Overcoming Staff Turnover in the Hospitality Industry using Mobley's Model

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Abstract

The turnover crisis has been one of the major problems in the hospitality industry. Regardless of the considerable amount of studies on employee turnover, it is still ambiguous and requires further investigation because of its dependency on human resource in the hospitality industry as part of a service product. This paper provides a theoretical overview of Mobley's model on employees' retention or turnover. The primary purpose of this study is to explain that the applications of the Mobley model can either determine job dissatisfaction leading to job turnover or job satisfaction leading to job retention. This application is an attempt to reduce the effects of such a crisis in local hospitality industry; and findings from literature review indicate that deprived working conditions will lead to dissatisfied employees and they eventually quit employment. The practical implications of Mobley's model guide various organizations in the industry to mitigate the effects of employee turnover and increase employee retention.

Keywords: Mobley's model, Turnover, Hospitality, Malaysia

1. Introduction

Hospitality is a successful industry due to its remarkable contribution to the economy, in Malaysia specifically and in global generally. As a human based industry, hospitality depends on humans as part of the product, in which, cannot be separated from the service process (Ghazali, 2010). Employee satisfaction and retention are very important challenges that face the success of the industry and, unfortunately, labor turnover crises have been emerging globally in the face of many businesses, including hospitality. According to Lashley (2000), turnover can be realized as an employee movement within an organization regardless of the reasons. Though AKSU (2004) found that turnover rates have considerable passive effects on hospitality performance.

The existing literature reviews the job stressors, job stress, job satisfaction, and the work environment as factors which can dissatisfy people and possibly force them to quit their current

job Tsaur and Tang (2012), Sharma *et al.* (2010), Banet *et al.* (2005), Ornelas and Kleiner (2003), Burke (2003), Elangovan (2001), Burke and Greenglass (2001), Nelson and Burke (2000), Varca (1999), Zohar (1994), Cooper and Cartwright (1994), Pestonjee (1992), (Matteson & Ivancevich, 1982). Asserted that job stressors refers to role ambiguity, conflict, and work overload. Stress refers to the employee's negative feelings which gains from their work environment. The work environment refers to the work dealing with matters which could affect the employee's experience such as satisfaction and job feelings.

Other studies have examined the environmental and organizational factors on the employee's intention to turnover (Brough & Frame, 2004; Firth *et al.*, 2004). From Bluedorn's (1982) point of view, collecting data with the intention to leave a current job is more cost effective than collecting data for the actual turnover studies. While Dorfman and Howell (1988), Markus and Kitayama (1991), and Hofstede (1980) concentrated on the cultural issues in the work place, Hofstede (1980) model of the cultural characteristics help to explain the cultural differences between the rational groups in the work environment in different areas of the world.

Turnover intention happens when an employee is faced with a bad working environment with high stress in their current job, which in turn, may give them the intention to quit (Hofstede, 1980). According to Vandenberg and Nelson (1999), the intention to quit refers to the subjective norms affecting an employee to turnover from his current job to another one in the near future. Blau (2000), Bigliardi *et al.* (2005), Mowday *et al.* (1982) identified the intention to quit as the individual probability to stay or leave their organization; making the difficult decision to leave the job in the near future. W. Mobley (1982) asserted that most studies have been done through the direct or indirect organizational cost of turnover (Rothwell, 1980).

2. Literature Review

2.1 Turnover Intention

Turnover intention can be defined as the employee's behaviour to quit from their current job. In reference to Bigliardi *et al.* (2005), the intention to quit is the behaviour made by an employee on whether they want to stay or leave the organization. Researchers argued that turnover intention is an accurate predictor for an actual turnover crises (Ajzen & Fishbein, 1980; Gregory *et al.*, 2007). According to Mowday *et al.* (1979), employees' turnover decisions are usually considered and undertaken with regard to their current job situation.

San Park and Kim (2009) argued that the employee's intention to leave their jobs include the actual thought of quitting from the organization as well as statement with the intent to turnover. Nevertheless, the intention to leave is a behaviour predicting the actual turnover from the current job (Gregory *et al.*, 2007; W. Mobley, 1982; W. Mobley *et al.*, 1978). Many studies' findings have clarified that the actual intention to leave is strongly related to the actual turnover from the organization (W. Mobley *et al.*, 1978; Steel & Ovalle, 1984).

Many researchers have used the term "turnover intention". Ajzen (1991) suggested in his behaviour theory that the turnover intention is a good behaviour to predict for an actual turnover. Other studies have explained that behavioural intention is closely related to the actual one (Mobley *et al.*, 1978; Newman, 1974). From their point of view, W. H. Mobley *et al.* (1979) argued that intentions can give a better explanation of the actual turnover and a clear idea about the employees' perception toward turnover (Chiu & Francesco, 2003).

2.2 Mobley Model Applications

The model of March and Simon (1958) was one of the premier models of labour turnover; studying the relationship between the factors affecting the employees' movements to the actual turnover (Bowen & Siehl, 1997; March, 1991). Beyond that, many studies have been done in

various areas with many models were developed with regard to turnover (Mobley 1977; W. H. Mobley *et al.*, 1979; Price, 1977). Price presented his turnover model explaining that wages, communications, and centralization are strong variables affecting turnover (Price, 1977). In the same era, Mobley (1977) proposed a turnover model based on the linkage between employee satisfaction and quitting based on: quit thinking, searching other jobs, intention to quit, and actually quitting. It seems that an employee starts thinking about turnover after the case of dissatisfaction from their current job. If an employee finds the cost of turnover is much high and availability of other jobs, they will rethink the idea of leaving their current job (Muchinsky, 1993). Mobley tested his model again by studying hospital employees and found useful results to enhance his model (Mobley *et al.*, 1978).

From his point of view, Pearson (1991) clarified that not only it is difficult to find turnover reasons due to personal issues but also the difficulties that arise from the unanswered questions during the exit interviews conducted by the organizations. Pearson approved Bowey's (1978) learning behaviour process which runs in line with Mobley's model. The model points out that a higher salary and the work environment are merely two of the reasons which make an employee want to quit their current job. Salmon *et al.* (1999) asserted that pay and supervision are highly agreeable reasons to leave the organization.

Turnover reduction should be taken into consideration of research scholars. Dario (1989) clarified some methods to help the organization cope with turnover crises and as well as reduce its rate. First, that the organization improve the labour selection of recruiting. Second, that salary and wage policies should be evaluated orderly to maintain high valuable labour. Third, a reward system should be established so the labourors will attain recognition according to their good work. Fourth, a supervisory system should be provided to maintain the supervisors' motivation. This will help to predict the problems before it exists in the organization. Finally, a communication system should be enhanced to enable the employees to maintain an acceptable level of contact with the organization (Dario, 1989). These methods were approved by Carrell *et al.* (1992), Milkovich and Boudreau (1997) who suggested that organizations should increase wages and improve opportunities to enhance job satisfaction.

3. Methodology

This study briefly describes the existing literature on job stress, job stressors, job satisfaction, work environments, and cultural characteristics, and the turnover with the intention to quit from a current job which leads to actual turnover using the Mobley model (1977). A theoretical framework is also used to explain the relationship between these variables.

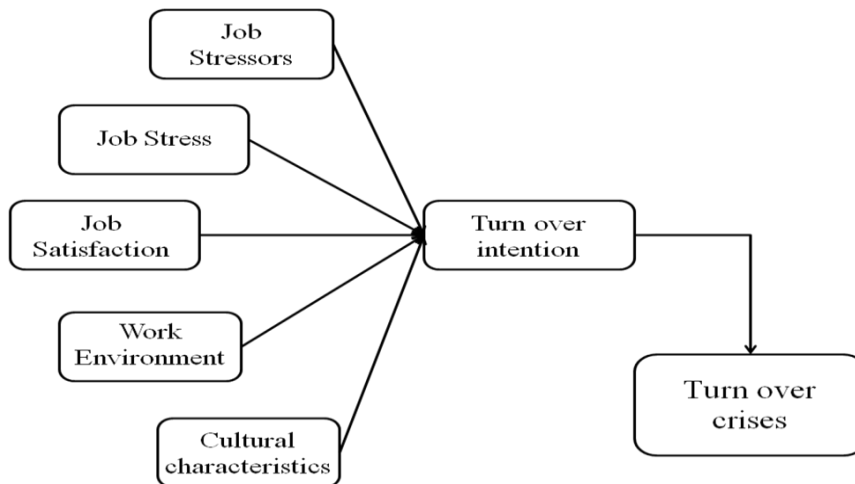## 4. Theoretical Framework

Figure1: Relationship between job stressors and turnover crises

The above framework was adopted from Firth *et al.* (2004), W. Mobley (1982), Muchinsky (1993), and improved by Banet *et al.* (2005), Burke (2003), Hom *et al.* (1984), Lee (1988), Sharma *et al.* (2010), Zohar (1994) who asserted that job stress, job stressors, work environment and cultural characteristics have an effect on an employee's intention to contribute to a turnover crises.

5. Findings, Discussion and Conclusion

Employees' turnover studies have been done from many perspectives. Similar to other industries, the hospitality industry suffers from high turnover rates (Lee-Ross, 1999; Pizam & Thornburg, 2000). Hospitality managers are important people in the organization who should understand and know how to apply turnover policies in order to reduce the crises effect (W. Mobley, 1982). The turnover levels in the hospitality industry vary from one organization to another by size, type, and geographic location (Hinkin & Tracey, 2000). Woods and Macaulay (1991) agreed with this argument and asserted that larger deluxe hotels had a lower turnover rate than smaller budget hotels.

Other researchers have clarified that the employee turnover factors in hospitality organizations are being used, such as working nature, labour nature, managers' nature, the efficiency of labour from secondary markets (Boella & Goss-Turner 2005). From his point of view (AKSU, 2004) supported these factors. Hospitality organizations slightly offer a granulated work environment; therefore, a working routine and regular job stress will force an employee to think about evaluating their job.

Considering this as a global problem, researchers have argued that the Malaysian hospitality sector could not escape this problem. Thus, this study aims to identify the Mobley's model and some other labour turnover model applications to the local hospitality industry. Lynn (2002), and Wildes (2007) asserted that understanding turnover causes would help the hospitality sector to reduce the problem and prevent the cause before it becomes a major issue. One way is to provide better work conditions and increased wages.

Malaysia is a multi racial and religious country consisting of three major ethnic groups: Malay, Chinese, and Indian (All Malaysia info, 2011). Wong (2007) mentioned that the Malay ethnic group contributes to 58 percent of the entire population followed by the Malaysian Chinese at 26 percent and the Malaysian Indian at 7 percent. As a multi-racial community, the behavior in labour will be affected by the characteristics of these ethnic groups. According to Abdullah (2001b), managers should be aware of the ethnic values for each one's labour and

understand its influence in their work. Managers should not take for granted their guidelines when dealing with their labour. Relationship building, focus on labor ethnic groups, respect for the leaders, religious sensitivity, and harmonious workflow all must be carefully considered. Malaysian hospitality managers need to take efficient actions to support the goals and image of the workplace (Abdullah, 2001a).

The results of relative studies fall in line with these findings. Aminuddin (2007) focused on the working hours in the work place. MacHatton *et al.* (1997) asserted that selection is more important for retaining employees and reducing the turnover crises. Some researchers have advised the stakeholders to use a mentoring program (Lankau & Chung, 1998). Furthermore, Varoglu and Eser (2006) studied the concept of internal marketing to reduce the crises. Turnover models are aimed to solve the problems before they happen, understand turnover intentions, and find a solution to enhance a positive work environment within the Malaysian hospitality industry.

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