How to Cite:

The factors that influence turnover intention among workers in Cosmo Hotel, Kuala Lumpur, Malaysia

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Abstract---An employee is a company's lifeblood. The firm's success or failure is determined on employee performance. To improve employee performance and loyalty, senior management recognizes the need of investing in employee happiness and growth. This conceptual research examined the factor influence turnover in the Cosmo Hotel, Kuala Lumpur, Malaysia. A theoretical framework and model linked to employee turnover intention are also discussed, as well as variables influencing staff turnover in Cosmo Hotel. A questionnaire containing 24 items was given to 97 hotel employees of various levels. The technique utilized in this research was to randomly choose workers from the company and ask them for their personal opinion. The paper ends with recommendations for future research by using various degree of analysis on investigating the impact of turnover intention. This research also found a link between employee turnover intention and behaviour, which may be used in both theory and practice.

Keywords---turnover intention, leadership, workload, pay satisfaction.
Introduction

Without a doubt, firms all over the world are aiming for success and out-competing their peers in the same field. In order to accomplish so, businesses must successfully acquire and deploy human resources. Organizations must be more pragmatic in their approach to keeping their human resources up to date. In doing so, managers must pay special attention to all of the core functions of human resource management, as they play an important role in a variety of organisational, social, and economic areas, among others, that influence the achievement of organisational goals and, as a result, the organization's continued success in the market. As a result, this study goes on to explore one of the basic functions of human resources, namely, how to retain employees, as well as the reasons why the hotel sector has been trapped with this issue for such a long period.

Problem Statement

When employees leave a firm regularly and within a short period of time, there must be something wrong with the organisation or its workers. There is still a scarcity of literature on human resource development issues in developing countries (Debrah & Ofori 2006, 440), and there are growing concerns about employee turnover in the Cosmo Hotel Kuala Lumpur, as we see hotel employees quit their jobs frequently and for short periods of time. This research will help to fill in the gaps in the literature and provide a foundation for understanding the impact of turnover on the Malaysian hotel business. This research also stems from a recognition of the necessity to comprehend why people quit an organisation. A decent working environment and a positive organisational culture are important factors in improving employees' skill, knowledge, and competency in order for them to perform well on the job and remain loyal to the company. Overall, a healthy work environment and happy employees have an impact on the competitiveness, revenue, and performance of a firm. It is critical not to have a high employment turnover rate because this lowers the cost of hiring new personnel, lowering the organization's profitability.

Research Questions

RQ1: Is there a positive relationship between leadership and turnover intention?
RQ2: Is there a positive relationship between work load and turnover intention?
RQ3: Is there a positive relationship between pay satisfaction and turnover intention?

Hypothesis

Relationship between leadership and turnover intention one of the factor people quit their job

H1: There is a positive relationship between leadership and turnover intention
Relationship between work load and turnover intention one of the reason turnover occur in hotel industry.

\textit{H2: There is a negative relationship between work load and turnover intention.}

Relationship between pay satisfaction and turnover intention one of the reason people decided to leave.

\textit{H3: There is a positive relationship between pay satisfaction and turnover intention.}

\textbf{Significant of Study}

The purpose of the study hopefully be able to give a benefit and make it as a reference for other researchers who intend to explore more about the intention of turnover for hotel employee in Malaysia. This study also hopefully can provide some contribution and provide relevant information regarding influence of turnover intention within hotel industry in Malaysia for Human Resources and managerial in order to improve the performance of their company and and create positive and quality environment within the organization.

\textbf{Review of Literature Cosmo Hotel Background}

Nestled within the business, embassies and shopping district of Kuala Lumpur; Cosmo Hotel Kuala Lumpur is an ideal location for business travellers and families. It is located in heart of city Kuala Lumpur and convenience to reach exciting places in this city. The serviced apartments offer a homely environment, with plush furnishings and numerous facilities. Cosmo Hotel Kuala Lumpur was established in 2017 and offers 338 units of suites, located on Premier and Club Floor. There are 9 departments within Cosmo Hotel with 50 employees including permanent staff, contract workers, intern student and part timer.

\textbf{Turnover Intention}

According to Tett and Meyer (1993,p. 262), turnover intention can be defined as “the last in a sequence of withdrawal cognitions, a set to which thinking of quitting and intent to search for alternative employment also being.”Turnover intention is the intention to resign from his or her current job and tendency to seek employment in other organization of an employee (Jung et al., 2012:2148). In this regards, turnover intention represent that the personal estimate of the probability of an individual leaving work in the near future (Cho et al., 2009:374). Turnover intention are divide into two categories which are voluntary turnover and involuntary turnover (Albattat and Som, 2013:63; Lam et al., 2003: 162). Voluntary turnover intention is the decision of an employee to leave the organization. Involuntary turnover intention, on the other hand, is the departure of employee initiated by the employer (Lam et al., 2003: 162)

\textbf{Leadership Style}

Past study has found modest leadership effect on employee attrition (Cotton & Tuttle, 1986; Dulebohn et al., 2012; Griffeth et al., 2000; Rubenstein et al., 2017),
managers use of influence tactics toward employees may reveal stronger attrition effects (Yukl, 2010). Downward influence tactics refer to leaders attempts to motivate followers to carry out their request (Yukl, Kim, & Falbe, 1996). Because previous work suggest that different tactics yield different outcomes (Falbe & Yukl, 1992; Yukl et al., 1996; Yukl & Tracey, 1992), it focus on two downward tactics that most likely impact employee decisions to leave or stay and operate specifically through affective mechanism which are pressure or inspiration.

**Work Load**

Previous studies that have sought to identify the relationship between work load stress and turnover intention have found that high levels of perceived occupational stress are associated with high levels of turnover intention. Especially those employees work in the hotel industry are more likely to face uncertain situations, they can be exposed to more occupational stress (Jogarathanam & Buchanan, 2004). Furthermore, these extended exposures have dysfunctional effects that influence job performance (Cooper & Payne, 1988). According to Kemery, Moss holder, and Bedeian (1987), perceived work load stress has significant negative relationships with job satisfaction and significant positive relationships with turnover intention. Fletcher (1988) found that high levels of work stress resulted in physical and psychological problems that exerted negative effects on turnover intention. Allard et al. (2011) described workload as an employee spending psychological and physiological cost on task practice to achieve the requirements.

**Pay Satisfaction**

Numerous cause of pay satisfaction have been proposed. These include personal and job inputs, monetary and nonmonetary outcomes, the comparison process, and pay policies and administration. Current models of pay satisfaction continue to have their basis in concepts of equity theory (Adam, 1965). Equity theory posit that employees seek the equilibrium between what they invest or put into their jobs in terms of effort, knowledge and skills, and what the employees get as an outcome through compensation or recognition (Adam, 1963; Greenberg, 1987, 1990; Milkovich and Newman, 2008). Employee perceive what is fair by comparing their work to those with reference others, either internal or external. Equity is achieved when the input-output ratio of the employee equals that of a referent other. Lawler (1971) further suggest that satisfaction or dissatisfaction with pay is influenced by the discrepancy between what employee perceive they should receive for their inputs or their pay and what they contribute to the organization. Pay satisfaction was found to be significantly predictive of both absenteeism and turnover, though the strength of the relationships was not particularly large.

**Conceptual Framework**

The conceptual framework demonstrates how independent variables are influencing turnover intention among hotel workers in Cosmo Hotel Kuala Lumpur.
**Independent Variables**

| Leadership Style | Work Load | Pay Satisfaction |

**Dependent Variable**

Turnover Intention

![Figure 1: Conceptual framework of the turnover intention between leadership style, workload and pay satisfaction](image)

**Research Methodology/Research Design**

The purpose of research design is actually to show the procedures for data collecting, interpreting ,analyzing and also report data in research study (Creswell & Plano Clark 2011). This conclude the conceptual research problems that related wit the empirical research. In other sentence, the research design has provide the procedure to all the methods, data requirement and anayze the data, and also how all these things are able to answer research qu estion.

**Target Population**

The target population for this study is the employees of Cosmo Hotel Kuala Lumpur which islocated in the heart of the city of Kuala Lumpur, that is in the Majid Jamek area. This is a 3- Star hotel with 130 employees including permenant employees, contract staff, part-timer and intern students. There are 97 respondents were selected from the manning figure out of which the sample size of the research was determined.

**Sample Size**

In this research, the Krejcie and Morgan (1970) table off sample has been used to determine the sample size of the populations.

**Sampling Technique**

There are two types of sampling which are non-rendom sampling and random sampling (David,2006; Fraenkel, Wallen & Hyun, 2012;Mercado, 2006). Due to the challenge to reach all the population within the Cosmo Hotel, random sampling has been used in this research inorder to get the result.

**Data collection**

For the data collection on this research by using a survey conducted to the hotel employees at Cosmo Hotel Kuala Lumpur as a respondents of this research. The questionnaires have been adopted from the previous studies or articles such as turn over intentions of Malaysian hotel employees, factor effecting turnover
intention among gen-y in hotel industry and pattern of leadership behaviour related to the employee grievances and turnover in order to get the information and answer

Data Analysis

All the data collected will be analyzed using SPSS (version 23.0) as this platform will simplify the data analyses necessary for this study. All the data will be compiled through the administration of questionnaire and then, the collected data will be coded and analyzed using SPSS to get answer for the research questionnaires and hypotheses.

<table>
<thead>
<tr>
<th>RQ</th>
<th>RESEARCH QUESTION</th>
<th>ANALYSIS</th>
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<tbody>
<tr>
<td>RQ1</td>
<td>What are the factors that influence workers to leave the company?</td>
<td>CORRELATION</td>
</tr>
<tr>
<td>RQ2</td>
<td>What is the most influential factor that make workers to leave the company?</td>
<td>REGRESSION</td>
</tr>
</tbody>
</table>

Hypothesis Decision

According to table 4.3 below showed the summary of hypotheses testing based on the correlation output. In conclusion, hypothesis H1, H2 and H3 were accepted through the analysis result, all of the finding analysis are shown been answered. Research question has been answered with the leadership style (p=0.000, r=.014), work load (p=0.000, r=.207) and pay satisfaction (p=0.000, r=.007). Overall analysis of leadership style, work load and pay satisfaction had a significant of strong relationship to the turnover intention.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Statement</th>
<th>Decision</th>
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<tbody>
<tr>
<td>H1</td>
<td>There is a significant relationship between the leadership style toward turnover intention among workers in the Cosmo Hotel.</td>
<td>Support</td>
</tr>
<tr>
<td>H2</td>
<td>There is not significant relationship between the work load toward turnover intention among workers in Cosmo Hotel.</td>
<td>Not Support</td>
</tr>
<tr>
<td>H3</td>
<td>There is a significant relationship between the pay satisfaction toward intention among workers in Cosmo Hotel.</td>
<td>Support</td>
</tr>
</tbody>
</table>

Conclusion

From the findings the study established that pay satisfaction as a major cost factor of turnover intention in the Cosmo Hotel Kuala Lumpur and as a necessary inducement for attracting suitable job applicants in addition to retaining valued employees, motivating performance, and other desirable behaviors. The study established that the real successes of companies start from the employees’ willingness use their creativity, abilities, and know-how in the service of the company, and that it is the responsibility of the organisation to encourage and nourish these positive employee inputs by providing a good working environment. As a result, the study concludes that good pay and benefits reduced employee
turnover in Cosmo Hotel Kuala Lumpur. In contrast, a developmental healthy environment has a longer-term plan on preparing employees for future work responsibilities while also increasing their capacities to perform their current jobs and avoiding turnover. As a result, the study concludes that management’s failure to provide better pay satisfaction encouraged employee turnover in the Cosmo Hotel Kuala Lumpur. Employment salary, workplace organization and the working environment were the most important factors that employees do consider, thus the study concludes that poor working conditions encourages employee turnover in Cosmo Hotel Kuala Lumpur. Other than that, the leader’s role also need to be highlight at this point. When hotel leaders show the concerns for their employees in the right ways, they are actually could maximize their employee commitment toward the main functions of the organization, thus giving hotel leaders to meet the business objective and goals. What is important for the hotel industry, a good communication and interactive environment may prevent the loss of good employee and competent employees may give enhancement for customer satisfaction (Hurley, 2015; Robinson et al., 2014).

References


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