The Relationship between HR Practices and Employee Intention to Leave the Hospitality Industry in Bhutan

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ชื่อวิทยานิพนธ์	ความสัมพันธ์ระหว่างแนวปฏิบัติด้านทรัพยากรมนุษย์และความตั้งใจลาออกของพนักงานในกลุ่มอุตสาหกรรมโรงแรมประเทศภูฏาน
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บทคัดย่อ

งานวิจัยนี้มีวัตถุประสงค์เพื่อศึกษาความสัมพันธ์ระหว่างแนวปฏิบัติด้านทรัพยากรมนุษย์และความตั้งใจลาออกของพนักงานในกลุ่มอุตสาหกรรมโรงแรมในประเทศภูฏาน โดยใช้แบบสอบถามเป็นเครื่องมือในการเก็บข้อมูลจากพนักงาน 266 คน ที่ทำงานในโรงแรมขนาด 3 ดาว จำนวนทั้งสิ้น 12 แห่งในจังหวัดธิมภู ซึ่งงานวิจัยได้ศึกษาความสัมพันธ์ของการฝึกอบรมและพัฒนา การจ่ายผลตอบแทน และการรับรู้การสนับสนุนจากองค์การในมุมมองของพนักงานต่อความตั้งใจลาออกโดยใช้การวิเคราะห์ถดถอยพหุ ซึ่งผลการศึกษาปรากฏความสัมพันธ์เชิงลบในทุกตัวแปร แม้ว่าจะไม่พบความสัมพันธ์ที่มีนัยสำคัญทางสถิติในทุกความสัมพันธ์ก็ตาม โดยที่การจ่ายผลตอบแทนเป็นเพียงตัวแปรเดียวที่พบความสัมพันธ์ที่มีนัยสำคัญทางสถิติต่อความตั้งใจลาออก ผลของการงานวิจัยนี้ ตอกย้ำความสำคัญของแนวปฏิบัติด้านทรัพยากรมนุษย์ที่มีต่อองค์การ

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ABSTRACT

The present study has been undertaken with the objective to assess the relationship between HR practices and employee's intention to leave within the hospitality industry in Bhutan. The survey instrument in the form of questionnaire was used to conduct the study on 266 employees from 12 three-star hotels in Thimphu province in Bhutan. This study aimed to identify the relationship between training and development, compensation practices, and perceived organizational support on employee's intention to leave. Multiple linear regression analysis was conducted to test the hypotheses. The results of this study revealed negative relationships between human resource practices and intention to leave. However not all human resource practices were found to be statistically significant to intention to leave. The result showed only compensation practices were statistically significantly related to employee's intention to leave. The findings emphasize the importance of HR practices towards positive outcomes in an organization.

ACKNOWLEDGEMENT

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List of Abbreviations

TCB	Tourism Council of Bhutan
POS	Perceived Organizational support
HRM	Human Resources Management
GNH	Gross National Happiness
USP	Unique Selling Proposition
NU	Ngultrum (Bhutanese currency)
LG	Local Government
OCB	Organizational Citizenship Behavior

Chapter 1

Introduction

Human resource management (HRM) practices are known as the key business driver for organizational success. It has been indicated that "human resource is a means of creating a sustainable competitive edge, and most of the organizations are investing in human resources development such that the growth of employees should be intertwined with the progress of organization" (Mittal, 2014, p. 270). Therefore, to get most out of the employees, as well as to increase the organization's competitive advantage, the HRM system must function well (Juhdi, Pa'wan, & Hansaram, 2013).

Human resource practices played "an important role in influencing employee's attitudes and behavior" (Santhanam, Dyaram, & Kamalanabhan, 2014, p. 77). Likewise, it generates and develops a positive attitude within the organization, which eventually increases the dedication and loyalty of the employees towards their organization. However, these days every employer in any organization is facing difficulties in retaining their employees who are well trained and highly experienced. Since employees are the most important assets for maintaining satisfied and loyal customers, happy, trained and hardworking employees are the biggest assets of the organization (Thakur, 2007) and in a knowledge-based economy, loss of such employees would be unacceptable for most organizations (Rurkkhum & Bartlett, 2012). Therefore, losing good employees can have negative impact on organization's competitive advantage since it would lead to reduction in productivity and quality (Juhdi et al., 2013).

On the other hand, if the employees are satisfied and are well contented with their organization, there will be less or no willingness to quit their jobs. Similarly, how employees feel towards their organization partly depends on how well they are being treated by the organization, which is determined by the organization's human resources practices (Rurkkhum, 2015). Thus, one of the most important factors that contribute to the success in any organization is its human resource management practices. According to previous studies, HRM practices contribute to improving organizational performance including turnover rate (Huselid,

1995), improve retaining of employees (Tangthong, Trimetsoontorn, & Rojniruntikul, 2014), and lower employee intentions to leave (Guchait & Cho, 2010).

Tourism and hospitality industries has become one of the major player in the global economy, thus, these two industries are intertwined and are closely linked together in forming business which provides goods and services as well as employment opportunities to the people. According to Singh (1997), the hospitality and tourism sectors were declared as one of the largest employment generator providing more than 212 million jobs worldwide. However, being highly labor-intensive, one of the challenging issues faced by the hospitality industry today is that their employees changing jobs from time to time (Kuria, Alice, & Wanderi, 2012). Given that employee turnover is an "endemic issue in hospitality industry, worldwide" (Santhanam et al., 2014, p. 76). However, Kuria et al. (2012) argue that high employees' turnover rates in the hotel industry are not country specific.

Turnover intention has become a serious issue, especially in the field tourism and hospitality. This is possible as employees contemplate of leaving the current job due to dissatisfaction or with other logical motives. Therefore, employee's intention to leave has risen as an important issue for firms in recent years as they face tight labor market and skill shortages. In addition, Cho, Woods, Jang, and Erdem (2006) stated that rapidly changing business environment, featuring a tight labor market, changing customer demands, and increasing competition, has been a challenge for many of today's hospitality companies. Developing and training the staff it is equally important to retain them (Subramanian & Shin, 2013). For that reason, organization should ensure employees satisfaction and as well as determine the factors that affect the turnover intention in order not to lose the employees (Kim & Jogaratnam, 2010).

Likewise, for a small landlocked country like Bhutan, tourism and hospitality industry have been acknowledged to play crucial roles in country's economy, which are recognized as one of the prime industries for country's development process. It represents itself as a second highest revenue generator for the government of Bhutan after Hydroelectric Power and also it is considered as one of the top performer in Bhutan (National Statistics Bureau, 2015). In 2014, tourism and hospitality industries has contributed Nu. 2,045.91 million, then that of Nu. 1,616.37

as compared to previous year, indicating the growth of 2.05% in real terms and 15.12% of growth was seen in the revenue (National Accounts Statistics, 2015). Thus, it can be concluded that, Bhutan is doing really good in hospitality service and each year the number of visitors are increasing at a very noticeable rate. On the other hand, due to rapid expansion and development, the hotel industry is facing fierce competition among its competitors as well as other service sectors. Thus, the objective of achieving its goal through retaining their employees and customers has become a challenging task for the industry.

Turnover intention is of major importance in hospitality industry. Besides if every part of human resources practices is not appropriately implemented employees fail to fully involve themselves in their job in response to such kind of mismanagement it yields bitter fruit. Having said that since, hospitality industries are fully dependent on visitors, it is very important that they are happy and satisfied with the goods and services provided by the particular hotel, it is vital for continuity of the business. Since employees are known for the best sources for delivering good services to their customers, and it's a fact that excellent services provided and offered by employees can create a positive perception and ever lasting image in the eyes of every customer (Khan, Farooq, & Khan, 2010). Given that, if customers perceive good service quality, their satisfaction level may be increased and loyalty may be maintained (Jain & Jain, 2014), because only if the customers are satisfied with the services provided, then only the chances of switching customers to the competitors are less. After all, it is important for both the customers as well as employees be satisfied with the organizations.

The present study is anticipated to provide further understanding regarding of HRM, especially in Bhutan. In particular, this study to examine possible relationships among HR practices and employee intention to leave the job. These HR practices includes (training and development and compensation) and perceived organizational support. Hence, the study has focused on how hotel industry in Bhutan currently implements HR practices in order to achieve lower intention to leave.

1.1 Problem Statement

Within the industry and other sectors, hospitality industry turnover has been one of the most pressing issues for many years (Cho et al., 2006; Hemdi & Nasurdin, 2006). Therefore, HRM practices in the tourism and hospitality sector has come to the limelight, because of the negative image of the industry, with respect to low pay, long working hours, the relatively low levels of education, the routine nature of some of their jobs, the presence of poorly trained and autocratic supervision, and low priority given to HRM in this sector (Burke, Koyuncu, Fiksenbaum, & Tekin, 2013). Similarly, Albattat and Som (2013) pointed out long working hours, low training, low salaries, stress, inadequate working conditions, poor management and lack of job opportunities, are the reason behind employees quitting job that are widely seen in the hotel industry. Mohsin, Lengler, and Kumar (2013) reported that in hotel industry the main problems contributing to high staff turnover rates were due to less remuneration and employees being young.

Therefore, a question arises here, is the situation same in Bhutan too? According to Demir et al., 2007 (as cited in Emiroğlu, Akova, & Tanrıverdi, 2015) employee turnover rate in the hospitality industry often averages around 200% to 300% per year. Given that in many studies consistently show that hotels all over the world experience high turnover rates (Hemdi & Nasurdin, 2006). However, little is known about the employees' intention to leave the organization and the organization's effort to retain them in the case of hospitality industries in Bhutan. Thus, the potential relationship between HR practices and employees' intention to leave were examined in this study.

Almost three years ago, the Labour Ministry made it mandatory for hotels and other sectors to replace expatriate workers with Bhutanese in several categories of jobs. Recently, issue was raised by hoteliers saying, Bhutanese jobseekers were not willing to perform most jobs available in the hospitality sector (Kuensel, National Newspaper, 2015). Even for managerial level jobs, not many Bhutanese were trained, owing to which most hotels still lacked professionalism today. Hence, the very core reason is still not known, why job seekers are not interested to work with hoteliers and why this notion of leaving the job dwells.

Likewise, it has become very important that hospitality industries should focus on their HRM practices and curb the problems associated with it, such as intention to leave the organization. Hence, losing employee has great adverse effects (Carmeli & Weisberg, 2006), firstly it involves high cost loosing highly skilled employees, and secondly there are chances that the employees might transfer specific firm knowledge to the competitors. Therefore, as far as possible retaining the employee within the firm is the best and intelligent solution.

Therefore, this research has helped to discover why people are reluctant to work in hospitality industries, subsequently revealing HR aspects which act as motivators and de-motivators for employees. As Carmeli and Weisberg (2006) have argued that identifying the motivational factors which will diminish an employee's intention to leave the organization are very important, and also an effective way to decrease actual turnover rate. Thus, more and more attention should be paid to the role of employees, and investments should be made to improve the most valuable asset of service industry.

There are potential problems relating HRM practices, especially in Bhutan. Besides, the hospitality and tourism industries in Bhutan are the major players for the country's economic development, hence, recognizing the perception of employee in hospitality sector with regard to HR practices is vital for the management. Besides, it helped in knowing how employee's, feel about the HR practices and whether the practices have any impact on employee's feeling to leave and also to ascertain any changes if needed. Therefore, this dissertation was framed to explore the HR practices being implemented in hospitality industries in Bhutan, where it has provided to some extend some valuable knowledge to the managers and senior officials regarding employee's perception on leaving the job.

Thus, this study has focused on the HR practices (training & development and compensation) and perceived organizational support serving as an independent variables and employee intention to leave as a dependent variable in hotel industries in Bhutan. Very limited research study has been done in Bhutan with respect to HR practices so far. So the present study has filled that gap. Apart from that it has highlighted the importance of HR practices, and at the same time provided necessary knowledge on employee's intention to leave.

1.2 Purpose of the study

It is well-known fact that employees are the backbone of any service industry and thus, every organization needs to analyze the factors/elements which are dis-satisfying and encouraging employees to feel like leaving the organization.

So the purpose of this study was to examine the relationship between HR practices and employee intention to leave the hotel industries in Bhutan. Apart from that this study emphasizes on the HR practices which are being carried out to lower the employee turnover intention, specifically in Bhutan. Besides, it is designed to gain a better understanding of the HR practices which contribute or lead to employee's intention to leave.

Along with that this research has benefited management and human resource managers of hotels in Bhutan, in particular to identify the reasons for employees' intention or notion to leave the current workforce within the sector. In addition to that, organizations in this sector was able to identify the areas they should work on in order to solve the problem of turnover intention or the turnover at large. At the same time employees too has benefited as organizations will come out with various measures/strategies to make them feel engaged, valued, satisfied, hence, reducing the turnover intention. Thus, this current study has explored the linkage of HR practices on employee intention to leave the hotel industry, to ascertain the factors leading to higher turnover intention, so that the necessary measures can be taken on time. Here, HR practices (training & development and compensation) and perceived organizational support will be taken as an independent variables and employee intention to leave as a dependent variable.

1.3 Research Questions

This study is designed to explore the relationship between HR practices and employee's intention to leave the job among 3-star hotel employees in Bhutan.

1. Are training and development practices negatively related to employee's intention to leave?

2. Are compensation practices negatively related to employee's intention to leave?

3. Is perceived organizational support negatively related to employee's intention to leave?

4. Which factor have the most impact on employee's intention to leave?

1.4 Objectives of the Research

1   To examine the relationship between HR practices (training and development and compensation practices) and employee intention to leave in 3 star rated hotels in Bhutan.

2   To examine the relationship between perceived organizational support and employee intention to leave in 3 star rated hotels in Bhutan.

3   To examine the extent to which HR practices are important.

1.5 Benefits of the Research

1   The findings suggest guidance to the employers/ owners of the hotels and also was helpful for the management and other decision making bodies.

2   The findings provide recommendations to hospitality management in Bhutan on how they can retain their employees by lowering employees' intention to leave through implementing HR practices (training and development, and compensation practices) and POS.

1.6 Limitations of the Study

1   Although the study assured respondents' confidentiality, it is unlikely to have completely eliminated all aspects of social desirability in response.

2   This study is confined only to hotel employees in Bhutan, however findings of the study cannot be generalized.

1.7 Definitions of Terms

The key terms used in this study are defined in the following section:

1.7.1   Training and development refers to the opportunities given to the employees for their personal growth and development. Training is designed to provide learners with the knowledge and skills needed for their present jobs and development

involves learning that goes beyond today's job and has a more long- term focus (Mondy & Mondy, 2013).

1.7.2 Compensation refers to total rewards earned by employees in return for their services. It includes direct financial compensation, indirect financial compensation and non-financial compensation (Mondy & Mondy, 2013).

1.7.3 Perceived organizational support (POS) is the feeling of containment that, the employees derive believing from the fact that their organization values their contribution and are concerned for their well-being. Krishnan and Mary (2012) defines perceived organizational support as sensitivity and opinion of employee regarding their institution or organization appreciating and recognizing their involvement and caring about their well-being.

1.7.4 Employee intention to leave refers to the intention to resign from his or her current job and the tendency to seek employment in other organization of an employee (Jung, Yoon, & Kim, 2012).

1.7.5 Hospitality industry refers to a broad variety of service industries including hotels, food, services, casinos and tourism (Blomme, Rheede, & Trom, 2013).

1.7.6 Three-star hotels in Bhutan refers to hotels that provide their guests with television, room service, fitness centers, spas and Wi-Fi. However, the exact services available varied from hotel to hotel (Tourism council of Bhutan).

1.8 Summary

The primary purpose of this study was to explore the relationship between HR practices and employee intention to leave the hotel industry among 3-star hotels in Bhutan. Overall, the findings of this study were expected to provide meaningful outcome and knowledge to both practitioners and future researcher. The resultcannot be generalized since this research was carried out in Bhutan among Bhutanese employees, however the result was expected to be helpful in providing the concept of HR practices and intention to leave in Bhutanese environment. Lastly, the following chapters, provides a detail review of literatures followed by definitions, reviews of existing theoretical and empirical studies and framework of the study on

training and development, compensation and perceived organization support and employee intention to leave.

Chapter 2
Literature Review

This chapter provides an overview and review of literatures on HR practices and perceived organizational support exploring the relationship on employee intention to leave. The section begins with the brief background information about hospitality and tourism industry system in Bhutan. Following by definitions, reviews of existing theoretical and empirical studies, and theoretical framework of the study.

2.1 Hospitality and Tourism Industry System in Bhutan

Tourism has been an important industry which is one of the largest foreign-exchange earner since its inception in 1974. It was initiated by the Royal Government of Bhutan coinciding with the coronation of the Fourth King Jigme Singye Wangchuck. Since then, it has grown to become a major contributing factor to the Bhutanese economy, creating countless employment opportunities for the people and generating additional revenue for the government (Statistical Yearbook of Bhutan, 2015).

Along with opening the door to the outside world, Bhutan Government is committed in building a sustainable tourism industry, which is financially viable besides limiting the negative cultural and environmental impacts commonly associated with the mass tourism. Unlike in other countries, tourism in Bhutan is strictly regulated through policies defined by the Tourism Council of Bhutan (TCB). It's "High Value, Low Impact' tourism, seeks to ensure that it attracts only the most discerning visitors with a deep respect for cultural values, traditions and the natural environment (Bhutan Tourism Monitor Annual Report, 2014).

The policy of "High value, low impact" has helped TCB achieve its goal to control the inflow of tourists hence, practicing sustainable tourism in the country without affecting the environment & culture thus, fulfilling the concept of Gross National Happiness (GNH). Various government and private agencies and corporation took initiative to develop the infrastructure like, upgrading the facilities and services of hotels, resorts, training of guides in the country and still it is in full

swing. Therefore, Bhutan is good example to other countries in the world, when it comes for sustainable and eco-friendly tourism.

2.2.1 Importance of Hospitality and Tourism Industry.

Bhutan tourism has been an important revenue generator to the nation and has been supporting free health care and free education to all the Bhutanese. Every guest coming to and staying in Bhutan for single night is also a contributor to each Bhutanese. From US$250 per person per night US$65 is deducted at source for the benefit of the citizens of Bhutan. Along with financial benefits, Bhutan tourism believes in green tourism, hence about 70% of the land in Bhutan is covered by forest and Bhutan aims to preserve it in times to come. Bhutan tourism department maintains high standard of hospitality and services in Bhutan, and maintain high quality of tourist destination in the world (Bhutan Tourism Monitor, 2014).

The government agency, erstwhile Bhutan Tourism Corporation, controlled tourism until its privatization in 1991. The revenue generation from the tourism sector has increased from over USD 2 million in the late 1980's to over USD 73 million in 2014. Therefore, the sectors which performed relatively better and contributed to the overall growth in 2013 were hotels and restaurants with 17.11 percent. Hotels and restaurants continue to be one of the top performers in the economy in 2013 as well. Its gross value added contribution during the year was Nu. 1,536.06 million in current terms. At 18.26 percent growth over the previous year, it is one of the fastest growing sectors in the economy (Statistical Yearbook of Bhutan, 2015).

There are unequal distributions of tourist arrival in Bhutan; they all visit according to specific time and season as per their convenient. But, the majority of tourist arrivals are in the month of May, October and December (peak season). Paro, Thimphu and Punakha provinces received the largest number of tourist in 2014, also recorded maximum bed nights by district/province (Bhutan Tourism Monitor Annual Report, 2014). "Culture and Nature" has always been the Unique Selling Proposition (USP) for the tourism industry of Bhutan (National Statistics Bureau, 2015). Total visitor arrivals to Bhutan grew by 11.49% in 2014 compared to 2013 with an addition of 13,353 arrivals (Statistical Yearbook of Bhutan, 2015).

Every visitor entering Bhutan is charged with USD 250$ per night, this is usually done to control the flow of visitors and the negative impact associated with mass tourism. The guests are provided with the minimum accommodation in 3 star hotels/resorts and menu in Bhutan. Tourist accommodation properties are classified into different star ratings based on the facilities and amenities in bedroom, bathroom and communal areas in conjunction with the level of maintenance, cleanliness and appearance. Paro, Thimphu, Punakha, Wangdue Phodrang, and Bumthang districts/province are the most popular destinations for tourists visiting Bhutan (Bhutan Tourism Monitor Annual Report, 2014).
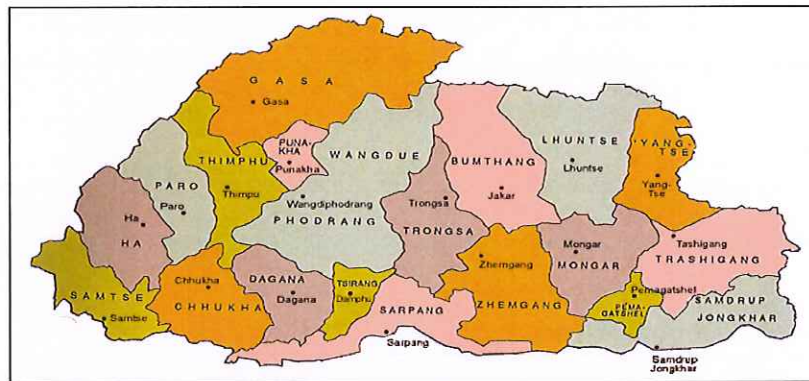
Figure 1. Map of Bhutan. Political map of Bhutan. Retrieved from https://www.mtholyoke.edu/~wangd20k/classweb/bht/images/bhutan-map-medium.gif. Copyright Infringement DMCA.
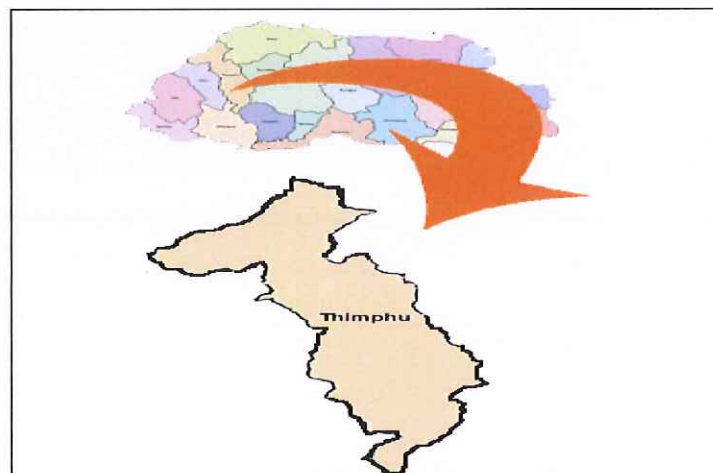
Figure 2. Map of Thimphu district. Geographical map of Thimphu, Bhutan. Retrieved from http://www.travelbhutan.com.bt/images/thimphu-map.png

Figure 1 illustrates the map of Bhutan. Bhutan lies in the Asian continent sharing boarder with India to the south, and China to the North. Bhutan is a small landlocked country with population just exceeding 700,000. Mostly it is covered with mountains, and most of the populations are dependent on agricultural activities as their source of income. Bhutan is divided in to 20 Dzongkhags/provinces, and each Dzongkhag is under the control of LG (local government). As of today, Bhutan is in the verge of development and modernization, it has just opened its door to outside world in the year of 1974, and it is in its full swing to the road of modernization. Tourism and hospitality industry took Bhutan to a new level.

Figure 2 shows the geographical map of Thimphu, Bhutan's capital city. Thimphu is the capital city of Bhutan. It is situated in the western part of the country with easy access to India via road and other third country nations via air from Paro International airport. Daily hundreds of tourists enter and exit Bhutan through these two gateways. Being the capital city of Bhutan, it's the most developed city in Bhutan with modern amenities as well age old traditions well preserved. Apart from that most of the country's population resides there earning bread and butter for their survival. Hence, the life in Thimphu is bit challenging for everyone, including the businessman and for the employees. Thus, among 20 Dzongkhags/provinces researcher here has conducted the research in Thimphu Dzongkhag.

The following section presents the definition of various components of HR practices, POS and employee intention to leave, followed by the theory, concepts and their importance.

2.2 Components of HRM practices

The process of "managing the human capital is called human resource management" (Abdullah, Ahsan, & Alam, 2009, p. 65). Basically, HR practices are set of rules and regulations governing the overall functioning of the organization, and it is designed to help employees improve their working skills and knowledge, enhance their engagement on organizations and motivate them based on their performance. In short, HRM is the utilization of individuals to achieve organizational objective (Mondy & Mondy, 2013). Huselid (1995) identified HRM practices as employee recruitment and selection procedures, compensation and performance management

systems, employee involvement and employee training. According to Guchaita and Cho (2010), HRM practices are viewed as training, performance appraisal, staffing, rewards, benefits, working conditions, equal employment opportunity and information sharing. Mondy and Mondy (2013), explained that the practices of HRM includes five basic functions, such as staffing, human resource development, compensation and benefits, safety and health, employee and labor relations. According to Mondy and Mondy (2013), components of HR practices are presented and defined as follows:

- *Staffing,* is the process carried out by the organization ensuring that the right people is employed in the right place at the right time to achieve organizational goal. Thus, it involves job analysis, human resources planning, recruitment and selection.

- *Human resource development* is a function under HRM consisting of training and development, career planning and development activities, organization development, performance management and appraisal.

- *Compensation* (also known as Total Rewards) rewards earned by employees in return for their services to the organization. It includes direct financial compensation, indirect financial compensation and non-financial compensation.

- *Safety and Health* refers to as employees' welfare and protection given by the organization. Besides, the kind of time the employees spent in the workplace without any kind of physical and mental illness is referred as health. These two aspects are important as employees who enjoys good health in safe environment are likely to be engage with the company rendering their best possible services.

- *Employee internal relation* are the activities in an organization associated with the movement of employees with the organization such as promotions, demotions, termination, and resignation.

      Therefore, pervious literature emphasized the importance of HR practices and perceived organizational support on reducing turnover intention (Guchaita & Cho, 2010; Santhanam et al., 2014). Thus, among those aforementioned HRM components, researcher here selected the above mentioned three HR variables that are training and development, compensation practices and perceived

organizational support as those variables have been found to be some of the best factors in predicting turnover intention (Cho et al., 2009; Hemdi &Nasurdin, 2006; Long & Perumal, 2014; Pizam & Thornburg, 2000).

Earlier research in tourism and hospitality sectors, identified low compensation practice inclines a reason for employee feeling to leave (Albattat & Som, 2013; Burke, et al., 2013; Mohsin et al., 2013). In addition, the study conducted by Pizam and Thornburg (2000), on employees working at hotel enterprises, dissatisfaction with salary levels were found to be the most important factors leading to the turnover intent. That's why employees do not want to work for a long time in hotels due to demanding responsibilities, low wage, and other uncertain promotion opportunities, which leads to low quality human resources (Hai-Yan & Baum, 2006). Salary plays a key role in the commitment among employees. When the employees are given fair wages, it will ultimately bring a pleasant relationship between the employer and employee (Mahal, 2012). Tessema and Soeters (2006) also found salary was also significant, which in turn suggests that compensation-related issues considerably affect HRM outcomes such as employee's motivation and retention.

Hemdi and Nasurdin (2006) found that training and development influenced intention to leave. Similarly, Long and Perumal (2014) found that training and employee development has a direct link to staff turnover intentions. Consequently, if training is provided from time to time, then it creates a feeling of belonging in the employee (Mahal, 2012) and further every employee must be given equal opportunities to use their knowledge gained during training which ultimately gives them self-confidence and self-esteem. In the study of Tessema and Soeters (2006), training practices showed a statistically significant positive impact on HRM outcomes, which subsequently affect performance at the employee level. This is mainly due to the fact that if training is not supplemented with necessary incentives, it may not increase employees' motivation as well as their commitment to the organization. Both formal and informal training plays a vital role for host of reasons, including the global expansion in the industry, to reduce employee turnover, the need for knowledge enhancement and career paths, increasing legal requirements and importantly, to enhance the quality of service delivered to customers (Santhanam et al., 2014). If not lack of training and development will definitely result in complaints,

further injuries to the employees/public and damages to properties (Long & Perumal, 2014), and further resulting in employee's intention to leave their job.

However, pervious research from Das, Nandialath, and Mohan (2013) and Wayne, Shore, and Liden (1997) found negative relationship between POS and turnover intentions. In another study carried out by Cho et al. (2009) found POS as the important factor of intent to quit job. Employees have certain expectations on the job and organization when entering a job. When those expectations are not met, individual quitting from the enterprise is an anticipated situation. Loi et al. (2006) also proposed that enhancing POS will eventually lower employees' intention to leave the organization. Given that there are numbers of research which shows that POS plays a significant role in employees' commitment towards the organization, decreasing employee intention to leave. Eisenberger et al. (1986) found that employee's commitment to the organization is strongly influenced by their perception of the organization's commitment to them, and it is believed that perceived organizational support can increase the employee's affective attachment to the organization and his or her expectancy that greater effort toward meeting organizational goals will be rewarded. Following Wann-Yih and Htaik (2011) found that perceived organizational support has positive and significant effects on job satisfaction and organizational commitments.

Therefore, training and development and organization support are found to be significant factors in enhancing and developing employee's knowledge and skills, for example in Bhutan most of the hotels still lacked professionalism (Kuensel, National Newspaper, 2015). Therefore, it clearly depicts the lack of organizational support in providing training and development, which could have otherwise helped the organization grow professionally. Given that higher the perceived organizational support, the lesser will be the likelihood of an employee reporting high intention to leave. Lower the perceived organizational support, the higher will be the likelihood of an employee reporting high intention to leave (Das et al., 2013). Similarly, to that Blomme et al. (2010) reported that if there is lack of organizational support in an organization it will lead to an increase in turnover intention.

Based upon the review of related studies, it was found that training and development, compensation practices and perceived organizational support are important predictor of employees' intention to leave. Therefore, this study has become very important to determine the relationship between HR practices and employee intention to leave. As stated by Hemdi and Nasurdin (2006), very few studies have measured human resource management practices as an important immediate predictor of employees' intention to leave despite the fact that HR practices directly affect employees' work environment.

Accordingly, this study focused on the effects of HR practices at individual level and examined the possible relationships or outcomes of HR practices on employee intention to leave. Thus, this study has been an attempt to uncover the answer for employee intention to leave by using training & development, compensation and perceived organizational support as a means to determine the possible outcome. In short, the present study suggests how training and development, compensation practices and perceived organizational support linked together in reaching a conclusion of becoming negatively significant factors of an employee's intention to leave. Henceforth, researcher has decided to take training & development, compensation and POS as a primary element in determining the final outcome i.e. on employee intention to leave.

2.3 Perceived Organizational support (POS)

It has been mentioned by Chen (2010) that the attention towards perceived organizational support came into limelight since 1980s. Perceived organizational support is studied as something that employees perceive the kind of treatment from the organization. Yoshimura, (2003) organizational support is a perception or judgment of how much support an employee feels or thinks an organization provides to him or her.

Eisenberger et al. (1986) developed organizational support theory, based on social exchange approach in which perception of employees, attitudes and behavior are determined by the support offered by the organization. Organizational support theory often utilized the social exchange perspective to explain employee–

employer relationships, whereby the attitudes and the behavior of the employee solely depends upon the social exchange approach of the employer in an organization (Loi, Hang-Yue, & Foley, 2006; Waseem, 2010). Likewise, many prior researchers have increasingly adopted social exchange as a theoretical foundation for understanding employee and employer relationships (Cho, Johanson, & Guchait, 2009; Shapiro & Conway, 2005). Given that social exchange view to explain the reciprocal effect of commitment between the employee and the employer (Chen, 2010), this perspective results in mutual understanding and interdependency to perform the obligations and duties with responsibilities to aim and support organizational goals.

Employees with high level of POS generate feeling of obligation, whereby employees not only feel that they ought to be committed to their employers, but also feel an obligation to return the employers' commitment by engaging themselves and supporting organizational goals (Wayne et al., 1997). Hence, if there is a balance in their exchange relationship, the perceptions of being valued and cared about by an organization increases employees' trust towards the organization. Moreover, Chen (2010) reported that POS is not only form by one factor, which include only work-based factors, such as job support but it also includes lots of factors such as morale support, value fit and caring benefits. Therefore, POS is very important factor of HRM in boosting employee's morale and commitment.

Likewise, Shen et al. (2013) viewed POS as an important explanatory framework for understanding the relationship between employees and the workplace and also to understand job related attitudes and behaviors of employees. However, POS may change depending on organization and employee (Yoshimura, 2003). Employees therefore, are concerned with different forms of treatments they receive from the organization. For instance, employees who receive favorable treatment from their organizations, will have a feeling of obligation that they should also care about the organization's benefits and work for the achievement of organizational goals (Waseem, 2010). And also highly perceived organizational support provides reduction of absenteeism, late comings and acting in non-associated efforts with the work (Güzel, Perçin, & Tükeltürk, 2011).

In addition, many prior studies found POS as one of the important predictor of the turnover intention (Blomme, Rheede, & Tromp, 2010; Cho et al.,

performance evaluation process & promotion that link with job performance of the employees working in steel and power sector of Chhattisgarh. The result revealed that three HR practices are positively correlated with measures of job performance. Similarly, Jamil and Raja (2011), compensation and performance evaluation practices were found significantly associated with employee performance of both public and private sector organizations of Pakistan. Shezad et al. (2008) also found positive relationship of compensation practices with employees' performance of university teachers in Pakistan.

In a study by Lee, Lee, and Wu (2010) identified training and development, teamwork compensation/incentives, HR planning, performance appraisal and employment security were positively related to firm performance and also found a close linkage between HRM practices and business strategy. Similarly, to that HRM practices including training and development, team work, HR planning and performance appraisal were found to be correlated with the business performance in Malaysian private company (Abdullah, Ahsan, & Alam, 2009). Fey, Björkman, and Pavlovskaya (2000), also reported that the salary level was reveled significantly associated with firm performance for both managers and non-managers. Therefore, by reviewing various findings it is concluded that HRM practices more or less create conditions where employees become highly involved in the organization and work hard to accomplish the organization's goals (Muchhal, 2014).

Likewise, firms not only used HR practices to achieve their performance, but also to retain their employees (Tangthong et al., 2014). HRM practices can influence employee retention positively. Their studies found that both compensation and benefits management and reward system, and training and development have a direct and indirect effect on employee retention. Juhdi et al. (2013), stated that company performance is highly influenced by HR practices that can directly influence organizational commitment and lack of commitment influence intentions to quit among employees. Whereby HR policies creating the sense of commitment and engagement among employees in their job performance, resulting in lower turnover intention. Chang and Chen (2002) found that HRM practices such as training and development and benefits have significant effect on employee productivity and are negatively related to employee turnover of Taiwanese high-tech

firms. Another study by Osibanjo, Kehide, and Abiodun (2011) discovered that rewards system, training and development, working conditions, fair treatment, and fair HR practices affect employee job satisfaction. If the employees are satisfied with their jobs, which in turn will reduce turnover rate and help achieve organizational goals.

Based on the work of Alfes, Shantz, Truss, and Soane (2013) it was stated that the individuals who have a positive perception of the HRM practices in their organization are more likely to be engaged with their jobs and, therefore, have a higher propensity to enact organizational citizenship behavior (OCB) and remain with the organization. The support and motivation from the organization is very important in order to boost employees' self-improvement and work engagement where by reducing turnover rate. In a study by Blomme et al. (2010) organizational support was found to be a significant predictor of turnover intention for both males and females. Given that, if there is lack of organizational support in an organization it will lead to an increase in turnover intention.

2.5 Employee intention to leave

The word employee intention to leave; it is simply referred to as a worker's intention to leave his or her present organization (Weisberg, & Krischenbaum, 1991; Yoshimura, 2003). According to Jung, Yoon, and Kim, (2012), turnover intention is defined as intention to resign from his or her current job and the tendency to seek employment in other organization of an employee.

Although it is recognized that people leave their jobs for a variety of reasons, there is consistent research evidence indicating that voluntary turnover can be explained by employees' intention to leave the organization (Hemdi & Nasurdin, 2006). And the factors that affect employee voluntary turnover are a combination of work-related and personal characteristics i.e. age, hourly vs. salary status, family obligations, length of service, job satisfaction, pre-employment job expectations, satisfaction with pay and benefits, and quality of relationship with coworkers, affect employees' voluntary turnover (Pizam & Thornburg, 2000). However, the actual turnover is the movement of organizational members across the boundary of an

organization (Price, 2001). In the investigations of turnover, actual voluntary turnover measures are extremely difficult to obtain. Therefore, intention to leave is the greatest predictor used in the majority of turnover studies (Hemdi & Nasurdin, 2006).

Hence, turnover intention is the crucial stage before the actual turnover occurs, where unmet expectations can lead to turnover intentions which force the employee to ultimately quit (Albattat & Som, 2013). For instance, when employees leave an organization, either voluntarily or involuntarily, the impact can be substantial (Cho, Johanson, & Guchait, 2009). Thus, turnover has been directly linked to direct financial expenses for recruitment and selection, appointment, training and adaptation of the newcomers; at the same time, the indirect costs, because of lost productivity and missed opportunities (Slavianska, 2012).

Based on the study by Yang, Wan, and Fu (2012), found turnover as an important issue for many hoteliers for decades, despite various measures taken to retain the capable employees, 80% of employees left the job to pursue career advancement while 70% employees left the job to work in other hotels. Thus, the study also found that training and development has negative impact on employee's turnover intention. Higher the training and development opportunities lower will be the intention to leave.

For instance, Cho et al. (2009), while finding determinants of intention to leave versus intention to stay, among hospitality employees in the U.S, they discovered that organizational commitment was found to decrease employees' intention to leave while only perceived organizational support had a positive impact on intention to stay. Therefore, it is important that the hospitality organizations focus on increasing their employees' commitment through perceived organizational support, so that to increase the employee's intention to stay. And as stated by Basak, Ekmekci, Bayram, and Bas (2013), intention to leave refers to conscious and deliberate willfulness to leave the organization, therefore job satisfaction and organizational commitment are the two most important factors which play an important role in determining employees' intention to leave their job.

Henceforth, it is very important that the organization review and organize a good set of HR practice which will ultimately help both the employee as well as the employer. Mahal (2012) confirmed that HR practices are considered as an

important component to improve the employees' commitment to the organization, which lead to low turnover. Lastly it is very important that employers cultivate positive perspective towards the organization in the mind of every employee.

2.6 Relationship between HRM Practices and Employee Intention to Leave

Human resource management (HRM) is becoming increasingly important to the hospitality and tourism field because of increasing demand for high quality staff and increasing consumer demand for high end services, (Bagri, Babu, & Kukreti, 2010). Despite turnover has been a pressing concern in hospitality industry for many years (Cho et al., 2006; Hemdi & Nasurdin, 2006). Prior literature on hospitality turnover has revealed significant effects of HRM practices and more antecedents have been found in the general business literature to have a direct relationship with employees' intention to leave their present organizations (Cho et al., 2006). However, from employees' side, HRM practices are recognized as the organization's efforts in supporting employees' well-being and enhancing career development (Hemdi &Nasurdin, 2006). For example, HRM practices was revealed to be an important predictor of employees' intention to leave (Guchaita & Cho, 2010; Hemdi & Nasurdin, 2006).

Hence, human resource development has been a topic to ponder upon as every literature revealed that it has an important role and link with that of employee's turnover intention. However, the relationship needs to be tested in employees working in hotel industry in Bhutan. As it's a well-known fact that an organization cannot build a good team of working professionals without good Human resources, thus the key functions of the human resources management (HRM) are discussed below. This study examined the relationship between training & development, compensation and perceived organizational support on employee intention to leave. Hence, three hypotheses will be formulated for the studies which are explained below.

Training and Development

Training and development is the most important measure of improving employee's productivity in any organization. Training refers to the process of

acquiring the essential skills required for a certain job and career development, on the other hand emphasizes on broadening one's skills, which are necessary in various situations. According to Peshave and Gujarathi (2013), training may be in the form of knowledge, skills enhancement, adaptation to automation, stress management, general work approach etc. In all these forms, training aims at the complete development of the employees. A well trained employee is a gateway to the success of any organization. Given that training activity remains a very large part of the HR practices of any successful organizations (SamGnanakkan, 2010). It is a planned attempt by an organization to facilitate employee learning, which improves individual competency by increasing employees' skills and supporting career advancement.

According to Emiroğlu et al. (2015), effects of employee turnover on the organization are classified into two groups as direct and indirect effects. The direct effects arise when the costs of training and hiring new employees increase, whereas the indirect effects arise when the job satisfaction, organizational commitment and the productivity of the organization decrease and subsequently the quality of service and reputation of the organization decrease. And ultimately these negative effects will lead to degradation of quality of service of the industry, resulting in loss of customers moreover; no employees will be willing to work with the bad reputation of the company and poor management policy. Besides, in the hotel industry product is in the form of service provided to the guests. Thus, enhancing productivity means enhancing the service delivery process leading to greater guest satisfaction (Peshave & Gujarathi, 2012).

Hanif and Abdullah, (2013) who conducted study in hotel industry, stated that training has direct influence on the employee's performance and improves working efficiency of employees; therefore, it tends to increase the overall actual performance of employees. The study conducted two methods, using 6 question in an interview for managers and 12 questionnaires was distributed to different supervisors of the Savoey hotel in Lahore. The study revealed that, there is a strong relationship between training and employee performance. And also the study by Hemdi and Nasurdin (2006), who conducted a study focusing only on growth opportunities namely performance appraisal, training and development, and career advancement as a predictor of hotel employees' turnover intention, and the mediating effect of trust in

organization on the relationship between HRM practices and turnover intention. The study revealed that HRM practices and trust in organization had significant negative correlations with turnover intentions. The study also suggested that if employees' trust in organization is enhanced, turnover intentions will subsequently reduce, hotels need to continue to provide training and development programs to their employees, conduct fair and formal appraisal system, and provide ample and clear career advancement to their employees.

While it is necessary for employees to be trained and broaden their knowledge and skills, employee's participation in training and development is greater if she or he expects that the skills and knowledge gained from training are instrumental for gaining extrinsic outcomes (Tharenou, 2001). However, Moore and Bracker (1998) suggests that when selecting and determining the best training programs, it should not be a shot in the dark; the business environment is too turbulent to waste valuable time and human capital on the wrong training or training which holds promise of little pay-off. But if done carefully benefits of training will enhance productivity, employee skills and job satisfaction ultimately lower turnover intention and overall turnover rate. For instance, in the study of Hemdi and Nasurdin (2006), they found that training and development influence employee's intention to leave. Therefore, relationship needs to be verified in hotel employees in Bhutan.

Thus, it is hypothesized that:

H1: Training and development are negatively related to employee's intention to leave.

Compensation

Compensation does not merely mean monthly salary given to the employees, but all forms of pays given to the employees in return to their services e.g. bonus, retirement benefits, gratuity, educational and medical facilities, and it is one of the most important aspects of the organization for retaining employee who contributes for the overall success of the organization. Khan (2011) found that, there is a positive and direct relation among rewards and motivation level of an employee banking sector in Pakistan, apart from that he also says that rewards does not mean only cash, but it can also be opportunities given to the employees in order to grow and learn through training and development programs provided by the organization. Besides

that, every organization develops its compensation structures in accordance with its goals, objectives and strategies; hence it is advantageous to both employees and the employers. Therefore, compensation is used to motivate and retain employees with the aim to improve overall effectiveness of an organization. Consequently, amongst all the factors of HR practices, compensation is the most important attribute which contributes the most to employees as well as the employers.

The hotel industries are known for generating good amount of revenue, the dark truth is that it is also known as one of the poor pay provider. Moreover, due to extreme competition in the hotel market, hotels are struggling for their survival. Due to the high overhead and other fixed costs that the hotels have, generating profits is a very challenging task. Thus, salary or the labour cost is the only cost that may be controlled or kept within a limit (Peshave & Gujarathi, 2013).

Apart from that in a study conducted by Odunlade (2012) in one of the Libraries and Information Centers in Nigeria, revealed that that there is a relationship between employee compensation and job satisfaction as majority of the participants i.e. 66.75% confirmed that they are satisfied with the compensation provided. Also it was revealed the apart from salary, the participants also receive health care, pension, training opportunities, retirement plans, child care and conferences/workshop allowance as other benefits. Hence, other facilities apart from the dry salary might have boosted the level of satisfaction among the employees.

Compensation policies should have a sound integration with other practices of HRM, an ideal compensation policy encourages the employees to work harder and with more determination, whereby helping the organizations to set the standards that are job related, realistic and measurable (Khan, 2011). Henceforth, employees who perceive monetary rewards as a satisfactory form of appreciation, they will not consider alternatives from other organizations if their employers were willing to give appropriate rewards in exchange for improved performance (Subramanian & Shin, 2013).

Likewise, Namasivayama, Miaoa, and Zhao (2007) who conducted the study in the USA on relationships between compensation (direct and indirect) practices in hotel organizations and their performance with 1,223 hotels revealed that, both the form of compensation has different effects on employees. Direct

compensation comprises base compensation (wages, salary) and pay incentives (bonuses, profit sharing). Indirect compensation comprises benefits such as health insurance and unemployment insurance. For instance, non-managerial employees were found more likely to be motivated by a combination of benefits and wages, while managerial employees were more likely to be motivated by base and incentive pay.

Shezad et al. (2008) also found that compensation and promotion practices were found to be significantly correlated with perceived performance of university teachers of Pakistan, while performance evaluations practices are not significantly correlated with perceived employee performance. However, compensation is the major element to influence teachers. Besides that, if the employees are happy with the reward/pay they get for their service they would never think of leaving that job and would love to stay with that organization, as it also works as stress reliever. On the other hand, when an organization offers different sorts of insurances to the employee, it will relieve many of their fears (Khan, 2011). On the basis of above mentioned literature and arguments it can be safely assumed that compensation practices are correlated with the employee's intention to leave. However, the relationship needs to be verified in hotel employees in Bhutan.

Thus, it is hypothesized that:

H2: Compensation practices are negatively related to employee's intention to leave.

Perceived Organizational Support (POS)

Perceived organizational support (POS) is vital for any business or any form of organizations. It is the extent to which employees believe that their organization care and values their contributions. Alvi, Abbasi, and Haider (2014) who did their research in Pakistan banking sector found that perceived organizational support plays significant role in endorsing engagement in corporate sector. This may result in loyal and committed employees in banking sector resulting in reduced employee turnover, whereby increasing organizational efficiency and productivity. Therefore, the above mentioned finding clearly shows that, POS not only helps in employee engagement but also has a great deal of support in employee retention.

On the other hand Rhoades and Eisenberger (2002) by reviewing more than 70 studies found some interesting facts, that three general categories of favorable

treatment received by employees from the organization (i.e., fairness, supervisor support, and rewards and job conditions) are positively related to POS, which, in turn, is associated with outcomes favored by employees (e.g., increased job satisfaction, positive mood, and reduced strains) and the organization (e.g., increased affective commitment and performance and reduced turnover). Following Cho et al. (2009) also found that POS and individual commitment towards an organization result positively in an elimination of employee turnover intention in the hospitality industry.

Similarly, Caesens and Stinglhamber (2014), who conducted research on 256 employees and 112 supervisors in two of the private companies, found that self-efficacy partially mediates the relationship between perceived organizational support and work engagement, along with that it also revealed that the outcomes that the work engagement increased job satisfaction, reduced psychological strains and enhanced in-role and extra-role performance. Therefore, the more employees feel supported and valued by their organization, the more they develop a high self-efficacy and, consequently, the more they become absorbed by their tasks and do their jobs with vigor and dedication. In the study by Gokul, Sridevi, & Srinivasan, (2012) perceived organizational support has a strong impact on affective commitment i.e. if employees perceive that their organization is supportive, they tend to be more committed to the organization, which implies that, when employees perceive their organization to be supportive, they become more dedicated and this contributes to their emotional bonding with the organization.

Blomme et al. (2010) examined the relation between workplace flexibility, organizational support, work-family conflict and the intention to leave among highly educated male and female employees working in the hospitality industry. The result from 247 respondents showd that work-family conflict and organizational support can explain a substantial amount of variance among the respondents regarding their intention to leave an organization. This study also found that for men work-family conflict could be explained by lack of organizational support, while for women work-family conflict could be explained both by dissatisfaction with workplace flexibility and lack of organizational support. In addition, with regard to women, the study has shown that organizational support has a moderating effect on the relation between workplace flexibility and work family

conflict. This study suggests that maintaining a good organizational climate and offering the possibility of flexible work hours to improve the balance between work and family are important factors when it comes to retaining highly educated staff.

Similar to Iqbal (2015) who conducted his research in education institutions in Pakistan perceived organizational support has significant relationship with employee retention, with a psychological empowerment as mediator between perceived organizational support and employee retention. The importance of organizational support is vital for the development and success of the organization and as well employee retention. Therefore, one can conclude that POS is greatly sensitive to the effective HR practices, which if carefully executed have greater impact on the organization; however, the relationship needs to be verified in hotel employees in Bhutan.

Thus, it is hypothesized that:

H3: Perceived organizational support is negatively related to employees' intention to leave.

Employee Intention to Leave

Turnover intention reveals the subjective probability that an individual will leave the organization and thus reflects one's attitude towards the organization (Santhanam et al., 2014). Usually people tend to leave or quit their profession/organization only because of dissatisfaction and problems which are difficult for them to digest. Hence, quitting or leaving the profession/organization seems the only good and available solution for them. According to Juhdi et al. (2013), intention to leave is just intentions that are not realized yet but it is just a matter of time that the person would decide to leave and bring along the experience and skills learned to other organizations and finding should be taken seriously by managers because employees who have low commitment and thus high turnover intention are not likely to feel compelled to commit and give all their efforts for the organizations. Carmeli and Weisberg (2006), acknowledged that the human capital is very important for the organization, hence, the organization should adapt the strategic practices of human resource management to recruit, develop and retain the workforce.

On other hand negative side of actual employee turnover represents an outflow of skills and may consequently seriously hinder the organization, and

whenever employees leave an organization either voluntarily or involuntarily the impact can be enormous. According to Pizam and Thornburg (2000), turnover can be in several forms. It can be voluntary or involuntary, functional or dysfunctional, avoidable or unavoidable. While the financial consequences of all types of turnover are similar (i.e. replacing the employee and the associated costs of advertising the position, interviewing, training, etc.).

Iverson and Deery (1997) found that the key to employee commitment, however, lies with job satisfaction. Job satisfaction is affected by monotony, role conflict and promotional opportunity. And hence, they came up with several strategies to increase job satisfaction and therefore reduce employee turnover. The first is to provide greater variety in employees' work; multi-skilling of employees, allowing for a greater range of employee activities from watering to housekeeping. Secondly the issue of the lack of a career path through an absence of promotional opportunity can be addressed by continuous training. And finally job satisfaction can also be increased by reducing the role conflict of tasks. As it is important to have compatible job demands, there is also a need for explicit, accurate job descriptions and clear reporting policies, which should lead to greater role clarity and increased retention.

It is important to have suitable working condition and favorable environment, but at same time it is necessary that employees be satisfied with both intrinsic and extrinsic expect of live. One of the literature regarding individual factors in the hospitality industry has identified salary, benefits, and marital status as contributors to employee turnover (Iverson & Deery, 1997). Hence, Peshave and Gujarathi (2013) found that practices related to monetary benefits, work-life balance, training & development, have the highest impact on enhancing employee productivity.

On the other hand, Kuria and Alice (2012), who conducted study on cause of employee turnover in Kenya with 133 respondents, found that lack of balance between work and personal life, staff involvement in decision making, and conducive working environment (flexibility), and poor remuneration were found to be the major causes of respondent's dissatisfaction and job resignation. Therefore, it was recommended that, the management should improve the working condition for the employees as well as establishing training policies that equip employees with job

requirements and expectations. Finally, the need to establish a rewarding system that would motivate workers other than monetary remunerations was also recommended. Besides monetary and moral support from the organization, Santhanam et al. (2014) carried out his study in Indian hospitality firm on frontline employees on various HRM practices pointed out that employees who perceive fairness in selection process will have lower intention to leave the organization and at the same time low pay and benefits acts as a catalyst in employee's intention to leave the organization; these two factors was found to have significant effects on employee turnover intention.

Guchaita and Cho (2010) used bundle of eight HRM practices namely training, performance appraisal, staffing, rewards and benefits, working conditions, equal employment opportunity and information sharing in examine mediating effect of organizational commitment on the relationship between the HRM practices and intention to leave among service employees in India. The study found that HRM practices emerged as a significant predictor of intention to leave and the relationship is partially mediated by organizational commitment. The results indicate that when employees' perception of the HRM practices is increased by one unit, their intention to leave decreases by half a unit. Similarly, to that Long and Perumal (2014), who conducted the study in Singapore carried out to determine the turnover intention using compensation and benefits, training, career development, performance management and employee relations as possible turnover intention predictor with grounds security officers and supervisors as their population sample. All the factor found to have direct and significant relation to the dependent variable of intention to leave.

Therefore, in services industry human resource plays a major role in the delivery process and cannot be replaced with machines due to the need of human characteristic element for the service delivery possesses. The human resource departments of hotels are very well aware of this fact and thus, are developing employee centric employment practices to attain higher levels of employee productivity. Fair employee practices have a direct impact on the motivation levels and moral of the employees which further enhances their efficiencies leading to higher levels of productivity (Peshave & Gujarathi, 2013) and Tangthong et al. (2014) found that training can play a role to increase staff retention; consequently training will need to be accompanied by other HRM practices, such as compensation &

benefits management and reward system, which are considered to be more effective in retaining employees.

Many previous studies showed that intentions to quit are influenced by lack of commitment by the employees, which is caused by the lack of management from the employer or due to unprofessional conduct of HRM functions. Thus it is very important that HR practices be taken seriously in order to increase employee commitment. As poor employee management would badly affect employees' perception and which might boost their level of intention to leave the organization in search of better opportunities. Thus, the previous studies on HRM provides stronger evidence that HR practices should be well managed because, it has greater negative consequences if it is not managed properly resulting in greater turnover intention.

2.7 Framework of the Study

This study was conducted to understand the HR practices currently being deployed in Bhutanese hotel industry with the intention to discover employee's perception towards their profession, and also to ascertain the level of employee's intention to leave the organization. There exist many studies conducted to examine the effects of HR practices and perceived organizational support on intention to leave in different fields.

Osibanjo, Kehide, and Abiodun (2011), for example, highlighted training and development practices are seen as a concept that organizations should adopt in order to reduce turnover rates and increase productivity. It is recognized that training forms the backbone of strategy implementation. In addition, it is noted by Hanif and Abdullah (2013) that training also has direct impact on the employee's performance and improves working efficiency of employees working in hotel industry; therefore, it tends to increase the overall actual performance of employees. Moreover, training and development will prepare employees for their future task, despite being beneficial to their current job (Rurkkhum, 2015).

Prior studies also showed the negative relationship between POS and turnover intentions (Das, Nandialath, & Mohan, 2013; Wayne et al., 1997), others have shown POS as a mediator and also having moderated relations with turnover

intentions (Loi, Hang-Yue & Foley, 2006). Johnston (1995) also found POS as a significant predictor of employees' behavioral intentions, implying that high POS will lead to intention to stay and low POS will lead to intention to leave. Employees who have received high levels of organizational support have greater skills and abilities that would benefit the organization and the leaders (Wayne et al., 1997).

It has also been highlighted that salary and benefits offered elsewhere are the major reason for employee turnover in the hospitality (Chan and Kuok, 2011). Hospitality industries are known as one of the poor pay masters (Peshave & Gujarathi, 2013). Many prior researchers discovered that employees working in hotel earns low salary and benefits as compared to other sectors (Albattat & Som, 2013; Santhanam et al., 2014). Employers can actually focus on improving the work environment, particularly in terms of pay and benefits in order to attract and retain talented employees at all levels (Baum, 2008). Whereby, committed employees are expected less likely to leave the organization (Mahal, 2012). Gerrit, Treuren, and Frankish (2014) state that employee pay satisfaction is negatively related to an employee's intention to leave, as employee pay satisfaction increases, intention to leave is likely to decrease. Rurkkhum (2015) and Long and Perumal (2014), also found negative relationship between compensation and benefits to staff turnover intention.

By reviewing various journals, researcher here proposes three key HR factors that are very much relevant and is likely to be directly associated with employee intention to leave. Hence, training & development, compensation practices and perceived organizational support were used in this study to determine the relationship with employees' intention to leave among employees working in 3star rated hotel.

Independent variables   **Dependent variable**

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┌─────────────────────────────────┐
│  • Training and development      │
│  • Compensation                  │
└─────────────────────────────────┘                ┌──────────────────────────┐
                                                     │ Employee Intention to    │
                                                     │ leave                     │
┌─────────────────────────────────┐                └──────────────────────────┘
│  • Perceived organizational      │
│    support                       │
└─────────────────────────────────┘
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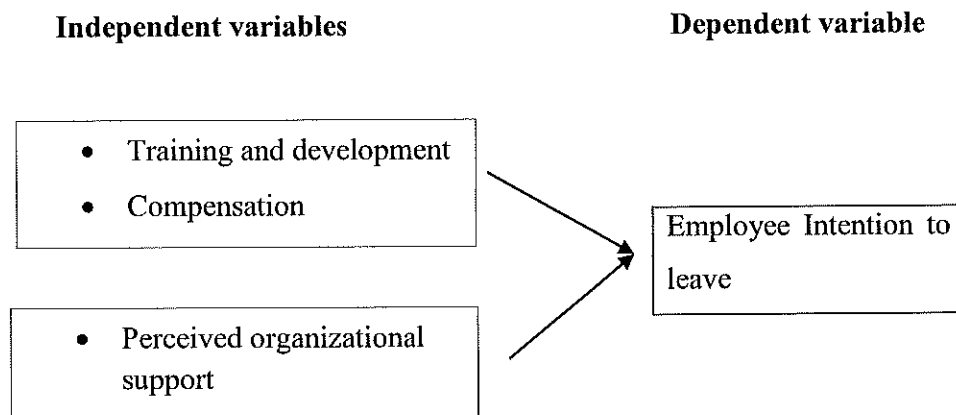
Figure 3. Conceptual Framework

2.8 Summary

The primary purpose of this study was to explore the relationship between training & development, compensation and perceived organizational support as independent variables with that of employee intention to leave as a dependent variable in Bhutanese Hospitality industry. The findings of this study were expected to provide meaningful knowledge and help better understand the working environment of 3-star hotels in Bhutan (Thimphu Dzongkhag). Most 3-star hotels in Bhutan are the independent hotels and none of the hotels is chain affiliate association. Besides, it was expected that the findings would provide significant theoretical as well as practical knowledge with regard to hotel industries in Bhutan. People will get to know about HRM practices and its consequences, which are being practiced and implemented in hospitality industries in Bhutan.

Chapter 3

Research Method

This chapter discusses the overall research design and methods that the researcher has used to conduct the study. The purpose of the present study was to explore the relationship between human resources practices (training and development and compensation), organizational support and employee intention to leave in 3-star hotels in Thimphu, Bhutan. Therefore, the research focused on quantitative study approach. In the following sections population and sample, instruments, research procedures, and data analysis method are explained:

3.1 Population and sample size

According to Bhutan Tourism Monitor, Annual Report (2014) the total numbers of hotels/ resorts in Bhutan are 74, including 54 three-star, 11 four-star and 9 five-star hotels, and it is clear that form the above statistics three-star hotel are highest in number. As per the government rule of Bhutan, it is mandatory to accommodate tourists in the 3-star rated hotels and above, and this study has excluded the unrated hotels. Therefore, the number of employees working in 3-star hotels are high and represent the working environment of almost all of the hotels/resorts in Bhutan. In addition to that the 3-star hotels existing in Bhutan are all independent hotels and do not associate with chain affiliation.

In this study the researcher focused only in one Dzongkhag (district/province) that is the capital city of Bhutan, Thimphu Dzongkhag. As per the Tourism Monitor, Annual Report (2014), the Thimphu district has 12 number of 3-star hotels/resorts, which is one of the highest among other provinces. The reason for conducting this research in Thimphu is that, firstly it is the capital city of Bhutan with modern amenities compared to other Dzongkhags, secondly the maximum number of population dwells in the city (i.e. employees), and lastly the maximum numbers of hotels and resorts exists there, hence, these are the reasons for the researcher to choose Thimphu Dzongkhag as a place for this present study.

As a population sample researcher has engaged respondents from only 3-stars hotels/resorts, this is because to maintain uniformity and avoid ambiguity. Therefore, the study consists of 354 employees working in 3-stars in all 12 hotels in

Thimphu. And all the hotels/resorts are functioning independently, and are not chain hotels. Researcher distributed all the questionnaires to 354 employees working in 3-star hotel in Thimphu. There is very limited literature from country like Bhutan showing relationship between HRM practices and employee intention to leave so far, although there exist few researches which cover HRM practices in general.

3.2 Research Procedure

Formal permission was asked from the head of management/ department in order to make transparency and ethical. Upon receiving the approval/permission the questionnaires were distributed among respondents and they were briefed about the purpose of the study and its importance thus, proper permission was asked for their participation in the study.

3.3 Instrument

The survey research design method was used in this study. It involved using of questionnaires with a paper-and-pencil. The questionnaires in this study were structured for the purpose to determine training and development, compensation and perceived organizational support towards employee intention to leave among employees working in 3-star hotels. The research instrument can be found in Appendix A. In this study it consists of human resources practices and perceived organizational support as the independent variables and employee intention to leave as the dependent variable. All the questionnaires are written in English.
In the following sections each variable measurement instrument is elaborated clearly.

3.3.1 Perceive Organizational support

Güzel et al. (2011) defined POS as the behavior of the organization towards its employees and the interpretation of organizational motives underlying this behavior in return for the organization. In other word POS refers to a general belief that one's organization values their contribution and cares about their well-being (Rhoades & Eisenberger, 2002). Organizational support was measured by using items from Blomme et al., (2010), which was developed by Eisenberger et al. (1986). An example item for POS is "My organization really cares about my well-being". The

items exhibited internal consistency reliability of this scale is reported at 0.94 (Blomme et al., 2010). According to Rhoades and Eisenberger (2002), using a short version of the scale is not problematic because the original scale is unidimensional and has a good internal reliability.

3.3.2 Compensation Practices

Compensation and benefits practices were measured by using items from Rurkkhum (2015) which the researcher also have retrieved and adapted from the works of Altarawneh and Al-Kilani (2010), Erturk (2014), Gavino et al. (2012), Giauque et al. (2013), Guchait and Cho (2010), Kim (2012), Palumbo, McIntosh, Rambur, and Naud (2009), Scheepers and Shuping (2011), and Yang (2012). The compensation practices questionnaire that was administered consisted of 5 items. An example items from the scale is: "The compensation package I receive from this organization is worth for my work effort". The reason for selecting this questionnaire is that it was used to study the impact of same variables as in present study and was well tested on reliability and validity scales. The five items exhibited internal consistency reliability (Cronbach's alpha) of 0.87.

3.3.3 Training and Development

Getz (1994) attributed one main reason for high employee turnover in hospitality industry as it has not sought highly trained and qualified staff. The training and development were measured with six items used by (Karatepe, 2013), which they also adapted from Boshoff and Allen (2000). An example item from the scale is: "I receive continued training to provide good, service, I received extensive customer service training". The study was well tested on reliability (Cronbach's alpha) of 0.92.

3.3.4 Employee intention to leave

The statements used to measure the dependent variable are employee intention to leave. Employee intention to leave were measured by using items from Carmeli and Weisberg (2006), which was developed by Mobley et al. (1978). Three items were used to assess withdrawal intentions from the organization. An example item from this scale is: "I think a lot about leaving the organization". This measure has also been used in other studies (e.g. Cohen, 1993, 1999; Michaels and Spector, 1982; Miller et al., 1979) that reported good reliability. The trustworthiness of this scale is reported at 0.90 (Carmeli and Weisberg, 2006).

In addition, a slight modification was made by changing the wording of items to fit the features of a tourist hotel. All items were measured on a five-point Likert-type scale where 1=strongly disagree and 5=strongly agree.

3.4 Data Analysis

Descriptive statistics were used to present information that was received from the questionnaires in order to describe, percentage, mean and standard deviation. According to Sekaran & Bougie (2009), the goal of descriptive study is to offer profile to the researcher and describe relevant aspects of the phenomena of interest from an individual, organizational, industry, oriented, or other perspective. The Pearson's correlation tests were used to examine the correlation among variables; between the independent variables i.e. training & development, compensation practices, and perceived organizational support and the dependent variable employee intention to leave. As expected the test indicated that the HR practices are negatively related to the employee's intention to leave. Each independent variable with high value close to +1 and the value of intention to leave close to -1 are significant as it indicated correlation in the relationship of the determinant and intention to leave (Long & Perumal, 2014). Further, the regression analysis was examined to test the hypothesis.

Regression analysis is a statistical tool for the investigation of relationships between variables, it is a technique that allows additional factors to enter the analysis separately so that the effect of each can be estimated (Sykes, 1993). Thus, multiple regression analysis was used for research questions to determine if the potential explanatory variables (training and development, compensation and perceived organizational support) explained a significant proportion of the variance in overall hotel employee intention to leave. Multiple regression analysis was used since, there was only one dependent variable and three independent variables in the study, and also multiple regression method has clearly:

1. Indicated the significant relationships between dependent variable and the independent variables.

2. Indicated the strength and impact of multiple independent variables on a dependent variable

The test also figured out the best predictor on employee intention to leave. In order to analyze the data collection for this research and to test the hypotheses the software program Statistical Package for the Social Sciences (SPSS) was used.

Based on the result of regression analysis including ANOVA analysis, the hypotheses were examined. The regression analysis results exhibited the value of R, R squared, adjusted R squared, and standard error. Seemingly, the value of R showed the correlation between the observed and predicted values of the criterion variable. The positive and negative sign denoted the direction of the relationship while the magnitude indicated the strength of relationships. R squared range from 0 to1 signified the adequacy of the model in the population. R squared measured the percentage of variation in the values of the dependent variable that was explained by the variation in the independent variable. Adjusted R square tried to change R square in order to replicate the correctness of the model in the population (Long & Perumal, 2014). The analysis of the result performed 5% level of significance; in which the value of $p \leq .05$ was considered significant and $p \leq .01$ as highly significant.

Following are the three assumption which were identified and discussed in detail. Further the underlying assumption were tested for this study.

1. Multicollinearity

Multicollinearity of data in regression is said to occur when predictor variables (independent variables) in the regression model are highly correlated with other predictor variables rather than with the dependent variable. Hence, the ideal is for all the independent variables to be correlated with the dependent variable but not with each other. Therefore, it is very important that the regression model depict no collinearity among independent variables, thus, eliminating multicollinearity.

2. Linearity

The assumption of linearity means that the outcome variable (dependent variable) is linearly related to any predictors (independent variables), thus,

their relationship can be shown up by a straight line. Standard multiple regression can only accurately estimate the relationship among dependent and independent variables if the relationships are linear in nature, and if the relationship among independent variable and dependent variable is not linear the result of regression model will under-estimate the true relationship (Osborne & Waters, 2002). And in a multiple regression since the predictors are more than one, their combined effect is described by adding their effects together.

3.   Homoscedasticity

It assumes that the variance of the errors is identical. The assumption of homoscedacity indicates that the variance of errors is equal and constant across all levels of the variables (Osborne & Waters, 2002). On other hand heteroscedasticity occurs when the variance of errors differs at different values of the independent variables (Osborne & Waters, 2002). Violation of homoscedasticity assumption may give unreliable standard error estimates of the parameters.

3.5 Reliability Analysis

Cronbach's alpha values signify internal consistency, which refers to the extent to which the items in a test measure the similar construct (Rurkkhum & Bartlett, 2012). In general, reliabilities below 0.60 are considered to be poor, those in 0.70 range, acceptable, and those greater than 0.80 good (Sekaran & Bougie, 2009). All the reliability coefficients for the measures were acceptable since they exceeded the minimum recommended level 0.60 (Hemdi & Nasurdin, 2006). The Cronbach's alpha values of all four scales are presented in Table 1.

3.6 Pilot Testing

Firstly, the researcher visited the three 3-star hotels and asked proper permission to the manager to conduct the research. Later, it was explained in detail about the research and they were briefed why and how much it is important to examine employees' perception relating HR practices that would lower employees' intention to leave their job. Further, it was explained to the manager about the

importance of the pilot testing, and encouraged every employee to participate in this study. After that immediately the employees came forward to participate. From the total of 50 valid survey forms, 31 forms were returned, while rejecting 16 forms as the data were incomplete. All the participants were given the same materials to conduct the survey. Approximately, it took 5days to conclude the pilot test. The result of pilot testing for reliability for loaded variables are presented in table 1.

Below are the comparisons between Cronbach's alpha values of all four scales used in the original scales and pilot test.

Table 1

Reliability with Cronbach Alpha for the Instrument Tested

Variables	Number of Items	Cronbach Alpha Pilot Test	Cronbach Alpha Original Study
Training and Development	6	0.87	0.89
Compensation Practice	5	0.86	0.88
Perceived organizational support	8	0.84	0.86
Intention to Leave	3	0.72	0.77

Table 1, displays the Cronbach alpha of original study, training and development is leveled at 0.89, which is the highest among all the other independent variables. The reliability test result for compensation practice was 0.88, and the result for organizational support was 0.86. Whereas the reliability test result for dependent variable, intentions to leave were found to be 0.77.

3.7 Summary

This study explored the relationship between HR practices and perceived organizational support on employee intention to leave in 3-star hotels in Bhutan. It was expected that having good HR practices in organizations employees

are likely to report low level of turnover intention. In this chapter the research procedures, instrument design, and analysis were described. In the following chapter, the research findings are presented.

Chapter 4
Research Findings

This chapter presents the data and findings for the current study. The present study is designed to study the possible relationship between HR practices (training & development and compensation) and perceived organizational support on employee intention to leave in Bhutan. Before proceeding with the actual process of data collection for the study the following activities was carried out in order to avoid future problems. Firstly, the researcher met all the concerned heads personally and appropriate permission was asked for the study besides, explaining the motive of the study. Hence, formal request was made before hand from every hotel. Further, to support verbal agreement a cover letter was submitted to prove the authenticity of the study (See Appendix B).

The collection of data for this study was done from the 2nd April to 28th April 2016. Data were collected from 354 employees working in 3-star hotels in Thimphu province, out of which 298 were returned. Total 266 data were valid responses for the data analysis as rest of 32 responses were incomplete (respondents rate 75.14%). The data shows 60.2% of the respondents were female and 39.8% were male. In terms of department, majority of respondents reported from food and beverage department (37.2%), followed by housekeeping (20.7%), front office (19.2%), administration (14.3%) and reservation (8.6%). In terms of ages, majority of respondents were a group of people aged 25 – 29 (46.6%), followed by aged 20 – 24 (40.2%), aged 30 – 34 (8.3%), aged 35 – 39 (2.3%), aged 40 and above (1.5%), and lastly aged below 19 (1.1%). The demographic data of the 266 respondents is presented in Table 2.

Table 2

Demographic Data of Respondents

Variables	Description	Frequency(n=266)	Percentage
Gender	Male	106	39.8
	Female	160	60.2
Age	19 years and below	3	1.1
	20 – 24 years	107	40.2
	25 – 29 years	124	46.6
	30 – 34 years	22	8.3
	35 – 39 years	6	2.3
	40 years and above	4	1.5
Department	Housekeeping	55	20.7
	Administration	38	14.3
	Food & Beverage	99	37.2
	Front office	51	19.2
	Reservation	23	8.6
Experience	1 year and less	37	13.9
	2-4 years	136	51.1
	5-7 years	78	29.3
	8-10 years	10	3.7
	11 years and more	5	2

This study had four main research questions to examine the relationship between HR practices (training & development and compensation) and perceived organizational support on employee intention to leave in Bhutan. These research questions were:

1. Are training and development practices negatively related with employee's intention to leave?

2. Are compensation practices negatively related with employee's intention to leave?

3. Are perceived organizational support practices negatively related with employee's intention to leave?

4. Which factor have the most impact on employee's intention to leave?

The results in this chapter are presented as follows. Firstly, the results of descriptive statistics both for dependent as well as independent variables are presented. Secondly, the assumptions of regression analysis were tested. Further, Pearson correlation matrix followed by regression analysis.

As mentioned previously that each of the sections is measured in five-point Likert scale, the researcher ranges level of important factor in five-point Likert scale with the interval of 0.80, that is, (5-(1/5). The interpretation of these questions is based on following;

The average of 1.00 – 1.80   x   Strongly Disagree factor level

The average of 1.81 – 2.60   x   Disagree factor level

The average of 2.61 – 3.40   x   Neutral/ moderate factor level

The average of 3.41 – 4.20   x   Agree factor level

The average of 4.21 – 5.00   x   Strongly Agree factor level (Ronra, 2010)

Table 3

Descriptive Statistics and Mean Interpretation

Variables	Mean	SD	Mean Interpretation
Training and development	3.65	0.86	Agree
Compensation practice	3.20	0.95	Neutral
Perceived organizational support	3.44	0.77	Agree
Intention to leave	2.86	0.92	Neutral

Table 3 shows the result of all the average mean score of independent variable and dependent variable of intention to leave. Out of four facets, two facets

fall under neutral/ moderate level and for training and development and perceived organizational support fall under agree level. The table also demonstrates that employees in 3-star hotels have training and development with high average score of 3.65 and standard deviation at 0.86, followed by organizational support with an average score of 3.44 and standard deviation at 0.77. Whilst compensation practice has average score of 3.20 and standard deviation at 0.95. The average score of intention to leave is at 2.86 whereas the standard deviation is at 0.92.

4.2 Assumptions of Regression Analysis

Further, the three assumptions of regression analysis were tested for this study. The assumption of multicollinearity was tested for all the independent variables to be correlated with the dependent variable but not with each other. In which it assumed that each X variable contains a unique piece of information about Y. Multicollinearity can also be detected with the help of variance inflation factor (VIF). If value of VIF is between 5 and 10, it indicates high correlation and that may be problematic. Therefore, the results revealed that there was no multicollinearity found between each independent variable. It shows VIF of 1.227 for training and development, VIF of 1.671 for the predictor compensation practice and for the predictor perceived organizational support depicted VIF of 1.616. Thus, it can be concluded that there was no multicollinearity. Therefore, the assumption of multicollinearity was satisfied.

Further the assumption for linearity and homoscedasticity were tested. This assumption can be tested by looking at data as displayed in the residual plots. The data needs to show homoscedasticity, which is where the variances along the line of best fit remain similar along the line. Examining the data in the study showed that most data appeared to have the same ranges and there was no noticeable pattern. Thus, the assumption of homoscedasticity was satisfied. In addition, the relationships between human resource practice and employee intention to leave showed the linearity of the relationship. Consequently, assumption of linearity was satisfied.

Table 4

Pearson Correlation Matrix

Variables	1	2	3	4
1. Intention to leave				
2. Training and development	-0.16**			
3. Compensation practice	-0.27**	0.40**		
4. Perceived organizational support	-0.26**	0.36**	0.60 **	

Note: **. Correlation is significant at the 0.01 level (1-tailed).

Correlation analysis was carried out based on training and development which is an independent variable and compensation practice and organizational support against the dependent variable of intention to leave. Table 4 shows, the correlation matrix indicated a negative relationship between each independent variables and dependent variable of intention to leave. Correlation for training and development, to intention to leave was at -0.16. As for compensation practice, the correlation to intention to leave was at -0.27 and perceived organizational support at -0.26 which were significant at 0.01 level for 1-tailed test. According to the results, the strongest correlation was between compensation practice and intention to leave, R= -0.27.

Table 5

Summary on Correlation Coefficient between Predictors and Dependent Variable

Model	R	R Square	Adjusted R Square	Std. Error of the estimation	Change Statistics				
					R Square Change	F Change	df^1	df^2	Sig. F change
1	.297[a]	.088	0.78	.884	0.88	8.447	3	262	.000*

Note: Note: *p<0.001

(a). Predictors: (Constant), Perceived organizational support, Training and development and Compensation. (b). Dependent Variable: Intention to leave.

Next each hypothesis was tested and the results are presented in details in the following section. The regression analysis results showed the value of R, R squared, adjusted R squared and standard error. R square value indicates how much of the total variation in the dependent variable, intention to leave, can be explained by the independent variable training and development, compensation and perceived organizational support. The table 5 shows, the value R at 0.297 and R squared at 0.09. The adjusted R square was .078 which means all the variables explained approximately 7.8% of the variation in the employees' intention to leave.

Table 6

Result of ANOVA Analysis on Predictors and Dependent Variable

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	19.806	3	6.602	8.447	.000*
Residual	204.765	262	0.782		
Total	224.571	265			

Note: *p<0.001

(a). Dependent Variable: Intention to leave. (b). Predictors: (Constant), Perceived organizational support, Training and development, Compensation

The ANOVA table indicated that the regression model predicts the dependent variable significantly well. Here, $p < 0.05$, which was less than 0.05, and indicated that, overall, the regression model statistically significantly predicted the outcome variable (i.e., it is a good fit for the data). In this study the ANOVA table showed that independent variables were statistically significantly predicted dependent variable, intention to leave, $F_{(3, 262)} = 8.447$, with a p-value of .000 (i.e. $p < 0.01$) which means when taken three independent variables as a group, they predicted intention to leave.

Table 7

Regression Analysis between Independent Variables and Dependent Variable

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	4.12	0.29		14.11	.000
Training and development	-0.04	0.07	-0.04	-.59	0.56
Compensation practices	-0.17	0.07	-0.17	-2.22	0.03*
Perceived organizational support	-0.17	0.09	-0.14	-1.89	0.06

Notes: *p (probability) ≤ 0.05. (a) dependent variable: intention to leave.

The table 7, shows the results of the regression analysis on independent variables training and development, compensation practice and perceived organizational support on dependent variable of employees' intention to leave. The β(beta) for training and development is -0.04 insignificant at 0.56, that means training and development was not statistically significant with intention to leave. Whilst for compensation practice is -0.17, significant at 0.03, indicating that compensation practice was statistically significant with intention to leave. Lastly, the β for perceived organizational support was -0.14 insignificant at 0.06, indicating that perceived organizational support was not statistically significant. Thus, the result depicted that only compensation practice was found to be statistically significant predictor of dependent variable of intention to leave (β = -0.17, t = -2.219, p = 0.03).

4.3 Summary

In summary, the results found support for negative relationships between independent variables (training and development, compensation practice and perceived organizational support) with dependent variable of intention to leave, indicating that employee's perception towards HR variables decreased as an employee intention to leave increased, or vice versa. However, from the multiple regression analyses it revealed that training and development and perceived organizational

support did not find statistically significant but only one variable of interest in this study namely compensation practices were found statistically significant with the intention to leave. Further, the discussion of the results is presented in the following section, followed by recommendation and conclusion.

Chapter 5

Discussion

This chapter summarizes the results of the study and discusses the important findings, along with how these present results can link back to previous research to show how the study contributes to the knowledge of employee intention to leave. In the following section, discussions and recommendations are presented, followed by conclusions.

Data were collected from 266 employees from 3-star hotels in Thimphu, Bhutan. The data were drawn from a final sample with 60.2% of the female and 39.8% male respondents. The majority of respondents reported from food and beverage department (37.2%), followed by housekeeping (20.7%), front office (19.2%), administration (14.3%) and reservation (8.6%). In terms of ages, majority of respondents were a group of people aged 25 – 29 (46.6%), followed by aged 20 – 24 (40.2%), aged 30 – 34 (8.3%), aged 35 – 39 (2.3%), aged 40 and above (1.5%), and lastly aged below 19 (1.1%).

This study had four research questions to examine the relationship between independent variables (training and development, compensation practice and organizational support) with dependent variable of intention to leave. The research questions were:

1. Are training and development practices negatively related to employee's intention to leave?

2. Are compensation practices negatively related to employee's intention to leave?

3. Is perceived organizational support practice negatively related to employee's intention to leave?

4. Which factor have the most impact on employee's intention to leave?

However, three hypotheses were formulated and tested in this study. Table 8 shows, the summary of each hypotheses test results.

Table 8

Summary of the Hypothesis Testing

Hypothesis	Results
H1: Training and development practices are negatively related to intention to leave	Accept
H2: Compensation practice are negatively related to employee intention to leave	Accept
H3: Perceived organizational support is negatively related to intention to leave	Accept

5.1 Discussions

The main aim of this study was to examine the impact of HR practices and perceived organizational support on intention to leave among 3-star hotel employees working in Bhutan. As discussed in previous studies many authors have found negative relationship between independent variables (training and development, compensation practice and perceived organizational support) and intention to leave. The present study showed that hotel employees' perception of HR practices, particularly training and development (r = -0.16), compensation practice (r = -0.27) and perceived organizational support (r = -0.26), are negatively related to employees' intention to leave. However, the present research examined intention to leave among hotel employees by considering three HR variables. It was expected that all the three HR practices be statistically and significantly related to employee's intention to leave.

For Hypothesis 1, it denoted that the training and development was negatively related to intention to leave. This study indicated that employees who perceived low training and development, are more likely have intention to leave. The less training and development hospitality employees perceived, the more employees are inclined to leave the hotel sectors or vice-versa. This result is similar to previous research studies, for example, Guchait and Cho (2010) found that the continues training program results in employees committment to the organization ultimately decreasing turnover intention. Similarly, Long and Perumal, (2014) found training significantly related to staff turnover. Given that the employees' higher perceptions on

the availability and effectiveness of formal training programs, and a clear policy on training programs adopted by their hotel administrators would lead them to experience a higher sense of trust in their organization, resulting in lower turnover intention (Hemdi & Nasurdin, 2006). The finding also highlighted the importance of HRM practices such as training and development and compensation which have significant effect on employee's productivity and are negatively related to employee turnover of Taiwanese high-tech firms (Chang & Chen, 2002).

However, in the present study, while testing further analyses, training and development did not show a statistically significant relation with intention to leave ($\beta = -0.04$, $t = -0.585$, $p = 0.56$). This fact is relevant to the research finding by Rurkkhum, (2015) that the study did not support the importance of training and development with employee intention to leave. Notwithstanding, the author also suggested that it does not mean training and development is not significant and can be neglected by an organization. It is because hospitality industry being fully dependent on visitors it is very important that employees be well trained in order to provide professional services to the visitors by the particular hotel. Every year with increasing number of tourist in Bhutan, it is very important that hotels sectors train their employees to achieved organizational goal as well as to retain employees. Likewise, Guchait and Cho (2010) explained that though there is no direct relationship among HRM practices and intention to leave, as all the HRM practices have different level of influence but HRM practices as a whole help in lowering employees' intention to leave. Hence, employee training and development are essential for remaining competitive in the global arena (Guchait & Cho, 2010).

Hypothesis 2 on compensation practices the findings from this study showed a statistically significant and negative influence on turnover intentions. Further, supporting the second hypothesis of this study, the finding of negative relationships between compensation practices and intention to leave confirmed the finding of previous study. The result of the study concurs with the recent finding by Rurkkhum (2015), where compensation and benefits was found statistically significant with the employee's intention to leave in a production company in southern Thailand. In addition, this research's result has supported the research of

Long and Perumal (2014), whose findings revealed negative relationship between compensation and benefits with employee turnover intentions.

In this study compensation practice was found to be significant predictor that employees tend to leave the hotel job in Bhutan. It might be explained by the fact that despite Bhutan being underdeveloped country the standard of living especially in Thimphu province (Dzongkha) is very high. Since, Thimphu being the capital city of Bhutan the area is already over populated and the resources are limited due to which it has given a sharp rise to the people's standard of living. Starting from edible goods to shelter as the prices are very high, that it would be impossible to survive with low income. On the other hand, employees working in hospitality sector earns no allowances, such as housing and health other than the service charges and salary, which was found to be a quite sure evidence to ponder upon as a major reason for employee's turnover intention.

In addition, to that since in the hospitality industry the compensation and benefits practices is considered to be low with odd working hours compared to other service sectors and Since, there is a mismatch between the efforts employees put in and the remuneration they received. Which contradicts with the employee's expectation. This might be the reason for employees searching for greener pasture. The findings of this study also confirmed the suggestions from Santhanam et al. (2014) whereby the hotel employees perceived better and fair policy on compensation practices adopted by their hotel administrators which would lead them to remain loyal and committed and results in lower turnover intentions.

The findings also suggested that the hotel administrator can use HR practices as tools to boost employee's performance and enhance commitment level, lowering turnover intentions. Another similarity was found in the study by Namasivayama et al. (2007) that there is a relationship between compensation (direct and indirect) practices and employee performance in the hotels in USA. In fact, this finding is similar to the study by Shahzad et al. (2008), whose findings revealed a positive relationship between reward practices and the performance of university teachers in Pakistan when countering the other factor of turnover intentions in the long run. In addition to that Tangthong et al. (2014) findings revealed that compensation and benefits and reward systems help encourage employee engagement,

further the result also revealed a positive effect on employee retentions. Leading to the conclusion if the compensation and reward system are good, employees feel more motivated and lock themselves to their jobs.

Hypothesis 3 denotes that perceived organizational support are negatively related with employee intention to leave among hotel employees working in Bhutan. The result showed a negative relationship between perceived organizational support and intention to leave. This study indicated employees who have low perception on organizational support reported a high level of turnover intention. According to empirical literature, organizational support was found to be a significant predictor of turnover intention for both males and females working in the hospitality industry (Blomme et al., 2010). These findings confirmed the results of the previous studies in related to the importance of organizational support toward turnover intentions (Allen et al., 2003). Their study reported that high scores on POS was associated with low scores on turnover intentions and actual turnover. The research result was similar to that of Godfrey (2010) it found perceived organizational support to be negatively associated with turnover intentions. The study suggested if the organization appreciates employees' efforts and cares about their comfort and welfare, employees will be more committed towards organization and lower turnover intentions.

However, the present study revealed that perceived organizational support did not find statistically significant relationship with intention to leave (β = -0.14, t = -1.888, p = .060). The reason could be explained by the fact that to cope up with the current situation in Thimphu the first priority given by every employees was found to be the compensation practices they received. Since, the country is dependent on goods imported from other countries the cost for consuming those goods or items are always high. Hence, to satisfy the need and to survive in this kind of situation people are always after employers who provide them with good amount of salary. Notwithstanding, the present study suggests that perceived organizational support should not be mistreated and left out by any organization. As perceived organizational support is considered as the sign to the employees' perception towards whether or not the organization values and cares about them and their needs. Therefore, if higher the

perceived organizational support of individuals, the lesser the intention to seek alternative jobs and probability of accepting these jobs (Emiroğlu et al., 2015).

Result of research question 4

The research question 4 denoted which factor have the most impact on employee's intention to leave, and the result revealed that compensation practices has the most impact on employee's intention to leave compared to other variables. The high value of beta indicates greater effect of independent variable on the dependent variable. And the present study showed beta has the highest value -0.17 for compensation practices. Therefore, the most significant independent variable among three independent variables is compensation, which has a greater impact on employee intention to leave in 3-star hotels in Bhutan. According to empirical literatures, many researchers found that compensation and benefits offered to employees will reduce intentions to leave (Albattat & Som, 2013; Chan & Kuok, 2011; Pizam & Thornburg, 2000; Rurkkhum 2015). Jung and Yoon (2015) found that pay satisfaction is the most important variable to increase employees' job engagement and decrease job withdrawal.

Pinar, Cuddy, Birkan and Kozak (2011) conducted a study in hospitality and reported that married couples gave more importance to the salary because of the responsibility of supporting their families. For example, if employees feel they are not compensated fairly they will be swayed to feel unappreciated and not valued, whereby leading to quit the job (Cheng & Brown, 1998). In addition, pay fairness improves work effort, job performance and especially increases the level of loyalty and dedication of the employees towards the organization. In short, people would leave the organization if they are not compensated according to their expectations, thus it has influence on actual labour turnover (Cheng & Brown, 1998).

5.2 Summary

This chapter provides the results of the study. It was expected that the HR practices (training and development, compensation practices) and perceived organizational support would have negative relationships with employee intention to leave. Overall, the findings revealed negative relationships between HR practices and

perceived organizational support with intention to leave. The study did not find statistically significant relationship on training and development; and perceived organizational support with intention to leave. Only compensation practices were found to be statistically significant. Next, recommendations and conclusion of this study are presented below.

5.3 Recommendations and conclusion

The recommendations below are based on the findings from this study and are presented in two parts: recommendations for research, and recommendations for practice for human resource management in hospitality industry in Bhutan.

5.3.1 Recommendation for research

This present study revealed a negative relationship between HR practices and perceived organizational support with intention to leave, supporting the importance of HR practices, especially from employees' perspective (Rurkkhum, 2015). The findings of this study revealed that human resource practices are an essential contributor to employee intention to leave. Specifically, this study did not find statistically significant relationships from the variables training and development and perceived organizational support. However, among all the three variables considered in this study, only compensation practice relating to human resource practices was found statistically significant with intention to leave. Moreover, the regression result revealed that 3-star hotels employees in Bhutan who have lower perceptions of compensation practices offered by their hotel will be more likely to express higher levels of intention to leave.

In future research, it will be worthwhile to examine other factors apart from those three discussed in this study to determine employee's intention to leave. And it should give out some essential results in predicting intention to leave, or to establish a set of important HR practices; as according to previous studies are concerned, the results of important HR practices are diverse (Guchait & Cho, 2010; Long & Perumal, 2014; Santhanam et al., 2014). Since every organization's goal is to retain talented employees, thus, future researchers can include multiple variables in their study to determine the relationship. Which would produce deeper and concrete outcomes regarding the factors influencing employees' intention to leave. Hence, in

every country development of human resource practices remains the most crucial and significant factor for the success of the hospitality industry (Bagri et al., 2010).

Further, to hint out some, researchers in this area should focus on work-life balance, working hours, and promotion factors other than the mentioned HR variables on employee intention to leave, as many previous studies have also found working hour, work life balance and promotion factors (Albattat and Som 2013; Balunos et al., 2015; Cho et al., 2006; Weisberg & Kirschenbaum, 1991) as the reason behind employee turnover intention. In addition, the same method of research can be performed with different levels of employees in different service industries in order to determine the possible relationship between HR practices and employee's intention of leave. Likewise, the future studies on this topic can use the mixed research method that is quantitative and qualitative for their studies for better outcome and useful knowledge. As qualitative methods allow researchers to understand the views of a person concerning an organization or the people's behaviours in a social or professional areas (Punch, 2005).

Another recommendation for future research is possible by adding other variables into the model which could be moderators and/or mediators (Rurkkhum & Bartlett, 2012), as it could strengthen the linkage between the proposed variables of the study. For example, factor like job performance, employee engagement, demographic factor, job satisfaction and job commitment should use as a moderators and/or mediators in the model to find intention to leave. This could help researchers to better understand the complexities of employee behavior and attitude in an organization. Thus, this study can be used as an example to guide future research to explore the relationship between HR practices and employee's intention to leave.

5.3.2 Recommendation for practice

In this study, compensation practice was found significant predictor of intention to leave among employee working in hotel industry in Bhutan. The regression analysis in Table 7 indicated that 3-star hotel employees who have a lower perception of compensation are more likely to express higher level of turnover intention. It might be explained by the fact that despite Bhutan being underdeveloped country the living standard especially in Thimphu province is very high. Since

Thimphu being the capital city of Bhutan the area is already over populated and the resources are limited due to which it has given a sharp rise to the people's standard of living. Starting from edible goods to shelter as the prices are very high, that it would be impossible to survive with low income. Therefore, this situation leads employees to expect high compensation for their services.

On the other hand, employees working in 3-star hotels earns no allowances, such as housing and health other than the service charges and salary. Along with that in the hospitality industry the compensation and benefits practices is considered to be low with odd working hours compared to other service sectors. which was found to be a quite sure evidence to ponder upon as a major reason for employee's turnover intention. Besides, with the rising number of tourist and the development of the hotel business, it would be worthwhile for hotel authority to review and revise the compensation practices, so that employees will be able fulfil their basic needs and further lowering turnover intention. Besides employees will not be able to fully commit to their jobs, which ultimately effects the organizational performance. Further, low organizational performance leads to loss in customers, profit and the growth of the organization. Other than that there are high chances that the employees might leave the organization in search for better opportunities. For which the organization have to bear additional expenses on selection, recruitment and training and development of new employees.

However, for training and development, and perceived organizational support, though the study did not support statistically significant with intention to leave, these does not mean that these two aspects are not important. Especially, in the hotel industry employees should be sent frequently to different training programs to develop their skills so that they may offer better service (Bagri et al., 2010), as product is in the form of service provided to the guests. Thus, enhancing productivity means enhancing the service delivery process leading to greater guest satisfaction (Peshave & Gujarathi, 2012), further ensuring repeated patronage or guest loyalty and subsequently enabling the organization to benefit from higher revenue.

Therefore, the findings of the present study suggest that the hotel industries should investigate about the HR practices and its influence on employee's turnover intentions. Apart from that it would give an opportunity to find which

practices are more effective than others (Guchait & cho, 2010). It is the fact that HR practices are the only means that can be used to overcome negative outcomes or images of the employees and the organization. For example, Santhanam et al. (2014), stated that human resource should be updated periodically by analyzing the needs of the employees.

On the other hand, the current data is enough for the employers to get the idea of what the immediate solutions should be taken, at the same time it must be noted that it may not be sufficient for the long run, as employee's expectation changes according to the environment due to internal and external pressure (Long & Perumal, 2014). The findings are essential for the management board of hospitality industries in Bhutan, to curb the problems related to HR practices. As the industries in Bhutan are growing rapidly with huge visitors every now and then, but at the same time the hotel industry also should focus on formulating and executing employees' perception of HR practices that can lower intention to leave.

However, from the findings of this study it was concluded that compensation and benefits are the most important aspect of HR practices for employees working in 3-star hotel in Bhutan. Besides, it was clear what organizations need to do in order to encourage employees to walk that extra mile (Rurkkum, 2015). Given that, employees are more likely to satisfy various customer needs, only if employees perceive that they are well compensated/ rewarded for their efforts (Tsuar & Lin, 2004). Therefore, the study also implies that the HR manager or hoteliers to provide good and fair compensation and benefits package as per the efforts and the work done by the employees. Consequently, HRM must take note that pay is the main consideration because it provides the tangible rewards for the employees for their services as well as a source for appreciation and livelihood.

Similarly, it is essential for hoteliers and HR managers to provide clear and continuous training and development programs and organizational support, so that the employees feel more committed towards their employers/organizations. Or else the consequences of underpaid and undertrained employee's will lead to low levels of motivation, job dissatisfaction, and high turnover ultimately which leads to dissatisfied customers (Santhanam et al., 2014).

Further, given their importance in turnover intentions, managers need to upgrade and monitor current HR practices available. This in turn can reduce intention to leave, and subsequently turnover at large, whereby saving organization's financial cost and effort involved in replacement of staff. Having said that, every human resource practice influence employees' attitudes and behaviors, therefore if the organization implements the right HR practices, it results in lower turnover intentions (Rurkkhum, 2015). Thus, it is important to understand the turnover intent thoroughly, so that the concerned can come forward with appropriate and timely targeted intervention (Long & Perumal, 2014).

5.4 Conclusion

The principal aim of this paper was to determine the effects of human resource practices and perceived organizational support on employee's intention to leave in 3-star hotels in Bhutan. The study found negative relationship between human resource practices and intention to leave even though not all HR variables were found to be statistically significant to intention to leave. From the study, it was discovered that only compensation practices were statistically significantly related to employee's intention to leave. Therefore, there is a need for immediate and intensive attention towards existing HR practices regarding compensation and benefits in hospitality industries in Bhutan. Thus, this study adds knowledge on the importance of HR practices as predictors of turnover intentions (Hemdi & Nasurdin, 2006) in Bhutanese environment. From this result, it concluded that this study has achieved its objectives, which was to, study about the effect of HR practices and perceived organizational support towards employee intention to leave the 3-star hotels in Bhutan.

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APPENDIX A

Research Questionnaires

Please fill up the following question in space provided:

Age: .... Years

Gender: ☐ Male   ☐ Female

Year of experience: ....

Department: ☐ Food & Beverage   ☐ House Keeping

☐ Front Office   ☐ Reservations ☐

Administrative

Item content:	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Training and Development					
I receive continued training to provide good service					
I received extensive customer service training before I came into contact with customers					
I receive training on how to serve customers better					
I receive training on how to deal with complaining customers					
I receive training on dealing with customer problems					
I was trained to deal with customer complaints					
Compensation management practices					

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The compensation package I receive from this organization is worth for my work effort.					
The benefits package I receive from this organization can satisfy my needs.					
This organization can manage its benefits program, such as the reimbursement process, promptly and effectively.					
This organization provides me the similar level of the compensation and benefits package that I can receive from other organizations.					
Overall I am satisfied with the compensation and benefit package that I receive from this organization.					
Perceived organizational support					
My organization really cares about my well-being.					
My organization strongly considers my goals and values.					
My organization shows little concern for me.					
My organization cares about my opinions.					
My organization is willing to help me if I need a special favor.					
Help is available from my organization when I have a problem.					

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
My organization would forgive an honest mistake on my part.					
If given the opportunity, my organization would take advantage of me.					
Intention to leave:					
I think a lot about leaving the organization					
I am actively searching for an alternative to the organization					
As soon as it is possible, I will leave the organization					

APPENDIX B

MBA (International Program)

Department of Business Administration

Prince of Songkla University

Website: www.fms.psu.ac.th

PO. BOX 5, Hatyai, Songkhla, 90112

Tel: +66-(0)74-287854

Fax: +66-(0)74-558855

E-mail: imba.psu@gmail.com

March 27, 2016

Topic: Kindly seek your cooperation for data collection

To: General Manager/ Owner

Mrs. Jangchuk Dema is the student from Department of Business Administration, Faculty of Management Sciences, Prince of Songkla University, Thailand. She is currently studying her master degree in Business Administration (International program). The aim of this study is to examine the relationship between HR practices and employee intention to leave the job in hospitality industry especially in Bhutan. It is anticipated that the results of this study will be of great interest to your organization.

We kindly seek the coordination from the General Manager or the key person who provides information regarding HR practices. The information sheet is enclosed with this letter. The student ensures that your information will be anonymously collected and remain confidential. All information will be used for the purpose of the study only. If you would like to receive the summary report, please contact the student.

Thank you for your kind cooperation.

Sincerely yours,

Dr Daraneekorn Supanti

Director of MBA (International Program)

Email: daraneekorn.s@psu.ac.th

INFORMATION SHEET

The relationship between HR practices and
employee intention to leave the hospitality industry in Bhutan

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Hospitality and tourism industries has been playing a crucial role in generating country's revenue since its inception in 1974. Since then, these industries have been growing popularity in the business sector in Bhutan. Consecutively, tourism industry has placed itself as a second highest revenue generator in the country after hydro power corporation for many years. However, there has been many instances in Bhutan where employees quit the job in hotel sector at certain point. Therefore, the main objective of this study is to examine the factors that lead employees to leave the job in hospitality industry in Bhutan and to determine the relationship between HR practices and employee intention to leave the job. This research project will provide information about cause and effect of HR practices in 3 star hotels in Bhutan. Thus, it is anticipated that the outcome of this research project will assist concerned policymakers, owners and managers on how to lead the organization with satisfied and willing employees.

The participatory status will not be disclosed to any other third person. Information as a part of this research project will be anonymously collected and shall remain confidential. A summary report will be provided upon request. Only aggregated results will be reported in any subsequent publications. The data collection process will be using questionnaires (pen and paper). And the process of answering the questions will take approximately 20-25 minutes. If potential participants have any concerns or complaints about the ethical conduct of this research, please contact Mrs. Jangchuk Dema on +66-(0)91-7611474 or at jchunku19@gmail.com

VITAE

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Educational Attainment

Degree	Name of Institution	Year of Graduation
BA (Honours) Mass Communication and Journalism	Jyan Gyoti College North Bengal University	2012

Scholarship Awards during Enrolment

Thailand's Education Hub for Southern Region of ASEAN Countries (THE-AC).