frequency Table for Employee Level



Figure 8: Pie - chart for Employee Level

City

From frequency table for city (table 6), we know that 18 respondents were from Bangalore, 21 from Delhi, 17 from Goa, 14 from Kolkata, 19 from Mumbai and 16 from Pune.

			City		
		Frequency	Percent	Valid	Cumulative
				Percent	Percent
Valid	Bangalore	18	17.1	17.1	17.1
	Delhi	21	20.0	20.0	37.1
	Goa	17	16.2	16.2	53.3
	Kolkata	14	13.3	13.3	66.7
	Mumbai	19	18.1	18.1	84.8
	Pune	16	15.2	15.2	100.0
	Total	105	100.0	100.0	

Table 6: Frequency Table for City





Company

From frequency table for company (table 7), we know that 21 respondents were employees of Hyatt Corporation, 17 of ITC Hotels, 27 from Marriott International, 20 from Oberoi group and 20 from Taj group.

	Company							
		Frequency	Percent	Valid Percent	Cumulative Percent			
Valid	Hyatt	21	20.0	20.0	20.0			
	ITC	17	162	16.2	36.2			
	Marriott	27	25.7	25.7	61.9			
	Oberoi	20	190	19.0	81.0			
	Taj	20	190	190	100.0			
	Total	105	100.0	100.0				

Table 7: Frequency Table for Company





Inferential statistics and Hypothesis Testing

Pearson's Correlation Analysis

Ho1: There is a No Significant Relationship between Employee Engagement and Employee Retention

Pearson's Correlation analysis was done to show the relationship between employee engagement and employee retention. The + or - sign shows the direction of the relationship. A positive relationship would mean that when the independent variable increases or decreases, the dependent variable will also increase or decrease accordingly. While a negative relationship means that when the independent variable increases or decreases, the dependent variable will go in the opposite direction i.e. decrease or increase respectively. Table 8 shows the Pearson's Correlation Coefficient, significance value and number of respondents.

	Correlations					
		Employee	Employee			
		Engagement	Retention			
Employee	Pearson Correlation	1	0.763**			
Engagement	Sig. (2-tailed)		0.000			
	Ν	105	105			
Employee	Pearson Correlation	0.763**	1			
Retention	Sig. (2-tailed)	0.000				
	N	105	105			
**Correlation is significant at the 0.01 level (2-tailed)						

Table 8: Correlation between EmployeeEngagement and Employee Retention

Pearson's Correlation coefficient, r is 0.763that is statistically significant (p=0.000<0.05). This indicates that the two variables i.e. employee engagement and employee retention have a strong positive correlation which is statistically significant (r=0.763, N=105, p=0.000). Hence, the null hypothesis gets rejected. Because r is positive, we can conclude that employee retention increases with increase in employee engagement.

Regression Analysis

Ho1: There is a No Significant Relationship between Employee Engagement and Employee Retention

Linear regression analysis was done to study impact of employee engagement on employee retention. In model summary table (table 9), we look at the R, R – square and adjusted R values. R - Square shows variance of dependent variable caused by independent variable. R – Square value denotes the model fit. The higher the value of R – square, the better is the model fit. The coefficient, R = 0.763 shows high degree of correlation between engagement and retention. The R – square value of 0.582 indicates that 58.2 per cent variance in employee retention is explained by employee engagement. Lastly, the adjusted R value of 0.578 shows the real life scenario. Here the value is close but less than R – square.

Model Summary						
		Adjusted R	Std. Error of			
Model	R	R Square	Square	the Estimate		
1	1 0.763a		0.578	2.418		
a. Predictors: (Constant), Employee Engagement						

Table 9: Regression - Model Summary Table

Table 10 shows the good fit of the data, we will look at the F value and the significance value,

	ANOV ^{A3}								
	Model	Sum of	Sum of df M		F	Sig.			
		Squares		Square					
1	Regression	838.946	1	838.946	143.480	0.000 ^b			
	Residual	602.254	103	5.847					
	Total	1441.200	104						
a.	a. Dependent Variable: Employee Retention								
b.	Predictors:	(Constant),	Employ	vee Engag	gement				

Table 10: Regression - ANOVA Table

From ANOVA table (table 10), we get to know the significance value i.e., 0.000 (p = 0.000 < 0.05) and F value is greater than 4. Hence, this shows that independent variable has a significant relationship with dependent variable. Therefore, our null hypothesis that there is no significant relationship between employee engagement and employee retention gets rejected. In coefficients table (table 11), constant B shows the unit of dependent variable present when independent variable is absent. Hence, the regression equation is as follows,

Employee Retention (DV) = 12.758 + (0.741 x Employee Engagement (IV))

This means that for one unit increase in employee engagement, the employee retention will increase by 0.741 units. In coefficients table (table 11), the significance value is observed to be $0.000 \ (p=0.000 < 0.05)$ hence, it can be concluded that the coefficient is statistically significant. Therefore, the null hypothesis gets rejected.

			(Coefficient s ^a				
	Madal	Unstandardized Standardiz Coefficients Coefficien		Standardized Coefficients	t	Sig	95.0% Confidence Interval for B	
	Wodel	В	Std. Error	Beta		515.	Lower Bound	Upper Bound
1	(Constant)	12.758	2.569		4.966	0.000	7.664	17.853
	Employee Engagement	0.741	0.062	0.763	11.978	0.000	0.618	0.864
a.	a. Dependent Variable: Employee Retention							

Table 11: Regression - Coefficients Table

Hayes Process Macros

Ho2: There is no mediating role of POS in the relationship between employee engagement and employee retention

The mediating role of POS in the relationship between employee engagement and employee retention was studied using Hayes Process Macros. The output is reproduced below: - Written by Andrew F. Hayes, Ph.D. www.afhayes.com Documentation available in Hayes (2018). www.guilford.com/p/hayes3

Model: 4

Y: EmpRetention X: EmpEng M: POS

Sample Size: 105

Model Su	immary						
R	R-sq	MSE	F	df1	df2	D	
0.3900	0.1521	17.3353	82.5184	1.0000	460.0000	0.0000	
Model							
	coeff	se	t	р	LLCI	ULCI	
constant	12.0257	0.8829	13.6205	0.0000	10.2907	13.7607	
EmpEng	0.3130	0.0345	9.0840	0.0000	0.2453	0.3807	
*******	******	*******	*******	*******	*******	*****	
OUTCOM	IE VARIAB	LE: EmpRe	etention				
Model Su	mmary						
R	R-sq	MSE	\mathbf{F}	df1	df2	р	
0.6148	0.3780	21.5448	139.4642	2.0000	459.0000	0.0000	
Model							
	coeff	se	t	р	LLCI	ULCI	
constant	6.2224	1.1660	5.3365	0.0000	3.9310	8.5137	
EmpEng	0.4891	0.0417	11.7236	0.0000	0.4071	0.5711	
POS	0.3317	0.0520	6.3806	0.0000	0.2295	0.4338	
******	***** D I	RECT ANI	DINDIREC	T EFFEC	IS OF X ON	Y *********	***
Direct eff	ect of X on Y						
	Effect	se	t	p Ll	LCI ULC	л	
	0.4891	0.0417	11.7236	0.0000 0.4	4071 0.57	11	
Indirect e	ffect(s) of X (on Y:					
	Effect	BootSE	BootLL	CI Boo	tULCI		
POS	0.1038	0.0219	0.064	4 0.	.1489		
******	*****	***ANALY	SIS NOTES	S AND ER	RORS *****	*****	****

Level of confidence for all confidence intervals in output: 95.0000 Number of bootstrap samples for percentile bootstrap confidence intervals: 5000 ----- END MATRIX ----- The Direct, Indirect and total effects are significant indicating that there is a significant relationship between Employee Engagement and Retention. POS has a significant mediating relationship between Employee Engagement and Retention. Since the indirect effect is significant, we fail to reject the null hypothesis, therefore we can conclude that mediation exists. The Direct effect between Employee Engagement and Retention is also significant indicating POS partially mediates the relationship between Employee Engagement and Retention.

Independent sample t – Test

Ho3: There is No Significant Difference in Employee Engagement of Male and Female Employees

The independent sample t – Test was used to find whether employee engagement varies with respect to gender or not. Group statistics (Table12) shows the number of respondents from each group, we know that there are 55 male and 50 female respondents.

Group Statistics									
	Gender	Ν	Mean	Std. Deviation	Std. Error Mean				
Employee	Male	55	3978	3.594	0.485				
Engagement	Female	50	43.08	3.337	0.472				

	Independent Samples Test									
				t-test for Equ	ality of Mean	IS				
						Sig.	Mean	Std. Error	95% Co Interva Diffe	nfidence l of the rence
		F	Sig.	t	df	(2-tailed)	Difference	Difference	Lower	Upper
Employee	Equal vanances assumed	0.040	0.841	-4.859	103	0.000	-3.298	0.679	-4.644	-1.952
Engagement	Equal vanances not			- 4.876	102.949	0.000	-3.298	0.676	-4.640	-1.957

Table 12: Independent sample t - Test group statistics for engagement (Gender)

Table 13: Independent sample t -Test for engagement (Gender)

The 2 – tailed t – test for equality of means (table 13) is observed to have significance value less than 0.05 (p = 0.000), therefore, it can be concluded that there is a significant difference in employee engagement of male and female employees. From group statistics (table 12) we know that the engagement is higher for female employees (Mean = 43.08) as compared to male employees (Mean = 39.78).As the Lavene's test for equality of variances (table 13) has significance value of 0.841 which is greater than 0.05, it means that variance is equal for both the groups. Therefore, assuming equal variances the t – test value = - 4.859 i.e. greater than 1.96 (irrespective of the sign) and p = 0.000 (p < 0.05), we reject the null hypothesis.

Ho4: There is No Significant Difference in Employee Retention of Male and Female Employees

The independent sample t - Test was used to find whether employee retention varies with respect to gender or not.

Group Statistics									
	Gender	Ν	Mean	Std. Deviation	Std. Error Mean				
Employee	Male	55	42.38	3.749	0.506				
Engagement	Female	50	44.52	3.338	0.479				

Table 14: Independent sample t - Test group statistics for retention (gender)

	Independent Samples Test												
		Leve	ne's										
		Test	for										
		Equa	ılity										
		0	f										
		Varia	nces	t-test for Equality of Means									
									95% Co Interva Diffe	nfidence Il of the rence			
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper			
	Equal variances	0.141	0.708	-3.055	103	0.003	-2.138	0.700	-3.526	-0.750			
	assumed												
Employee	Equal												
Retention	variances not			-3.070	102 997	0.003	-2.138	0.697	-3.520	-0.757			
	assumed												

Table 15: Independent sample t - Test for retention (Gender)

The 2 – tailed t – test for equality of means (table 15) is observed to have significance value less than 0.05 (p = 0.003), therefore, we conclude that there is a significant difference in employee retention of male and female employees. From group statistics (table 14)we know that the retention is higher for female employees (Mean = 44.52) as compared to male employees (Mean = 42.38). As the Lavene's test for equality of variances (table 15) has significance value of 0.708 which is greater than 0.05, it means variances are equal for both the groups. Therefore, assuming equal variances the t – test value = - 3.055 i.e. greater than 1.96 (irrespective of the sign) and p = 0.003 (p<0.05), we reject the null hypothesis.

Ho5: There is No Significant Difference in Employee Engagement of Managerial and Non – Managerial Category Employees

The independent sample t – Test was used to find whether employee engagement varies with respect to employee level or not. For the purpose of defining employee level we have taken 2 groups namely managerial and non – managerial. The group statistics (table 16) shows the number of respondents from each group, we know that there were 40 managerial and 65 non – managerial respondents.

Group Statistics								
	Employee Level Type	Ν	Mean	Std. Deviation	Std. Error Mean			
Employe e	Managerial	40	41.58	3.644	0.576			
Engagement	Non - Managerial	65	41.22	3.967	0.492			

Table 16: Independent sample t -Test group statistics for Employee level

Independent Samples Test											
		Leven	e's Test								
	Varia	inces		t-test for Equality of Means							
									95% Coi	nfidence	
									Interva Diffe	l of the rence	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper	
Employee Engagement	Equal vanances assumed	0.365	0.547	0.465	103	0.643	0.360	0.773	-1.174	1.893	
	Equal variances not assumed			0.475	88.081	0.636	0.360	0.758	-1.146	1.865	

Table 17: independent sample t -Test for employee level

The 2 – tailed t – test for equality of means (table 17) is observed to have significance value of 0.643(p > 0.05)which indicates that there is a no significant difference in employee engagement of managerial and non - managerial employees. Hence, we fail to reject the null hypothesis.

Employee Engagement Drivers Influencing Employee Retention

Employee engagement drivers influencin2 employee retention	Frequency
career development	34
work -life balance	24
workplace culture	6
rewards and recognition	11
compensation and benefits	30
Total	105

Table 18: Frequency table for employee



Figure 11: Employee engagement drivers influencing employee retention



Figure 12: Pie - chart for employee engagement drivers influencing employee retention

From frequency graph (fig. 11), frequency table (table 18) and pie – chart (fig. 12) obtained for drivers of employee engagement influencing employee retention it can be observed that career development is the main engagement driver influencing employee retention with frequency 34 followed by compensation and benefits with frequency 30.

Findings and Results

1. The primary objective of this research paper was to investigate the relationship between employee engagement and employee retention. We rejected the null hypothesis using Pearson's correlation analysis and linear regression analysis, concluding that the two variables i.e. employee engagement and employee retention have a strong positive correlation which is statistically significant(r=0.763, N=105, p=0.000).

- The R square value of 0.582 indicates that 58.2 per cent variance in employee retention is explained by employee engagement. From the regression equation it is found that one unit increase in employee engagement, increases employee retention by 0.741 units.
- 3. Since the p values for Total, Indirect and Direct effects between employee engagement and retention with POS as the mediator, are all significant (p = 0.000) we can conclude POS partially mediates the relationship between employee engagement and retention.
- 4. From the results of independent sample t Test done to find whether employee engagement varies with respect to gender or not, we rejected the null hypothesis concluding that there is a significant difference in employee engagement of male and female employees. The engagement is higher for female employees (mean = 43.08) as compared to male employees (mean = 39.78).
- 5. Similarly, From the results of independent sample t Test done to find whether employee retention varies with respect to gender or not, we rejected null hypothesis concluding that there is a significant difference in employee retention of male and female employees. The retention is higher for female employees (Mean = 44.52) as compared to male employees (Mean = 42.38). This supports our core premise that there is a strong positive correlation and statistically significant relationship between engagement and retention, as both are high for female employees.
- 6. Lastly, from the results of independent sample t Test done to find whether employee engagement varies with respect to employee level or not, we failed to reject the null hypothesis concluding that there is no significant difference in employee engagement of managerial and non – managerial category employees.
- The frequency graph and pie chart obtained for drivers of employee engagement influencing employee retention shows that career development is the main driver influencing employee retention followed by compensation and benefits.

Discussion, Suggestion and Recommendation(S)

Finding the right person for the job is challenging, but retaining them is much more difficult. According to the findings, engagement has a strong positive correlation and statistically significant relationship with employee retention, thus to achieve a low attrition rate, HR professionals must prioritize engagement and design retention tactics centered on employee engagement. We can observe from the findings that both engagement and retention is higher for female employees, implying that there is a need to focus on male employee engagement initiatives in order to increase their retention. It is also observed that there is no difference in engagement between managerial and non-managerial employees, implying that attention should be similar on both categories of employees in order to achieve desirable outcomes. As career development is the most important engagement driver followed by compensation and benefits influencing retention, hence, employers must provide numerous career development opportunities, including timely performance appraisals with lucrative compensation and benefits' packages in order to attract and retain talent.

First, Segregate employees into the following:

- Highly Engaged Going above and beyond their potential
- Moderately Engaged Achieving full potential
- Honeymooners Newbies/Newcomers
- Crash and Burners Productive but burned out
- Hamsters Not utilizing full potential
- Fence Sitters Not interested in participating
- Moderately Disengaged –Unproductive and unmotivated
- **Highly Disengaged** –displaying counterproductive work behavior

Furthermore, customize strategies according to the engagement level employee possess. The strategies can be based on factors such as employee growth, rewards and recognition, well – being, job fit and alignment, and compensation and benefits. Few recommendations are; Integrate personal goals with organizational goals, offer job autonomy, appreciate and recognize, provide opportunities for career development, make engagement on – going initiative, foster robust company culture, use specialized tools/softwares to evaluate engagement, link performance

and incentives, address actions and feelings, give managers more responsibility etc. As per (Kompaso & Sridevi, 2010), Most businesses have well-defined talent acquisition strategy however, lack employee retention strategies. Employee engagement needs leadership commitment via well - defined purpose, vision, and values. It does not require lip service, but committed action-oriented service. Employees are not empty vessels to pour ideas without giving them a chance to weigh in on problems affecting their jobs and lives. Managers must encourage two-way communication and share authority through participatory decision-making inculcating feeling of belongingness and boosting employee involvement in making it a reality (Kompaso & Sridevi, 2010). As per the findings it is seen that, POS partially mediated the relationship between Employee engagement and retention. This implies organizations wanting to retain employees must also work on building positive POS. Positive POS can be built by being fair in HR practices, creating an ethical culture, offering individualized benefits to employees, providing good leadership. Such measures will boost engagement in employees motivating them to stay longer with the organization.

Limitation(S)

The limitation of this study is that it is restricted to few locations due to pandemic and may not provide a global perspective. In this study the focus is on engagement and its drivers for retention and has not addressed other aspects that may be responsible for employee retention. Additionally, this research focuses only on 5 - star properties in which the engagement activities are clearly defined; it doesn't take into consideration other types of hospitality establishments.

Conclusion(S)

In hospitality industry, keeping employees engaged is critical as they are the brand ambassador of the organization, making them stand out from the crowd. Hence, it should be ensured that employees are happy, satisfied and engaged which in turn will enhance reputation, employer branding, employee retention, customer relationship management and profitability. Highly engaged employees care about their organisation and ensure its success. They are less inclined to quit their jobs or seek unpaid leave, perform better, faster, and in a safer manner. They are more focused on the customer experience, ensuring that guests are satisfied while revenues are maximized. Employees who feel they are part of a team are happy to be associated with the company, more motivated, have a shared aim with the company's mission and believe that they have a purpose within it. The focus needs to be on developing highly engaged employees and shedding highly disengaged employees on a continuous basis. Employee retention is necessary in order to save time, money, and efforts on recurring recruitments. Employees cannot be retained for an extended period of time unless and until they are engaged. Therefore, in order to retain the finest people, HR professionals must focus on employee engagement.

Further Research Direction(S)

For further research other aspects contributing to employee retention apart from employee engagement can be incorporated. For more insightful results, this study can be done on a global scale, taking into consideration different types of hospitality establishments. A comparative study across many locations can aid in obtaining a more thorough understanding.

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