EMPLOYEE RETENTION IN TOURSTI INDUSTRY OF CHINA

DONG QI

MASTER OF BUSINESS ADMINISTRATION

FACULTY OF BUSINESS, COMMUNICATION & LAW

INTI INTERNATIONAL UNIVERSITY

2018

INTI INTERNATIONAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION

EMPLOYEE RETENTION IN TOURIST INDUSTRY OF CHINA

Author: DONG QI

Student No: I14005318

Supervisor: Umi Kalsom

Submission Date: 12/12/2018

Final word account: 18282

CONTENT

ABSTRACT 10

CHAPTER 1: INTRODUCTION 11

1.0 OVERVIEW 11

1.1 RESEARCH BACKGROUND 11

1.2 PROBLEM STATEMENT 12

1.3 RESEARCH OBJECTIVES 14

1.4 RESEARCH QUESTIONS 14

1.5 SIGNIFICANCE OF THE RESEARCH 15

1.6 THE SCOPE AND LIMITATION OF THE RESEARCH 16

1.7 OPERATIONAL DEFINITION 17

1.8 ORGANIZATION OF CHAPTERS 18

CHAPTER 2: LITERATURE REVIEW 21

2.0 OVERVIEW 21

2.1 EMPLOYEE RETENTION 21

2.1.1 EMPLOYEE RETENTION FROM A GLOBAL PERSPECTIVE 22

2.1.2 EMPLOYEE RETENTION IN CHINA 24

2.2 INDEPENDENT VARIABLE FOR EMPLOYEE RETENTION 25

2.2.1 WORK LIFE-BALANCE 26

2.2.2 COMPENSATION 28

2.2.3 JOB SATISFACTION 30

2.3 LINKAGE BETWEEN INDEPENDENT VARIABLE AND EMPLOYEE RETENTION 32

2.3.1 WORK LIFE BALANCE AND EMPLOYEE RETENTION 32
2.3.2 COMPENSATION AND RETENTION 33
2.3.3 JOB SATISFACTION AND EMPLOYEE RETENTION..... 34
2.4 GROUNDED THEORY 35
2.4.1 HERZBERG TWO-FACTOR THEORY 35
2.4.2 SOCIAL EXCHANGE THEORY 37
2.5 GAPS IN THE LITERATURE 38
2.6 CONCEPTUAL FRAMEWORK..... 39
2.7 HYPOTHESES 39
2.8 CONCLUSION 40
CHAPTER 3: RESEARCH METHODOLOGY 41
3.0 OVERVIEW..... 41
3.1 RESEARCH DESIGN 41
3.2 UNIT OF ANALYSIS AND TIME HORIZON..... 42
3.2.1 UNIT OF ANALYSIS..... 42
3.2.2 TIME HORIZON 43
3.3 SAMPLING DESIGN..... 43
3.3.1 SAMPLING PLAN..... 44
3.3.2 SAMPLE SIZE..... 44
3.4 QUESTIONNAIRE DESIGN..... 45
3.5 PILOT TEST 47
3.5.1 PILOT TEST: FACTOR ANALYSIS..... 47

3.5.2 PILOT TEST: RELIABILITY 48
3.5.3 PILOT TEST: CORRELATION MATRIX 49
3.6 MEASUREMENTS 49
3.6.1 DESCRIPTIVE INFORMATION 49
3.6.2 PRELIMINARY TESTS 50
3.6.2.1 FACTOR ANALYSIS 50
3.6.2.2 RELIABILITY TEST 50
3.6.3 HYPOTHESES TESTING 51
3.6.3.1 MULTIPLE REGRESSION 51
3.6.3.2 BETA COEFFICIENT 52
3.7 CONCLUSION 52
CHAPTER 4: RESEARCH FINDINGS 53
4.0 OVERVIEW 53
4.1 PILOT TEST 53
4.1.1 FACTOR ANALYSIS 53
4.1.2 RELIABILITY ANALYSIS 55
4.1.3 CORRELATION ANALYSIS 56
4.3 DEMOGRAPHIC PROFILE OF RESPONDENTS 58
4.4 PRELIMINARY DATA ANALYSIS 59
4.4.1 FACTOR ANALYSIS 59
4.5 HYPOTHESIS ANALYSIS 65
4.6 SUMMARY OF FINDINGS 68

4.7 CONCLUSION 69
CHAPTER 5: CONCLUSION & RECOMMEDATION 70
5.0 OVERVIEW 70
5.1 DISCUSSION OF FINDINGS 70
5.2 CONTRIBUTIONS 74
5.2.1 CONTRIBUTION TO THE ACADEMIA 74
5.2.2 CONTRIBUTION TO THE INDUSTRY 74
5.3 RECOMMENDATIONS 75
5.4 FUTURE RESEARCH 77
5.5 PERSONAL REFLECTION 77
5.6 CONCLUSION 78
REFERENCE 79
APPENDIX 100
APPENDIX A: RESEARCH QUESTIONNAIRE 100
APPENDIX B: SPSS OUTPUT FOR PILOT TEST 106
APPENDIX C: SPSS OUTPUT FOR PRELIMINARY DATA ANALYSIS: FACTOR ANALYSIS 107
APPENDIX D: RELIABILITY TEST 110
APPENDIX E: RESULT OF TURNITIN 111
APPENDIX F: PRESENTATION SLIDES 113
APPENDIX G: PROJECT PAPER LOG 128

TABLE OF FIGURE

Table 1.1: The Significance of the Research 16

Table 1.2: Summarized Table of Key Terms and Explanation of these Terms 18

Table 1.3: Organization of the Research 20

Figure 2.1: Voluntary Turnover Costs Faced by Organizations 23

Figure 2.2: Herzberg's Satisfaction- Dissatisfaction Continuum 36

Figure 2.3: Conceptual Framework..... 39

Figure 3.3: determining sample size of a known population 45

Figure 3.4: table of questionnaire 46

Table 3.5: KMO Measure of Adequacy 47

Table 4.1 Communalities for Pilot Test 55

Table 4.2 KMO and Bartlett's Test for Pilot Test 55

Table 4.3: Summary of Results of Reliability Analysis 56

Table 4.5 Summary of the response rate 58

Table 4.6 Demographic Profile of Respondents 59

Table 4.8: Total Variance Explained for Employee Retention 61

Table 4.9: Total Variance Explained for job satisfaction 61

Table 4.10: Total Variance Explained for work life balance 62

Table 4.11: Total Variance Explained for compensation 63

Table 4.12: Summary of Results of Reliability Analysis 64

Table 4.13: Research Hypotheses 65

Table 4.14 Multiple Regression Model Summary 66

Table 4.15: Multiple Regression ANOVA 66

Table 4.16: Results from Multiple Regression 67

Table 4.17: Hypotheses Analysis Summary 68

Table 4.18: Hypotheses Analysis Summary 69

DECLARATION

I hereby declare that this thesis is my own work and effort and that it has not been submitted anywhere for any award. Where other sources of information have been used, they have been duly acknowledged.

Name : DONG QI

Student ID : I14005318

Signature : *DONG QI*

Date : 12/12/2018

ABSTRACT

The Tourist industry of China is one of the most potential contributor to China's gross industrial output which account for 11 percent about 8.19 hundred million Chinese Yuan (Global Sources, 2016). However, high employee turnover and absenteeism are the major issues faced by the tourist companies and achieving the retention factors has been proven by past researchers as a successful strategy to retain employee (Terera and Ngirande, 2014; Sunil, 2014). Therefore, the purpose of this research was to examine the relationship between retention factors and employee retention in the tourist industry of China. A sample of 385 employees, based on convenience sampling was chosen to collect information using a self-administrated questionnaire that was adopted after referring to work of Milman (2003); Yamamoto (2013); Arokiasamy (2013); Fleetwood (2007); Rana and Abbasi (2013). The findings indicated that job satisfaction, work life balance and compensation have positive relationship with employee retention, especially job satisfaction has the highest influence on employee retention. Therefore, based on the findings, this research proposed measures to improve the competitiveness of this critical industry of China via appropriate retention programs.

Keywords:

Employee Retention, Employee Turnover, Job Satisfaction, Work-Life Balance, Compensation, Tourist Industry.

CHAPTER 1: INTRODUCTION

1.0 OVERVIEW

From the beginning of this chapter give an overview of the research topic, in this chapter the research background to be viewed, expound the fundamental problem statement for this study as following, for future study of the problem statement to discuss the research objective and research questions ensued. At the same time significance of this study as well as the scope and limitation are discussed. Last but not least, operation definition and structure of various chapters are stated as a conclusion.

1.1 RESEARCH BACKGROUND

Turnover become a serious issue perplex many organizations because it influence internal organization and also external stakeholders (Shakeel and Sahar, 2015).However, Gittins (2013) stated modest turnover rate is good for an organization, the most important thing is organization need to have a strategy to retain talented staff in older to maintain the competitive advantage. From a study Shakeel and Sahar (2015) found that turnover have to exist but voluntary turnover should be to prevent and reduce. According to Oracle (2012) conducted a researcher for 100 CEOs, there are 97% out of respondents strongly agree with attract and retain talent employee will help the organization to achieve long-term competitive advantage, thereby enhancing the organization sustainable growth. These findings underscore the importance of getting the right people to implement organizational goals. Therefore, retain the outperformance employees is vital for a successful organization, because it is able to help the organization save costs and maintain efficient and knowledgeable staff (Spencer, 2015).

Nowadays, how the organization retain employees along with rising employee turnover become the most difficult problem faced by organization (Vnoučková and Klupáková, 2013). Some companies such as Unilever, General Electric, Shell and PepsiCo are renowned for distinct attention on talent management in the past few years (Araoz, Groysbergh and Nohria, 2011). However, more and more opportunities

available for the talented employees make employee retention become a difficult topic for the organization (Bidisha and Mukulesh, 2013).

According to CareerBuider survey, there are 30% of employees looking for a job regularly, the employees from ages 18 to 34 there are 23% expect have a new job at the end of this year according the survey conducted at November, 2014 to December 2014, from 3056 employees find out the factors influence employee retention in 2015 and found that top 5 factors are job stability, the benefits of affordable, better position, work culture and flexible work schedules (Spencer, 2015). Terera and Ngirande (2014) found that there are many reasons that employees leave the present job move to another organization, the main reason for human resource functions including invalid organization acquiring method of practice, poor working conditions, job satisfaction and lack of relationship between boss and subordinate. On the other hand, Sunil (2014) confirm that above effective human resource functions including employee empowerment, performance appraisal system and succession planning, are many factors for organizations to retain outstanding talents. Therefore, in addition to employee empowerment, human resource practices also play an important role in employee retention, and employee empowerment has been found to be a factor of insufficient consideration (Grobler and De Bruyn, 2012).

Therefore, the objective of this research will be reconfirming whether work life balance, job satisfaction and compensation influence employee retention in tourist industry of China with deeper understanding.

1.2 PROBLEM STATEMENT

In business world nowadays, it is essentially important for organization to retain their employees especially employees that are very skillful, knowledgeable and capable that can bring a significant transformation and change in the organization (Lee, 2010). Individual that performs better than most of the people at particular field can be known as talent (Holtom et al., 2008). Job retention has recently become one of the major challenges for organizations especially in a talent-hungry era nowadays (Ismail, 2013). Furthermore, the turnover rate at the workforce leads to a big issue in the context of China, as the country is facing the shortage of talents (Holtom et al, 2008).

Especially in tourist industry of China, According to Ren (2014) stated that the average turnover rate of employee is above 25% in tourist industry, some of the organization the turnover rate are over 50%. It is a serious issue sufficient to influence the development of tourist industry. Another study by Qian (2014) mentioned that the guide professional turnover rate is maintain a high percentage last decade. The majority present that will not be tourist guide as life career when talking about future career development, some of guide professionals have already had the plan to change career.

High turnover can be very expensive for the organizations; and according to the Society for Human Resource Management (SHRM), the direct costs to replace an employee can be as high as 50% to 60% of an employee s annual wages (Ellis, 2015). Furthermore, the total costs of employee turnover may range from 25% to 500% of an employee's annual salary (Haynes, 2015). Decrease in every percentage of annual turnover rates will help the company to say $400million to $500million (The Economist, 2007). Besides that, employee retention is ranked as the number one problem faced by companies according to 3,200 respondents from more than 100 countries and the findings show that 87% of the companies now describe retention, engagement, and culture as vital issue and 50% of respondents think that it is urgent (Bersin, 2015). Hence, it is important to know what are the factors influencing different generations of employees in order to adjust the retention strategies accordingly (Cummings, Grice, and Modzelewski, 2015).

Furthermore, since the rate of high employee turnover was the major issue faced by organizations, employee retention has been established by many researchers in the past as a strategy to retain employees (Awan, 2013; Brown et al., 2013; Sinha and Sinha, 2012; Zachariah and Roopa, 2012). Meanwhile, because of the previous work experience in Tourist Company of China, the researcher clearly knew the seriousness of the high turnover rate. Hence, this paper gives the researcher a chance to explore the reason that why employees leave the organizations so often and to ascertain the relationship between retention factors and employee retention in the tourist industry of China.

1.3 RESEARCH OBJECTIVES

Research objective address whether need to investigate the nature of the problem and find the solution in the different appropriates methods, for researchers to determine guidance more effectively, it is very important to study the objectives to carry out the work for entire study (Sekaran and Bougie, 2016).

The objectives of this research is to ascertain the relationship between employee retention factors and employee intention to stay in tourist industry of China.The key purpose is to understand the factors of employee retention and willingness of employees to stay in tourist industry of China.

RO1: To identify whether work life balance influence employee retention in tourist industry of China.

RO2: To identify whether compensation influence employee retention in tourist industry of China.

RO3: To identify whether job satisfaction influence employee retention in tourist industry of China.

In older to provide the focus of the study and guide the whole research to achieve the desired results, researcher must be explicitly target once the research objectives is clear, the researcher must submit relevant and constructive to development of research problem (cooper and Schindler, 2011).

1.4 RESEARCH QUESTIONS

Research question as define as an answerable inquiry into a particular question and it is initial step for research project (Bougie, 2016). It is very important because research question will guide the study to appropriate conclusions (Alvesson and Sandberg, 2013). Research question will placed after Research objective because Research question more important than Research objective, unless phenomenology study and few study is require the opposite way (Bougie, 2016). Research questions have to align with the research objectives.

The Research question of this study come from the evidence sources and theories of the established research objective. In order to achieve the above research objectives, the following questions are proposed in this study.

RQ1: Will work life balance influence Employee retention in tourist industry of China?

RQ2: Will compensation influence Employee retention in tourist industry of China?

RQ3: Will job satisfaction influence Employee retention in tourist industry of China?

1.5 SIGNIFICANCE OF THE RESEARCH

The finding and results of this study will help employer to improve the effectiveness of human resource management function, and implement a better strategy related to the retention of employee. Khalid and Kenneth (2013) study also support the same important. In addition, based on Chee, Hong et al. (2012) research, this study will provide useful information about the relationship between the factors of employee retention namely work life balance, job satisfaction and compensation and employee intention to stay in Tourist Company.

This study also give some contribution to the influence factors of employee retention which stated by Ahimid, et al. (2011) provide a series of solution should be considered for retain skilled employee incentive ways and knowledge to better achieve academic satisfaction. Besides, this study also reach a consensus with Oladapo (2014), the study also provides a valuable information and insights about employee retention the status quo of academic platform, as to eliminate or to further strengthen the current academic findings and literature.

Academic	The results of this research will increase the understanding of the factors influencing employee retention. So far in tourist industry of China there are few relevant studies in English. This study will also provide more sufficiently information for academic research.

Industry	The results of this study will help organizational mangers to provide a broader perspective on the implementation of employee management strategies and how the strategies are able to promote employee retention.

Table 1.1: The Significance of the Research

1.6 THE SCOPE AND LIMITATION OF THE RESEARCH

The focus of this study is mainly on ascertain the factors influencing employee retention in tourist industry. China as a geographic focus of this research. The sample size is 385. The research using quantitative approach, Internet-mediated questionnaires will be used to collect the data from target respondents. Literature review has been adopted from carious scholars existing research.

After collecting data from the respondents will be using Statistical Package for socal sciences (SPSS) to do analysis in older to obtain the finding of the study. Concluded the reseach question whether had a good answer which helps achieve the research objectives below is the sample of this study framework of standards.

- Participants in the research: Employees currently actively in employment
- Workplace: tourist companies
- Geographical area: China

However, the researcher has also faced many barriers when colleting the valid information relevant to the research topic.

Firstly, lack of English useful literature available about employee retention in the tourist industry of China, as there is blank research done on this area. Secondly, this research focus on tourist companies in China, different position of respondents are carrying out different workload and pressure that will influence the results of independent variables. In addition, the method to collect data by questionnaires, hence, some respondents might answer the questionnaire without consideration simply give the feedback. At the

same time, imitate on sample size which may not represented as a whole, influence the veracity of the research. Last but not least, according to the existing literature, there are numbers of factors to ensure the retention of employees, however, in this study only focus on work life balance, job satisfaction and compensation.

1.7 OPERATIONAL DEFINITION

This part of the chapter will highlight the operational definitions of the key terms as well concepts that will be further discussed in the research (*Table 1.2*).

Key Terms	Explanation
Employee Retention	A long-term initiative that is adopted by an organization to make sure that most desirable employee is retained for the maximum period of time, to achieve their business goals (McKeown, 2002; Ngo, Lau, and Foley, 2008; Price, 2001).
Work Life Balance	A concept that helps employees to balance their work-life by achieving job satisfaction (Fleetwood, 2007).
Job Satisfaction	Job satisfaction is the main factor of turnover which means if the employees are satisfied with the jobs, then the employees will be more productive, creative and more likely to stay in the company (Arokiasamy, 2013; Jackson, 2013; Kim, 2000; Kirby, 2000; Wagner, 2000).
Compensation	Compensation plays an important role in the recruitment process and it is the key factor for influencing the employee for attraction and retention (Allen et al., 2010).

Herzbergh Two-factor Theory	The Herzberg's (1959) two-factor theory as a grounded theory is able to support the independent variable of job satisfaction as satisfaction is a key aspect of the theory.
Social Exchange Theory	The social exchange theory as a fundamental theory can support this study as it relates to the interactions between employee and organization (Gould and Davies, 2005) whereby the work-life balance and compensation are results of such exchanges between the employee and the organization.

Table 1.2: Summarized Table of Key Terms and Explanation of these Terms

1.8 ORGANIZATION OF CHAPTERS

This research id divided into five main chapters, which represent the overall composition of this paper. Each chapter along with the purpose as summarized in *Table 1.3*

Chapter	Aim of the Chapter

Chapter 1 Introduction	The first chapter of this research that is the introductory chapter begins with global outlook on issues of employee retention that was subsequently narrowed down to tourist industry of China. Then the importance of retention factors for both employee as well as the tourist industry of China has been highlighted. The problem statement followed by research question and objectives were elaborated. This chapter concludes by underlying the research significance and scope along with an overview of presentation structure followed.
Chapter 2 Literature Review	This chapter provide a detailed and extensive literature related to employee retention and factors relationship of these variable. The literature review is drawn from a wide range of disciplines that guided to develop the research framework as well as the hypothesis for the research.
Chapter 3 Research Methodology	This chapter details the research methodology adopted with rationale and explanation on the selection of sample size, sample method as well as the analytical tools and software adopted to achieve research objectives. Moreover, this chapter concludes with the data collection procedure and ethical consideration considered to conclude the research.
Chapter 4 Research Findings	This aim of this chapter is to present a summary of the research findings of gathered data. The hypotheses were tested to find the relationship between retention factors and employee retention tourist industry of China.

Chapter 5 Conclusion and Recommendation	This chapter provides a rich and thorough description of the research findings that has been addressed to achieve the research objectives in line with the reviewed literature in chapter 2. Then concludes the thesis by researcher recommendation that directs towards tourist industry as well as implications for future research by highlighting the limitation as well.

Table 1.3: Organization of the Research

CHAPTER 2: LITERATURE REVIEW

2.0 OVERVIEW

The fundamental objective of this chapter is to review the existing literature, including existing theories and pre-research related to the research topic. This chapter begins with the understanding of employee retention subsequent an overview on factors of employee retention. Besides, linkage the factors with employee retention. Lastly, according to literature and related research findings, come up with the framework as well as hypothesis by the researcher.

2.1 EMPLOYEE RETENTION

In generally, the word retention is defined as “holding, maintaining, continuation and preventing of separation,” in enterprise management “to protect company employees” is the new meaning of retention (Yamamoto, 2013). From Tan (2014) point of view, employee retention is able to be explained as the processes to encourage or motivate employees to remain in the organization for as long as possible or until the project is completed, it is not only conducive to the organization but also conductive to the employees.

It is significant action for the organization to retain the employees, especially for those employees who are experienced and good performance (Ashdown, 2014). Therefore, to retain “the best” of the optimal employees is become a key challenge in today’s business (Chacko, Michael and Pronce, 2016). Most of the organization will spend time on training the new employee and including the direct or indirect cost, once the employee leave the organization after fully trained will completely become a loss to the organization (Tan, 2014).

In addition, the status of the company will also be influenced when relative high on the employee turnover rate, because clients also not fell positive when deal with the companies that are not able to retain their employees (Butali, Mamuli and Wesang’ula, 2013). Moreover, continuously high turnover rate is able to cause disruption and increase the workload of existing employees because when employees aware of their

colleagues are entering another organization their efficiency levels will automatically fall (Kwon and Rupp, 2013).

2.1.1 EMPLOYEE RETENTION FROM A GLOBAL PERSPECTIVE

According to Neog and Barua (2015) employee retention rate is explained as organization practice uses avoiding the resignation of valuable employees. On the basis of Vrajlal and Patel (2013), employee retention is no more than the best organizational practice followed by employers, its purpose is to retain outstanding work groups that are practiced and hard be discorded in the job market. Das (2013) stated that with high-quality employees getting harder and harder to find, today's companies pay great attention to retaining valuable employees and outstanding employees. Dessler (2013) stated that retaining employee is very important because hiring new employee is far more complicated and costly than retaining existing employees. Gurumani (2010) added explanation that Employers have a responsibility to retain their outstanding employees, if not star employees will be lost for the organization.

Managing resources is not only the big challenge discovered in some studies as well the method of retaining resources (Patra and Singh, 2012). It is very important to retain capable and experienced employees so that employee are able to perform tasks more efficiently than regular employees for keeping the company more competitive (Das and Baruah, 2013). Some researchers believe that retaining employees is an obligation to continue working in the same organization (Das and Baruah, 2013). Retaining productive employees is able to help companies save cost in training and retain a knowledgeable workforce with efficiency, therefore, it is crucial to running a successful business (Johnson, 2015).

On the other hand, Bliss (2010) stated that the cost of employee leaving is estimated at 1.5 times of the annual pay, at the same time, the cost of management and sales positions is significantly higher than the salary of 200% to 250%. When a high-profile employee or a higher number of employees, the cost may be enormous, resulting in huge costs in the loss of key employees (Cote, 2013). Table 2.1 illustrates the specific and intangible costs that organizations may face as a result of voluntary employee turnover. According to Allen et al. (2010) Organizations need to invest more time,

energy, and money so that new employees can reach the level of a dismissed employee.

Intangible
Loss of workforce diversity
Diminished quality while job is unfilled
Loss of organizational memory
Competition from quitter, if leaving employee opens a new venture
Contagion, other employees decide to leave
Teamwork disruptions
loss of seasoned mentors
Tangible
HR staff time (e.g. salary, benefits, exit interview)
Manager's time (e.g. salary, benefits, retention attempts, exit interview)
Accrued paid time off (e.g. vacation, sick pay)

Figure 2.1: Voluntary Turnover Costs Faced by Organizations

Source: Allen et al. (2010).

According to Hay Group's press release, globally, it is expected that the turnover issue will continue to exist, average employee turnover rate in the next five years is expected to increase from 20.6% to 23.4% (Reynolds, 2014). According to the Bureau of labor statistics of 2012, average term of office of employees aged 25 to 34 is 3.2 years, it is 1.4 years less than the average of all employees (Hoffman and Lublin, 2014). Basis on the Global Audit Regulatory forum, talent attraction and retention are key trends that have recently influence the global audit landscape (Asia One, 2015). According to one study, companies with high retention rate are companies that report retention rate more than 60%, while companies with low retention are those with report retention rate less than 40% (Tower Watson, 2014).

2.1.2 EMPLOYEE RETENTION IN CHINA

In China, the retention of employees is a key issue for employers from the survey on Employee turnover rates in Chinese enterprises shows the average employee turnover rate is 20.8% in 2016 (14.9% from active departure and 5.9% from passive departure) still at a high level (lee, 2018). The results of the survey show that employees in China are becoming more and more demanding about the reasons for staying in the company and their commitment to the company, therefore, this has led to a very challenging ability to retain outstanding employees (Jiang, 2016).

According to Leigh Branham, chief executive of Retained Staff, 89% of managers leave because of pay, but 88% of employees leave for other reasons (Mellinger, 2015). The other seven reasons include: low growth opportunities, stress, overwork, lack of appreciation, unfit for work, low executive support, and low management confidence (George, 2015). Therefore, identifying these common problems are able to make employees stay motivated and satisfied at work, making employees more likely to stay in the company (Mellinger, 2015). According to some studies, monetary and non-monetary factors found include compensation, social environment, working conditions, relationship with immediate supervisors, training, and pressures from overwork, flexible work arrangements, growth opportunities, trust and support (Shakeel and Butt, 2015).

In general, the problem of employee turnover is addressed through the use of a well-designed employee retention strategy (Cameron, Frew and Miller, 2010). However, some researchers have extended this concept to an ongoing process, first by recruiting suitable employees and then using some human resource practices to increase investment and commitment to employers (Idris, 2014; Smith, Oczkowski and Smith, 2011; Vaiman, Scullion and Collings, 2012). Das (2013) suggested that as the competition between talents and excellent employees becomes increasingly fierce, it is increasingly difficult to find excellent employees.

According to the Employer of Choice (2014), people will continue to work for organizations that able to meet their needs, and determine what the organization needs to provide and prepare for retaining top talent. Today's employees are completely different from past employees. Past employees have no good opportunities

(Tan, 2014). If employees are dissatisfied with the current job, employee will switch jobs. A good employer should implement strategies to retain and attract employees (Panos, Pouliakas and Zangelidis, 2014). This is crucial for employers. It allows employees to stay motivated, avoid frequent job-hopping, and contribute to the company's long-term success (Dileep, Hundre and Raj, 2013).

Therefore, employee retention is able to be summarized as a long-term plan taken by an organization to ensure that the best employees are retained for the greatest period of time to achieve business goals and maintain or gain stronger comparative advantage (Tan, 2014). In addition, it is a concept that benefits both parties which are employees and organizations (Shakeel and Butt, 2015).

Hence, organizations must come up with better starting points for retention rates such as employee autonomous, rewards, learning, and development to improve organizational performance to increase the relationship between HR practices and organizational performance (Hamdia and Phadett, 2011). In addition, employees are also able to be provided incentives such as compensation, bonuses and incentives to encourage and encourage employees to stay in the same organization for a long time (Anupam and Upasana, 2012). From the above, it is clear that the previous literature Tan, 2014; Mellinger, 2015; Shakeel and Butt, 2015 has significantly demonstrated the necessity and importance of retaining valuable employees to improve organizational performance. However, it is also necessary to further study the issue of employee retention, especially in the context of China. Therefore, this is also the focus of this study.

2.2 INDEPENDENT VARIABLE FOR EMPLOYEE RETENTION

According to the existing literature, the employee retention rate is not only influenced by one specific factor (Das, 2013; Irshad, 2011; Lee and Way, 2010). This view is supported by meta-analysis done by Griffeth, Hom and Gaertner (2000) who found that there are several factors that will leading employees to decide to leave or stay in the organization.

From previous researchers Awan (2013); Brown et al. (2013); Sinha and Sinha (2012); Zachariah and Roopa (2012) found their research that compensation and rewards, job

security, training and development, work environment and organization justice are all helpful reducing absenteeism, retaining staff and improving the quality of work. As point out by Maertz and Campion (1998) in an empirical study done by waleed (2011) stated that good relationship, a pleasant working environment and work-life balance are key incentive variables that affect employee retention in the organization.

According to research done by Cave, Chung, and Choi (2013) explained that there are four factors that have a significant influence on employee turnover intention, including pays, job nature, job vacancies and organizational commitments. This finding is not surprising because employee follow previous literature on job satisfaction and its association with turnover intentions (Chen, 2010). Darkwa et al. (2015) pointed out in their research that improving career development opposites, incentives, and providing better working conditions will increase the retention rate of providers in rural and remote areas.

In a study of Cyprus in 1500 the hotel staff found negative links between external aspects of job satisfaction and intention to leave (Zopiatis, Constanti, and Theocharous, 2014). Instead, negative links between intrinsic aspects and intention to leave are not supported.

Hence based on the existing literature Daekawa 2015; Das, 2013; Waleed 2011, there are many factors that influence employee retention and that all the factors identified differs from one context to another. For an organization it is important to know which factors are more significant to the specific organization that influence employee retention before considering retention strategies (Mellinger, 2015). Therefore, for the purposes of this study, the three factors which are work-life balance, compensation and job satisfaction will be considered to determine employee retention for the tourism industry of China based on literature re reviewed earlier.

2.2.1 WORK LIFE-BALANCE

In today's business world, in order to be the competitive organizations, work life balance practices being competitive advantage to retain talent (Gołaszewska-Kaczan, 2015). Work-life balance is able to be seen as the distribution of time and effort between work and family, health activities, hobbies and other non-work needs (Barkar, 2015). The balance between work and life is to establish and maintain a healthy and

supportive work environment, which will enable employees to establish a balance between work and personal responsibility, thereby increasing employee productivity and loyalty (Abercromby, 2015). The definition of work-life balance can be distinguished among workers of different ages (Rosato, 2015). For older employees or employees near the retirement age, employee think that the balance between work and life is a regular vacation time and a weekend away from work (Grayson, 2015). Young employees also enjoy the holidays, but employee also describe the balance between work and life as being able to personalize working hours, including working from home and at night, including personal dining table and office area decoration and personalized work environment (Rosato, 2015).

Researchers have shown that if employees have work-life policies, the likelihood of organizational commitment is higher, which may reduce the intention of employees to leave the company (Coetzee and Stoltz, 2015). For the company, studying the flexibility of the workplace is important because it is clear that retain young employees by money is insufficient (Umamaheswari and Krishnan, 2015). Employees are willing to sacrifice money for less time in order to work happier for the company (Neog and Barua, 2015). For employees, it is important to strike a balance between work and life, In terms of design and planning, the help of work policy makers is crucial to determine the well-being of employees in the company's required working hours (Shakeel and Barua, 2015).

Nowadays, Millennials account for the vast majority of the workforce and employee demand flexibility and mobility in their work and life (Chiew, 2015). The balance of work and life is especially important for Millennials who are accustomed to using social media to arrange activities and long hours of work (Rosato, 2015). In many workplaces, it is easy to implement flexible start and end hours, but there are complex and flexible schedules such as telecommuting or four days per week (Heathfield, 2015). One of the advantages of the flexible work system is to increase employee productivity and ensure that employees participate in work at the right time (Lubna et al., 2014).

In previous study found that if some professional employees are allowed more time to engage in other activities, employee will sacrifice a certain degree of success at work (George, 2015). According to a study by Duxbury and Higgins, women are more likely to have high levels of workload and stress (Abercromby, 2015). This is because

women spend more on non-work activities such as caring for the elderly, taking care of children and other major duties (such as housework) than men do every week (Lebowitz, 2014). Although women have higher work-life family conflicts than men, the number of work-life conflicts is increasing (Moran, 2015). For example, some working mothers plan to work from home so that employee can take care of their children while working (Lebowitz, 2014). The study also found that some professionals who have had some success in their careers may focus on other more interesting things in the next few years, also known as downshifting (George, 2015).

In addition, in a study have shown that work-related interference with families is a serious problem because 60% of employees' experience work-family conflict (Abercromby, 2015). Besides, another study has also shown that heavy workloads can lead to various stress-related illnesses, leading employees to make mistakes in work, burnout, absenteeism, and resignation (Chiew, 2015). Organizing work-life balance plans to help employees cope with stress is crucial (Abercromby, 2015). Research on a global scale shows a flexible working environment will prevent 26% of respondents from leaving the current jobs and will allow 45% of older employees to continue working after retirement (Reynolds, 2014).

In China, work-life balance was found to be a factor in stress relief in the organization of employees, which will lead to employee retention (Bakar et al., 2015). In addition, there is positive relationship between work-life balance and employee willingness to stay in the company in China (Sanjeevkumar, 2012).

Hence, according to literature, there are many studies (Abercromby, 2015; Bakar et al., 2015; Chiew, 2015; Rosato, 2015) have shown that work-life balance influence employee retention. Therefore, the researcher incorporated work-life balance into this study.

2.2.2 COMPENSATION

Compensation is able to be defined as the combination of salaries, benefits that employees receive at work (Johnson, 2015). Compensation can be in monetary or non-monetary forms, including hourly pay, bonuses, annual salary, incentives and benefits such as short-term disability insurance, group medical insurance, and pension account contributions (Lister, 2015). The compensation plan may include several

components, including basic salary, cash bonuses, incentives, and salary increases (Mayhew, 2015). These compensation plans affect the company's retention rate, employee satisfaction, and recruitment rate (Das and Baruah, 2013).

There are few federal laws that companies need to comply with, the owners of the company should understand the important of compensation and basic laws in older to remain competitive in the market (Johnson, 2015). For example, according to the Equal Pay for Equal Work Act (1970), companies can still pay employees according to their level or qualifications, which means that the company appreciates employees who stay in the company for a long time (Johnson, 2015). This will encourage new employees to engage with employees and plan to establish a career in the company while preventing employee from moving from one company to another (Lister, 2015). This is because if the company does not comply with the compensation law, the company will face penalties, so it is necessary for the regulator to ensure that the compensation given complies with the law (Johnson, 2015).

Efficient wage theory is widely used when companies retain capable employees at salaries above the industry average wage rate (Waissman, 2015). Salaries are often seen as a key factor in retaining employees (Samuel and Chipunza, 2010). The survey found that the majority of respondents stated that the most important factor affecting their departure from the current organization is the financial aspect (Strand and Dore, 2010). It was also found that respondents stated that the current organization’s wages are too low, lack of increased wages, insufficient benefits, and unfair payments that do not meet their experience or qualifications based on a given workload and salary will lead emplyee to leave the current company (Chile’s Singer, 2012). Of particular interest, few respondents claimed that job-based fair pay and valued, respected benefits are the most important because employee feel that employee are underestimated compared to other employees in the industry (Augsberger, et al., 2012). Employers should provide fair compensation, a fair period can be defined as the ability to provide competitive business benefits by controlling costs and the ability to maintain, attract, motivate, and create compensation targets for skilled labor (Carraher, 2011). In addition, it was also found that the key to retaining employees in the service industry is based on the extent to which the company provides fair

compensation, including transparency and compensation based on performance and effort (George, 2015).

Globally, employee retention and other monetary rewards are not generous (36%), dissatisfaction with the new welfare structure (36%), and dissatisfaction with the new compensation structure (36%) are the main reasons for employee turnover; therefore, this indicates that a fair and generous employee retention plan will help the company retain its employees throughout the employee retention period (Tower Watson, 2014).

However, some researcher Smith (2011); Farooq and Hanif (2013) have found that compensation is not an important factor in retaining employees. People find that satisfaction with pay and promotion opportunities is not important, but their parameters are still in the direction of prediction (Smith, 2011). In addition, Farooq and Hanif (2013) also found that compensation is not a key factor in retaining employees. Although there are few comparative opinions on influence compensation on employee retention, compensation can still be studied in the case of tourist industry of China. Therefore, this study uses compensation as one of the factors that influence employee retention.

2.2.3 JOB SATISFACTION

According to Shea (2012) believes that job satisfaction is able to be divided into intrinsic and external dimensions. In terms of internal job satisfaction, it able to refer to employees' responsibilities, evolution, and recognition, and whether employee feel that their work is fun or boring. External job satisfaction can refer to factors such as salary, working conditions, and job security (Rajesh, 2016). Salary can be seen as the biggest factor leading to the loss of employees (Nazdratu and Rosima, 2014). When an employee faces unequal compensation, the number of jobs employee contribute is the same as that of their colleagues, which often leads to the loss of employees (Tusang and Tajuddin, 2015). External and internal job satisfaction has a significant relationship with turnover intention (Shea, 2012).

When employee's extrinsic and intrinsic job satisfaction is low, it will lead to turnover tendencies. Job satisfaction is defined as a mixture of physiological, psychological and environmental conditions that gives people a real sense of satisfaction and well-being in employees own work (Rajesh, 2016). In this way, it finds that job satisfaction is also caused by internal people's feelings about their work (Shea, 2012). Therefore, its

contribution to job satisfaction is mainly influenced by internal and external factors (Happock, 1935). Unsatisfied employees will bring difficulties to customers in improving service quality (Rajesh, 2016). Many studies (Rajesh, 2016; Fatt, 2010; Karimi et al, 2015) have shown that low job satisfaction is related to turnover intentions and is the main indicator of employee turnover. The reasons for leaving a job tend to be dissatisfaction with compensation and benefits, work environment, supervision, and colleagues (Shea, 2012). Employees' job satisfaction can lead to behavior that affects organizational performance (Rajesh, 2016). For example, a satisfied employee will have higher productivity and do the best for the organization, while unsatisfied employees will have negative results, such as often completing work in the workplace (Karimi et al, 2015).

As Kapoor, amp; Solomon (2011) said that employees' satisfaction with their work is determined by their good attitude toward the work environment and emotions. The impression of an employee working actively is the work of the level goals of the individual goals of the employees, which shows their expectations for the work and the judgment on the contribution and outcome of the results at the same time (Voon, 2011). However, their disappointment in their careers has led to fewer opportunities to take over the job (Long, 2011).

However, job satisfaction accounts for only a small part of the actual ratio of the entire turnover, even less than 15% (Noordin, 2010). In addition, some people think that job satisfaction will definitely influence the employee's job-hopping intention (Fatt, 2010). Due to the diversity of research, the research on job satisfaction is limited, and employees are also recommended to further understand their own intention to leave (Sakiru, 2013). At a deeper level, job satisfaction can be seen as an emotional response of the employee to his job perception (Mohamed, 2010). Many variables constitute the quantitative emotional basis of existence, if an employee feel the work brings satisfaction and happiness is unlikely to resign (Meeks, 2010). Employees' dissatisfaction and dissatisfaction condition is able to often be described as if employee have an unsatisfactory job, researcher points out that ideal motivation, stimulating work, and useful job support constitute job satisfaction (Noor, 2012).

Hence, according to literature, there are many studies (Rajesh, 2016; Shea, 2012; Noor, 2012) have shown that job satisfaction influence employee retention. Therefore, the researcher incorporated job satisfaction into this study.

2.3 LINKAGE BETWEEN INDEPENDENT VARIABLE AND EMPLOYEE RETENTION

In this study, the three factors that influence employee retention are compensation, work-life balance and job satisfaction. These were the factors that have been research most in majority of the industries and perceived to be very important for employee retention.

2.3.1 WORK LIFE BALANCE AND EMPLOYEE RETENTION

Flexible workplace has become a new trend for business, if there is no flexibility in the workplace, money is not the only factor that be able to keep employees longer (Leena and Lissy, 2012).

According to Neog and Barua (2015), previous researches like Shoaib et al. (2010) had come up with the viewpoint that of employees have the right to use work life policies, employee will have greater organizational commitments, and these employees will express their willingness with lower turnover intention. Cegarra-Leiva et al. (2012) stated that organizations that support employees in maintain the integration of family responsibilities and work enhance the willingness of employees to stay in the organization. According to Neog and Barua (2015), through the use of work and life processes, an organization is able to improve its ability to respond to customer needs in order to better access services, while also enabling organization to respond to change strategies to meet the needs of workers. In some countries, people find women become more flexible at work comparing with men, employee are turning to small companies and leaving the current big companies (Kumari, 2012). Basis on Stone and Deadrick (2015), the balance between work and family plays an important role in the retention of an organization’s employees.

2.3.2 COMPENSATION AND RETENTION

In general, employees have high expectation about the compensation of the organization employee are going to work for (Barua and Neog, 2015). In addition to influencing employees, compensation plans is able to influence organizational performance Compensation plan is able to influence organization performance by influencing recruitment and retention (Mellinger, 2015). For example, basis on Zopiatis et al. (2014) opinion, compensation contract basis on performance is able to attract and retain high-performing employees and differentiate between high-performing and low performing employees. According to Allen et al. (2010), compensation packages are key factor influencing employee attraction and retention while in the recruitment process.

However, Leena and Lissy (2012) recommended compensation not the only factor to retain employees. Razzaq and Ramzan (2013) proves that it might attract employees or workers into the organization, but it might not help to retain employees for a long term. Balakrishnan and Vijayalakshmi (2014) stated using compensation attract and retain employees become the most significant factor. It also supported by Tangthong et al. (2014) that compensation is able to be a key factor in reducing turnover rate in an organization.

Furthermore, another survey of 335 Maldivian civil servants found that salary is one of the major factors affecting employee satisfaction (Naeem, et. al, 2011). However, salary is not a key factor for retention doctor in private hospitals in Malaysia which studied by Khoo (2014).

There is one researcher proposed that benefits, money and other forms of compensation are used to retain, motivate and attract employees, to achieve organizational objectives and aims globally (Barua and Neog, 2015). There is an organizational research by Augsberger et al., (2012) stated that compensation and salary satisfaction attitudes toward reward and benefit have become common variables. Many employers believe that compensation is the main cost factor for production, the employer think this is necessary incentive to attract suitable job seekers and retain valuable employees, motivate employees and improve employee performance (Carraher, 2011). The importance of compensation for retaining

employees depends on the type of work and industry. For example, stockbrokers or financial planners are more concerned with pay than those who work in non-profit organization and healthcare, because their primary goal is to help the society (Mellinger, 2015).

From a survey found that most respondents reported that the most important factor influencing their departure from the current organization is financial aspects. (Strand and Dore, 2010). From another survey that respondents complain the current organization's salary are too low, insufficient benefits and unfair payments that do not meet their experience or qualifications based on a given workload and salary will result in their leaving the current organization (Patra and Singh, 2012). Of particular interest the fact that few respondents claim that fair compensation and benefits based on work with value and respect are the most important because employee believe underappreciated compared to other employees in the industry (Augsberger, et al., 2012). The term of fairness can be defined as the ability to provide competitive business benefits by controlling costs and the ability to maintain, motivate, attract and create compensation targets for skilled labor (Moncarz et al., 2008). In addition, it also found that the key to retaining employees in the service industry lies in the degree to which the company provides fair compensation, including transparency and the compensation based on effort and performance (George, 2015).

Globally, employee retention and other monetary rewards are not generous (36%), dissatisfaction with the new welfare structure (36%) and dissatisfaction with new compensation structure (36%) are the main reasons for employee turnover, therefore, this indicates that a fair and generous employee retention plan will help the company retain its employees throughout the employee retention period (Tower Watson, 2014).

Although there are few comparison views on employee retention due to compensation. In the case of tourist industry of China, compensation can still be used as a research object. Therefore, this study uses compensation as one of the factors that affect employee retention.

2.3.3 JOB SATISFACTION AND EMPLOYEE RETENTION

There is a positive relationship between employee job satisfaction and employee retention rate (MacIntosh and Doherty, 2010). Cited in Jackson (2013), studies

showed by Kim (2000); Kirby (2000); Wagner (2000) stated employees who are satisfied with their work are more productive, creative and more likely to be retained by the organization. Gaan (2011) said that organizational commitment is negatively related to turnover intention and job satisfaction, negatively related to turnover intention and significantly related.

According to Singh and Loncar (2010) indicated that pay satisfaction and job satisfaction can influence turnover intention. Study conducted by Carison (2015) believes that the voluntary departure within the organization is closely related to employee satisfaction with the job. Arokiasamy (2013) believes that job satisfaction is the main factor for resignation and benefits, management policies, colleagues' influence and perception opportunities.

This is in line with studies for Pakistan, Thailand and India. The study found that dissatisfaction with pay, career advancement and workload directly influence the intention of employees to leave the organization (Balakrishnan and Vijayalakshmi, 2014; James and Mathew, 2012; Tangthong, Trimetsoontorn, and Rojniruntikul, 2014; Zareen, Razzaq and Ramzan, 2013).

Another study of Malaysian hospital staff found that respondents were satisfied with the six aspects of job satisfaction (supervisor support, colleagues, compensation, management policies, job diversity, and pay) and their lower intention to leave (Alam and Mohammad, 2010). Later, studies by Juhdi, Pa'wanb and Hansaram (2013) also supported this view.

In addition, a research of 191 employees working in a Pakistani business institution found that age plays an important role in their job satisfaction and turnover intentions (Bhutto, Anwar and Khawaja, 2012). Therefore, job satisfaction needed to be included into this study to ascertain its influence on employee retention.

2.4 GROUNDED THEORY

2.4.1 HERZBERG TWO-FACTOR THEORY

Herzberg two-factor theory cited in Herzberg, Mausner, and Snyderman (1999) considers organizational –based motivation variables that are responsible for job

satisfaction of employee. Employee retention and turnover is able to be predicted by using job satisfaction (Abayomi et al., 2011; Musso et al., 2014). Hertzberg's two-factor theory is an important theoretical framework, it attempts to explain the motivation and satisfaction in the organization by showing that satisfaction and dissatisfaction are driven by different factors (motives and hygiene factors) (Herzberg, 1959). As shown in *Figure 2.2*.

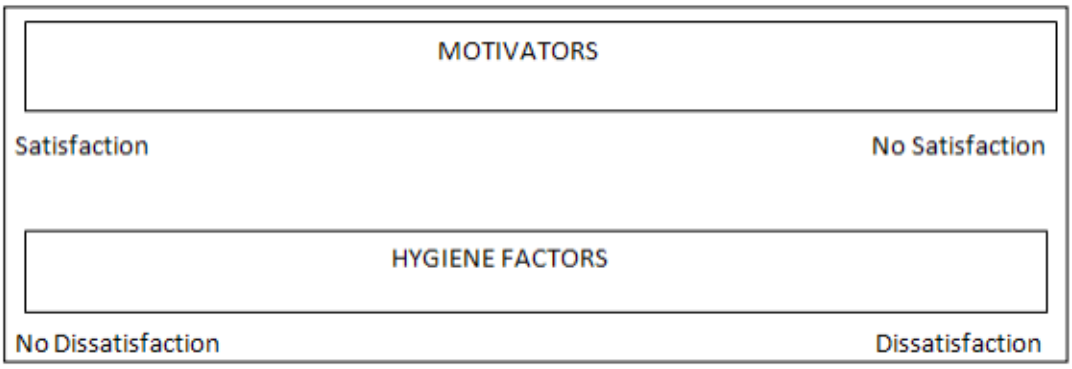


Figure 2.2: Herzberg's Satisfaction- Dissatisfaction Continuum

Source: Herzberg (1959).

Motivation factors are the aspects in the work that allow people to execute and transmit decisions to continue or to exit the organization, these incentives are considered to be inherent content work, including variables such as achievement, responsibility, development, growth (Samuel and Chipunza, 2009). On the contrary, unsatisfactory experiences are called "hygiene" factors, which are mainly caused by external, salary, non-job related factors such as company policy, colleague relations and management style (Faustina, 2012). Herzberg believes that eliminating the cause of dissatisfaction (through hygiene factors) does not lead to a satisfactory state; instead, it leads to a neutral state; satisfaction (and motivation) is only generated by the use of intrinsic motivation variables (Herzberg, 1959).

According to Raju (2014), understanding a job from different dimensions that might be improve the job satisfaction, or at least reduce dissatisfaction which will be the first step in designing strategies to retain high-quality employees. Ewen et al. (1966) used Herzberg two-factor theory to test job satisfaction. From a study of Maidani (1991) used two-factor theory to compare the job satisfaction of employees in public and private sectors. Herzberg's theory was used to study the satisfaction of business

student (Oscar et al., 2005). Maddox (1981) studied on consumer satisfaction by using Herzberg's theory. From the above, the Herzberg's (1959) two-factor theory as a grounded theory is able to support the independent variable of job satisfaction as satisfaction is a key aspect of the theory.

2.4.2 SOCIAL EXCHANGE THEORY

According to social exchange theory, employment relationship is formed by social or economic exchange (Aryee et al., 2002; Cropanzano et al., 2003). In the economic exchange relationship refers to the use of economic benefits in exchange for the employee's work efforts, which are usually protected by legal contracts (Dirks and Ferrin 2002). On the other hand, social exchange be regarded as a "voluntary behavior" occurred by treatment of its employees and expected employees to be obliged in return the organization for good deeds (Gould and Davies, 2005).

Organizational commitment and participation believes that individuals are attached to their organization in return for a certain return on the organization from exchange approach perspective (Cropanzano and Mitchell, 2005). From this perspective, employees enter the organization with specific skills, aspirations, and goals, and expect to find an environment in which skills is able to be used while being able to achieve a career (Dirks and Ferrin, 2002). From an employee's point of view, perceptions of good exchanges and rewards are expected to lead to increased participation in the organizations. On the other side, organization fails to provide sufficient incentives in exchange for the efforts of staff, it may result in a reduction in the participation of the organization (Masterson et al., 2000). From this point of view, social exchange theory believes that employees respond to the perceived favorable working environment that their behavior is conducive to the organization and other employees, similarly, employees will also respond to unsatisfactory working conditions with negative work attitudes (such as absenteeism); prepared to withdraw from organization to retaliate against dissatisfaction (Abu Bakar, Dilbeck, and McCroskey, 2010; Gerstner and Day, 1977).

Social exchange theory also be applied to interpret employees' attitudes towards the organization (Vargo and Lusch, 2004). This means that individuals who decide to become and continue to be part of the organization depend on their fair sense of

balance between organizational incentives and employee contributions (Baran, Shanock, and Miller 2012). According to Sluss et al. (2008) unless employees believe employee are being treated fairly, otherwise staff will not make a commitment to the company.

For example, as the famous hotel operator Marriot (2014) stated that the state will take good care of employees and employee also take care of customers, therefore, employee have been ranked as the most suitable place for employees to work (Forbes, 2014). Besides, this concept has attracted the attention of many organizations that have actually helped employee gain competitive advantage in the competition, including Umpqua bank (Davis, 2007) and Google Inc. (Google, 2014). This is consistent with the theory of social exchange, the basic point of this theory lies in the trust, mutual commitment and loyalty between employees and employers (Blau, 1964). In other words, the most important point for retaining employees is to always treat employees in the way that let the employee feel important to the company.

The social exchange theory as a fundamental theory can support this study as it relates to the interactions between employee and organization (Gould and Davies, 2005) whereby the work-life balance and compensation are results of such exchanges between the employee and the organization, as well as job satisfaction can also support by social exchange theory.

2.5 GAPS IN THE LITERATURE

Many researchers (Aruna and Anitha, 2015; Michael, Pronce and Chacko, 2016; Yamamoto, 2013) conducted research on topic related to employee retention. Early discussion of the definition of employee retention and factors influence employee retention. However, there are still having some research gaps on employee retention issues. Many studies have conducted research on employee retention in different industries such as such as manufacturing (Patah, Abdullah, Naba et. al., 2010; Saeed et el., 2014; Van, 2001) and limited research on employee retention in tourist industry of China. In the term of industry, there are limited studies on tourism company consultancy forms in China, which means that the industry needs to conduct relevant studies by providing guidance for the management of tourist industry companies. Therefore, this study has academic gaps in this area. Through this study, it will help

the business owner in tourist industry of China by proving the information that needed to understand on the factors influence employee retention.

2.6 CONCEPTUAL FRAMEWORK

Based on the literature reviewed, a research model is developed as shown in *Figure*

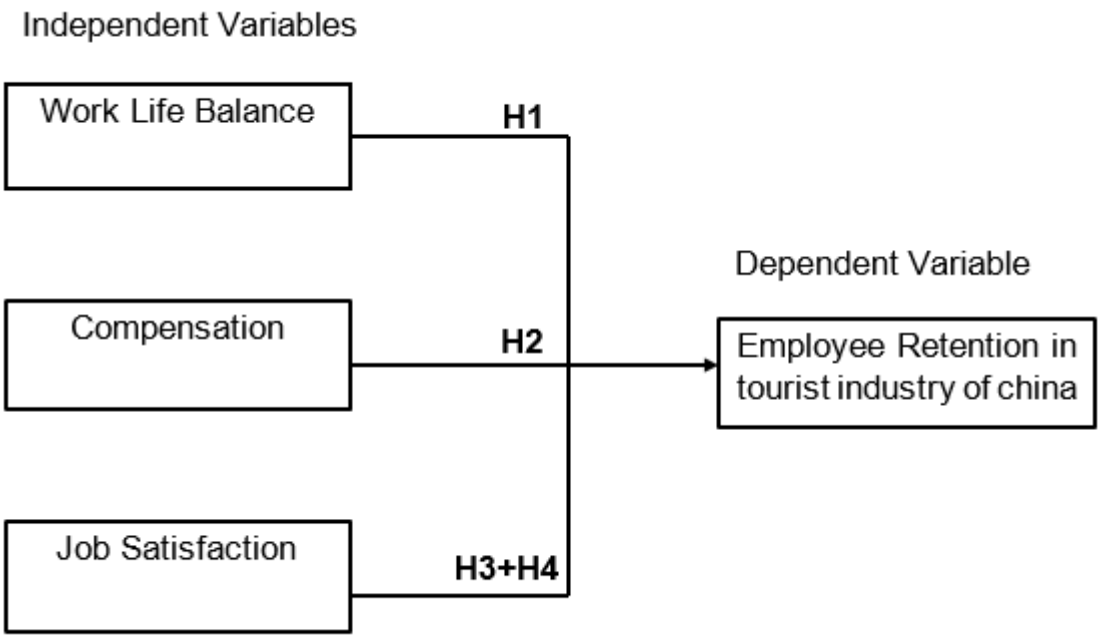


Figure 2.3: Conceptual Framework

2.7 HYPOTHESES

- H1: There is a significant relationship between job satisfaction and employee retention in the tourist industry of China.
- H2: There is a significant relationship between work-life balance and employee retention in the tourist industry of China.
- H3: There is a significant relationship between compensation and employee retention in the tourist industry of China.
- H4: Job Satisfaction has the highest significant relationship with employee retention in the tourist industry of China

2.8 CONCLUSION

This chapter reviews the existing literature on employee retention. In addition, it also elaborated on the various factors influence retain employees as well as contributed to the employee retention in tourist industry of China has been discussed. The next chapter will explain the research methodology.

CHAPTER 3: RESEARCH METHODOLOGY

3.0 OVERVIEW

In this chapter, the research methodology used in this study will be discussed. First of all, research design will be reviewed and linked back to the research framework of the research which mentioned in the earlier chapter. The sampling method and analysis techniques are to be used to study the analysis tools are reviewed in older to ensure that questions, as well as unit of analysis and time horizon which adapted for this study is reviewed to ensure that strategies are appropriate for this study. In addition, testing, data analysis approach and instrument development will be reviewed.

3.1 RESEARCH DESIGN

The objectives of research design is mainly focus on examine the key success factors influencing employee retention in tourist industry of China. Research design is significate to the researcher where research design will as a guide to conduct and achieve the objectives of the research (Sauders,Lewis and Thorinhill, 2012). As shown in the Figure 3.1 the research design used for this study.

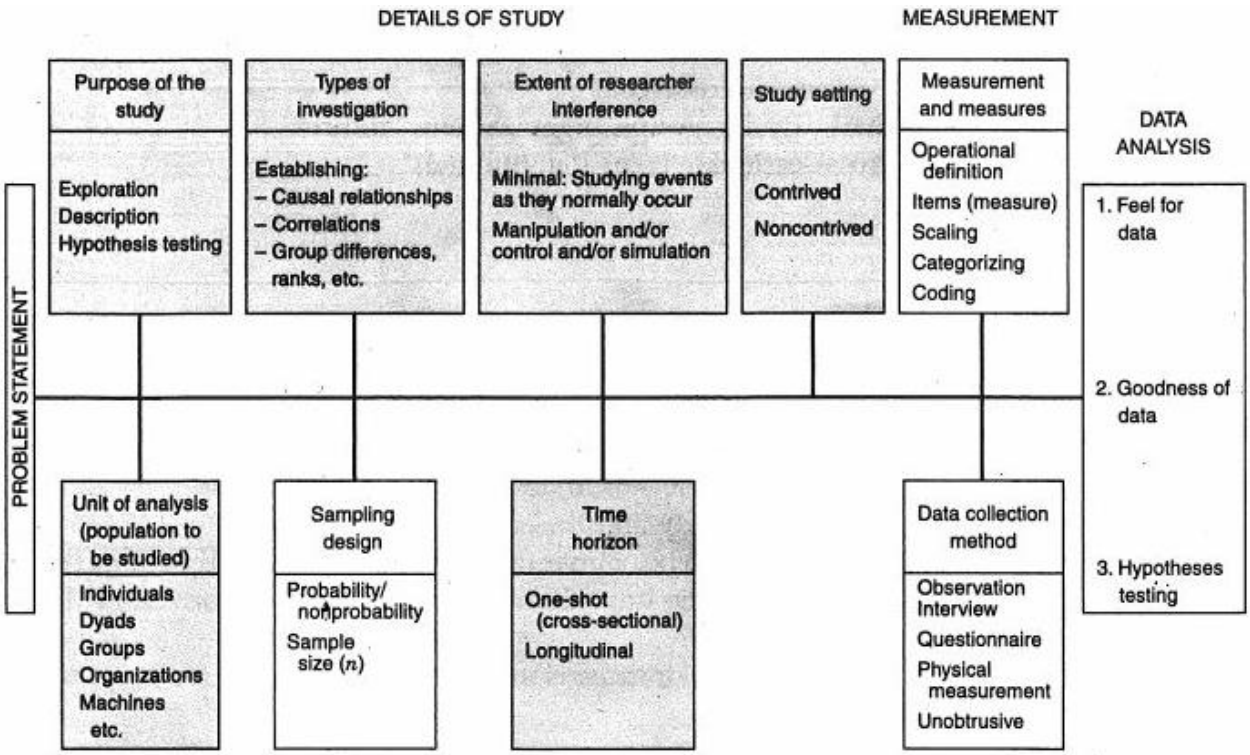


Figure 3.1: Research design Framework

Source: Sekaran and bougie (2016)

According to a research conduct by Cooper and Schindler (2011) have identified three types of research design, including explanatory, descriptive and exploratory research. When the researchers need to describe characteristics of a group phenomenon and then build a relationship between the selected variables, descriptive research should be selected (Saunders, 2012). This study will use descriptive research centered on data collection by using method of distributed survey to conduct statistics and quantitative analysis of the data obtained. Using quantitative methods in older to the researcher able to reach a wide range of interviewees in a short time (Sekaran and Bougie, 2016).

In addition, researcher must follow research paradigms that support methodological descriptions. Therefore, this study will use the deductive method to test hypothesis based on the established framework (Saunders et al., 2012). Hence, the essence of this study is basically a correlation design aimed at establishing the relationship between independent variables and dependent variables in this study (Kumar, 2010). As Saunders et al. (2012) stated that if the relationship between variables can be determined, the most appropriate method is to conduct relevant research.

Furthermore, the extent of researcher interference for this research is minimum, as the research conduct in the nature environment which in the normal work of the respondents, there is minimum interference. In addition, the setting of the study is treated as non-contrived that it wants aim to seek the options of the respondents via questionnaire within the work environment, and there is no manipulation.

3.2 UNIT OF ANALYSIS AND TIME HORIZON

3.2.1 UNIT OF ANALYSIS

Unit of analysis define as a major unit of investigation and analysis used by researchers in the study, such as organization and individual (Zikmundet et., 2012). The units of analysis will vary from one study to another. The focus of this study is distribute questionnaires for the employees who working at tourist industry of China. Therefore, the results collected by each respondent should be unique, since the

respondents are come from different organization. Hence, the unit of this study is the individual, and not the organization.

3.2.2 TIME HORIZON

In term of time horizon, since the research data is collected from employees work at tourist industry by distribute online questionnaires, data collect from each of the employee once only. This is cross sectional time horizon. According to Saunders et al. (2012) stated that cross-sectional study is a study of particular circumstance at a specific time.

3.3 SAMPLING DESIGN

Sample design can be defined as a road map or framework which the foundation of choosing sample, influence on other important aspects of survey (Sekaran and Bougie, 2016). In this context, the researchers interested in some interest groups in the investigation of some types of information (Saunders et al., 2012). Researcher must to define a sampling framework to represent the population of interest and then extract samples from the sampling framework (Diego, 2011). Sample design can be defined as a framework, or road map which was the basis for selection of the survey sample and have influence on other important aspects of the survey (Sekaran and Bougie, 2016). Under the background, there are interesting for researchers to getting some type of information from surveys of certain populations of interest (Saunders et al., 2012). Researcher must to define a sampling frame to represent the population of interest and then investigators took samples from sampling frame (Diego, 2011). Choosing an optimal sample design can increase the efficiency of research by researchers and finish the survey in a limited time. According to Shan (2012), the sample may be more accurate than a census in the research.

The population under this research is focusing on the employees who are working in tourist enterprise of China. According to the data from the national bureau of statistic of China, there are more than 1.5 million employees work at tourist industry of China (Bureau of statistic, 2018). Therefore, the sample framework of this study will be those employees.

3.3.1 SAMPLING PLAN

Sampling created the data collection process is simple and effective, which is divided into two main types of sampling techniques namely the probability sampling and non-probability sampling (Sekaran and Bougies, 2016). Probability sampling refers to single part of population with the same probability and non-probability sampling is refer to the selection of elements based on equal opportunity selection in older to be selected (Cooper and Schindler, 2011). However, there is no limit on the probability sampling and simple random sampling is considered one of the most effective way because of considering of the crowd every individual is known, and have equal to probability that the selected (Sekaran and Bougie, 2016). This research will be focused on the non-probability sampling method where it used convenience sampling strategy in the distribution of questionnaire through friends and relatives who work at tourist industry, because researcher has many relatives and friends who are the target population of this research.

Using convenience sampling method, it is in a cost effective manner and will help the researcher collecting data in a short period of time (Saunders et al., 2012) and convenience provided to a wide range of respondents to improve the response rate (Bryman and Bell, 2011) solved the time limitation faced by researchers to a certain extent, which was also the main limitation of this study.

3.3.2 SAMPLE SIZE

To determine an appropriate sample size is significant to the research because the sample size influenced the feasibility of the study, the correct calculation has significant influence on the power and effectiveness of the results (Meysamie et al., 2014). For this study, the sample size was determined by the guidelines established by Krejcie and Morgan (1970) as shown in the Figure 3.3, in which the minimum sample size of 1.5 billion employees would be about 384 (Kenpro, 2012). Hence, in this research will be distribute 385 questionnaires among the employees in the tourist industry of China.

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—*N* is population size.
S is sample size.

Figure 3.3: determining sample size of a known population

Source: Krejcie and Morgan (1970)

3.4 QUESTIONNAIRE DESIGN

A questionnaire is one of the data collection method as a very useful tool, especially by respondents in the survey to get different point of view, data collection method are divided into two kind data which are primary data and secondary data (Zikmund et al., 2013). The accuracy and effectiveness of the information obtained from questionnaire and interview are comparable (Sekaran and bougie, 2016).

For this study, conducted a questionnaire on employees working in tourist industry of China. The online survey form will be established through tencent.survey.com which

widely used in China. At the same time, the questionnaire links or QR code will be share via social media on the internet. The respondents will remain anonymous. In addition, according to Zikmund et al. (2010) stated that the survey should be conducted through voluntary participation, in order to avoid invalid result because voluntary will let respondent answered in the stress-free environment, hence the respondents reflects the real thinking. The target respondents of the study will fill up the questionnaire during free time such as lunch break. The table of questionnaire design shown in Figure 3.4.

Section	Items	No. of Questions	Reference
A	Demographic Profile	4	Milman (2003); Hooi (2007)
B(Dependent Variable)	Employee retention	4	Kalbers and Cenker (2007); Nouri and Parker (2013); Khoo (2014); Robinson et. al. (2014)
C(Independent Variables)	Work-life balance	4	Netemeyer et al. (1996); Clark (2002); Milman (2003); Toit and Coetzee (2012); Wu et al. (2013); George (2015)
	Job satisfaction	4	Milman (2003)
	Compensation	4	Luscombe, Lewis and Biggs (2012); Johnco et al (2014); Khoo (2014); George (2015)

Figure 3.4: table of questionnaire

Source: Adapted from Milman (2003); Hooi (2007) Netemeyer et al. (1996); Clark (2002); Toit and Coetzee (2012); Wu et al. (2013); Luscombe, Lewis and Biggs (2012); Johnco et al (2014); Khoo (2014); George (2015); Kalbers and Cenker (2007); Nouri and Parker (2013); Robinson et. al. (2014).

3.5 PILOT TEST

Polit et al. (2001) defined Pilot test as preparation for trail runs or small versions of trials for main studies. Besides, Baker (1994) stipulated that Pilot test or studies were normally used for experimental research instruments and that the ideal sample size for experimental research was said to be 10-20% of the actual sample size. According to De Vaus (1993), experiments can help reduce risks and warn researchers in specific areas where research may fail. In short, since the sample size used in this study is 385 therefore the experiment will be conducted on 40 employees engaged in tourist industry of China.

3.5.1 PILOT TEST: FACTOR ANALYSIS

Data collected will be run under factor analysis. According to Zikund et al. (2013) stated that factor analysis is a technique that can count reduction factors from a large number of measurement variables. The factor analysis involving KMO Bartlett sphericity test which used to determine the collection of data and the structure of the program is not relevant and suitable for further analysis (Kumar, 2010). When doing the factor analysis will be separate IV and DV in this research, it will required both IV and DV must above 0.60 and significant in Bartlett's sphericity test to show that sapling adequacy of items within the structure is acceptable (Pallant, 2013). If between 0.6 and 0.5 is can be acceptable for the research, it shown in the table 3.5.

Kaiser-Meyer-Olkin (KMO) Measure of Adequacy	Comment
0.9	Marvelous
0.8	Meritorious
0.7	Middling
0.6	Mediocre
0.5	Miserable
<0.5	Unacceptable

Table 3.5: KMO Measure of Adequacy

Source: Pallant (2013)

According to Hair (2014) stated that communalities can be interpreted as the proportion of each variable's variance, it represent a scope of items related to all the

other items. Higher communalities are better, and lower communalities values (less than 0.5) may not be significant load on any factors. Communalities value should be above 0.60, however due to the small sample size in the pilot test, the loading factor of 0.5-0.6 is acceptable (Zikund et al., 2013). Eigenvalues is another value to evaluate the IVs are the valid factor, the eigenvalue for each of the IV have to great than 1 (Tasir et al., 2012). In this study, there are three IVs so that the eigenvalues of the three IV must above 1 otherwise the IV should be reconsidered.

3.5.2 PILOT TEST: RELIABILITY

Reliability is seen as a measure of consistency based on the concept of collected data (Bryman and Bell, 2011).

In this study, the journey and research paper mostly come from well-known and recognized platforms such as scienceDirect, Ebscohost and Emerald, which can guarantee the reliability of the information collected. Other online information can only be obtained from official websites, such as those related to the government, which are usually highly reliable.

In addition, the reliability of this survey will be measured by Cronbach Alpha test. Cronbach Alpha is the most commonly used measurement instrument for consistency between items (Zikmund et al., 2010). The acceptable value of Cronbach Aloha is between 0.70 and 0.95, the more higher the more reliable the statistical result (Tavakol and Dennick, 2011). Before the main distributing questionnaires, will try to predict the reliability of the survey before the test stage (Zikmund et al., 2010). There are 40 questionnaires distributed for the employees who work in the tourist companies, the data collected by Cronbach Alpha test if the reliability is low, due to a lack of understanding the relative question should be remove or reviewed. The process if referred to as the main event before the “dress rehearsal” (Gay, Mills and Airasian, 2010). And Zikund et al. (2010) emphasize that the pre-test not important before the test but it is important to ensure that the subsequent interviewees know and understand the questions. Such pre-tests will also enhance the surface validity, because this process at least from a small of the respondents.

3.5.3 PILOT TEST: CORRELATION MATRIX

According to Sekaran and Bougie (2016) defined correlation matrix is a table which showing the correlation coefficients between each of the variables and used to calculate the correlation coefficient of matrix columns. Checking the correlation matrix is significant for the research because it helps the researcher remove the independent variable which is correlated and dependent variables which non-correlated in the study (Bommarito and Duran, 2018). From the statistical result which required correlation coefficients between independent variables cannot exceed 0.7 means that each of the IV should correlated and correlation coefficients of dependent variable must higher than 0.7 means that DV must correlated each item (Braman and Bell, 2015). Correlation matrix table will be shown in the following Chapter.

3.6 MEASUREMENTS

Measurement is defined as a perdition process describing certain properties of the sample target phenomenon (Pallant, 2013). Based on Sekaran and Bougie (2016) stated that after the prediction of the survey results, a data sequence will be given and the quantitative research is required statistical significance. In this research, it is a quantitative research various tests and measurements will be used in this research to analyze the data collected from the questionnaire distributed. These tests could be divided into descriptive information (demographic profile), preliminary tests, hypotheses tests, and other confirmatory or supporting tests (Sekaran and Bougie, 2016).

3.6.1 DESCRIPTIVE INFORMATION

Descriptive information is also part of measurement for the research can be called as descriptive statistics, which interpreted as the original data produced creative results from the research process (Yockey, 2010). Descriptive statistics often said with the descriptive content to these key factors together (Green, 2010). Usually, describe content from relevance and important to the research topic (Noru, 2012). In this research, the majority descriptive content are from demographic profile which include age, years in current company and position of the respondents. The purpose is to help the researcher get to know about the population better under the research (Bonaldo

and Pereira, 2016). Since the population is the employees who work at tourist companies of China, age is one of the demographic question selected because according to Das (2013) stated that different generation with different expectation of the job. Besides, according to Carlson (2015) position and year of employee at current company are all the factors that influence the group of respondents, such as senior employee are low turnover rate than the junior.

3.6.2 PRELIMINARY TESTS

According to Sutton and Austin (2015) define preliminary test as a statistical tool to help the researcher prove effective of statistic results, which should have contributions practical and reliable conclusions for this research. The factor analysis and reliability test will run at this section to improve and enhance the results.

3.6.2.1 FACTOR ANALYSIS

Factor analysis is a technique that statistically identifies a large number of measurement variables and reduces the number of factors (Zikmund et al., 2013). These correlation coefficients are called loadings (Cooper and Schindler, 2010). This means that the thumb rule of loading should be greater than 0.6 (Hair et al., 2014). Several authors also used factor analysis test in the same research project (Dhar, 2015; George, 2015; Paille, 2012). KMO Bartlett spherical used in this study to determine the contents of the collected data and objects within the relevant factors for further analysis in which the factor loading and KMO Bartlett spherical must more than 0.60 or the eigenvalue must be greater than 1 (Kumar, 2010).

In addition, the common divisor of factor analysis in SPSS software should be greater than 0.6, and in older to continue the analysis. The term less than 0.6 should be deleted (Field, 2015). Factor analysis is performed prior to reliability testing to ensure that any item does not conform to the rules of thumb will be deleted for future analysis (Zikmund et al., 2013).

3.6.2.2 RELIABILITY TEST

Reliability testing is conducted for the purpose of measuring stability, internal consistency and underlying error of measurement, in this assessments, the term of

reliability is evaluated by Cronbach Alpha (Sekaran and Bougie, 2016). According to Hair et al (2010) believe that the reliability of each scale was between 0.70 and 0.90 where with good reliability and within the recognized range. Reliability testing is also used by other authore to evaluate employee retention rates (Nawab and Bhatti, 2011).

3.6.3 HYPOTHESES TESTING

Hypotheses testing is defined as statistical tool to test whether the hypotheses is significant by comparing it with null hypotheses that are valid only if the probability is lower than the predetermined level of significant (Sekaran and Bougies, 2016). In the other words, statisticians use hypothesis testing to test whether a hypothesis is acceptable (Zikmund et al.).2013).This is important because a hypothetical test can help researchers think about finding a research goal and ensure that the whole research process remains scientific and reliable (Park, 2017).The hypothesis testing function is to evaluate two mutually exclusive statements to determine which is most supported by sample data (Sekaran and bougie, 2016).In addition to multiple linear regression, One-way ANOVA, the beta coefficient will be used to test all hypotheses and ensure that employees retention (DV) and three independent variables, as well as the factors that influence DV and IVs. In addition, by highlighting the most significant variables, it is helpful to identify the variance reflected by independent variables and dependent variables (Pallant, 2011).

3.6.3.1 MULTIPLE REGRESSION

Multiple regression analysis is applied to the development of equations to estimate self-weighting, It points out the value of a reliable variable from the value of an independent variable (Cooper and Schindler, 2011).The path coefficient represents the ratio and interval variable between power and trend estimated by the linear association (Zikmund et al.,2013).The prefixes of coefficients from +1 to -1, + and - represent the direction of the relationship, while the greater the number of coefficients indicates the strength of the more closely related relationship (Saunders et al., 2009).The significance of $p<0.05$ is a socially determined and generally accepted level (Sekaran and Bougie, 2010).

In addition, determinant coefficients provide information on how well the regression model fits, and provide the percentage change of reliable variables explained by

changes in independent variables (Saunders et al., 2009).If it is close to 1, the regression model can explain the most variable parts of the reliable variables. However, if it is close to 0, the regression model cannot explain most of the changes (Sekaran and Bougie, 2010).Multiple regression analysis was also used by other researchers of the same research topic (Nawab and Bhatti, 2011).

3.6.3.2 BETA COEFFICIENT

A standardized beta coefficient is defined as a statistical tool to determine how strongly each of independent variable (IV) influence on the dependent variable (DV), through it , the higher the value of Bata coefficient is , the stronger influence the IV has on the DV (Sekaran and Bougie, 2016). As for this research, Beta coefficient is necessary for identifying the influence strength that the three influencing factors of job satisfaction, work-life balance and compensation have on the employee retention in tourist industry of China.

3.7 CONCLUSION

To conclude, this chapter elaborates the research methodology to be used in the research process and conducts quantitative analysis on the biographical details of interviewees. This chapter mainly introduces the research design, construction and management of questionnaire. It also examines how sample selection works. Research finding will discuss in the following chapter.

CHAPTER 4: RESEARCH FINDINGS

4.0 OVERVIEW

This chapter discuss about the analysis and finding of data collected from the employees who are working in the tourist industry of China. The analysis of the results will be rendered by SPSS and Microsoft Excel to group the data which was derived from the Likert scale in used in the questionnaire. Tables, bar charts and pie charts were also used to illustrate the results obtained from the survey respondents. This will help provide important information and further interpretation of the findings to clarify and fully understand the data collected in connection with the proposed study.

4.1 PILOT TEST

Before distrusting the final research questionnaires to the respondents, a pilot test was done by using 40 people who were the employees in tourist industry of China. Pilot test is able to help to minimize the risk of failure in specific areas studied (De Vaus, 1993). The sample size for pilot test is around 10%-20% of the sample size for the real study (Baker, 2010). In this research, since the sample size used in this study is 385 therefore the experiment will be conducted on 40 employees engaged in tourist industry of China.

4.1.1 FACTOR ANALYSIS

Based on *Table 4.1* below, it shows that all the values in communalities are more than 0.6, which means that questions that has been given to the participants are valid. Higher communalities are better, and lower communalities values (less than 0.5) may not be significant load on any factors. Communalities value should be above 0.60, however due to the small sample size in the pilot test, the loading factor of 0.5-0.6 is acceptable (Zikund et al., 2013).

Items	Initial	Extraction
I do not intend to quit my job within the short term.	1.000	.705

I am unlikely to look for different organization to work in the short term.	1.000	.856
I will not leave my current company even I get a more attractive salary.	1.000	.868
I am likely to complete my career with this organization.	1.000	.737
I am satisfied with the support and recognition I receive from co-workers.	1.000	.869
I am satisfied that my job allows me to continuously learn and improve myself.	1.000	.788
I am satisfied with the support and encouragement given by my superior.	1.000	.695
Overall, I am satisfied with my job.	1.000	.743
My supervisor supports me in balancing the demands of my job with my personal life.	1.000	.750
Stress from work is acceptable, and I can balance my job with my family.	1.000	.832
Stress from work is within manageable levels to enable me to form friendships.	1.000	.821
Overall, my job provides me with the required work-life balance.	1.000	.806
Compensation package offered by my organization is very attractive.	1.000	.940
Compensation package offered by the organization motivates for better employee performance.	1.000	.885
The company's overall compensation and rewards systems is fair and equitable.	1.000	.888
Overall, I would work in a company which offers better compensation package.	1.000	.713

Table 4.1 Communalities for Pilot Test

The factor analysis involving KMO Bartlett sphericity test which used to determine the collection of data and the structure of the program is not relevant and suitable for further analysis (Kumar, 2010). When doing the factor analysis will be separate IV and DV in this research, it will required both IV and DV must above 0.60 and significant in Bartlett's sphericity test to show that sapling adequacy of items within the structure is acceptable (Pallant, 2013). If between 0.6 and 0.5 is can be acceptable for the research, it shown in the Table 4.2.

KMO and Bartlett's Test for DV

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.727
Bartlett's Test of Sphericity	Approx. Chi-Square	170.090
	df	6
	Sig.	.000

KMO and Bartlett's Test for IVs

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.805
Bartlett's Test of Sphericity	Approx. Chi-Square	490.994
	df	66
	Sig.	.000

Table 4.2 KMO and Bartlett's Test for Pilot Test

4.1.2 RELIABILITY ANALYSIS

The reliability of this survey will be measured by Cronbach Alpha test. Cronbach Alpha is the most commonly used measurement instrument for consistency between items (Zikmund et al., 2010). The acceptable value of Cronbach Aloha is between 0.70 and 0.95, the more higher the more reliable the statistical result (Tavakol and Dennick, 2011). However, in the pilot test with a small sample size, as shown in *Table 4.3* (Please refer to Appendix B), 0.6 was also considered acceptable as mentioned by Hair et al. (2010). Hence, the whole questionnaire was reliable.

Variables	Cronbach's Alpha	Number of Items

Job Satisfaction (Independent variable)	0.910	4
Work Life Balance (Independent variable)	0.915	4
Compensation (Independent variable)	0.723	4
Employee Retention (Dependent variable)	0.914	4
All Variables	0.944	16

Table 4.3: Summary of Results of Reliability Analysis

4.1.3 CORRELATION ANALYSIS

According to Sekaran and Bougie (2016) defined correlation matrix is a table which showing the correlation coefficients between each of the variables and used to Calculate the correlation coefficient of matrix columns.). From the statistical result which required correlation coefficients between independent variables cannot exceed 0.7 means that each of the IV should correlated and correlation coefficients of dependent variable must higher than 0.7 means that DV must correlated each item (Braman and Bell, 2015). Correlation matrix table will be shown in below (Table 4.4).

	DV1	DV2	DV3	DV4	IV1.1	IV1.2	IV1.3	IV1.4	IV2.1	IV2.2	IV2.3	IV2.4	IV3.1	IV3.2	IV3.3	IV3.4
DV1	1	.922**	.316*	.149	.468**	.122	.212	.266	.325*	.003	.124	.509**	.495**	.265	.390**	.179
DV2	.922**	1	.371**	.117	.459**	.077	.158	.190	.336*	.089	.201	.469**	.554**	.386**	.513**	.237
DV3	.316*	.371**	1	.432**	.242	-.027	-.010	-.205	.104	.227	.247	.357*	.277	.117	.198	.237
DV4	.149	.117	.432**	1	.129	-.198	.024	.070	.226	.331*	.366**	.442**	.269	.306*	.208	.313*
IV1.1	.468**	.459**	.242	.129	1	.284*	.252	.198	.283*	-.053	-.050	.214	.102	.050	.312*	.081
IV1.2	.122	.077	-.027	-.198	.284*	1	.459**	.190	-.053	.038	.057	.135	.131	.102	.173	-.006
IV1.3	.212	.158	-.010	.024	.252	.459**	1	.506**	.244	.138	.390**	.406**	.152	.189	.102	.354*
IV1.4	.266	.190	-.205	.070	.198	.190	.506**	1	.589**	.166	.257	.167	.228	.251	.286*	.179
IV2.1	.325*	.336*	.104	.226	.283*	-.053	.244	.589**	1	.161	.422**	.215	.196	.210	.388**	.198
IV2.2	.003	.089	.227	.331*	-.053	.038	.138	.166	.161	1	.460**	.440**	.247	.337*	.309*	.604**
IV2.3	.124	.201	.247	.366**	-.050	.057	.390**	.257	.422**	.460**	1	.484**	.270	.401**	.341*	.514**
IV2.4	.509**	.469**	.357*	.442**	.214	.135	.406**	.167	.215	.440**	.484**	1	.640**	.535**	.225	.698**
IV3.1	.495**	.554**	.277	.269	.102	.131	.152	.228	.196	.247	.270	.640**	1	.502**	.389**	.398**
IV3.2	.265	.386**	.117	.306*	.050	.102	.189	.251	.210	.337*	.401**	.535**	.502**	1	.456**	.605**
IV3.3	.390**	.513**	.198	.208	.312*	.173	.102	.286*	.388**	.309*	.341*	.225	.389**	.456**	1	.348*
IV3.4	.179	.237	.237	.313*	.081	-.006	.354*	.179	.198	.604**	.514**	.698**	.398**	.605**	.348*	1

**Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed). *Table 4.4: Correlations between the Variables*

4.2 Response Rate

A total of 385 questionnaires were distributed via online to the employees working in the tourist industry of, China, This research will be focused on the non-probability sampling method where it used convenience sampling strategy in the distribution of questionnaire through friends and relatives who work at tourist industry, because researcher has many relatives and friends who are the target population of this research.

There are 300 out of 385 questionnaires was received by research which achieved a response rate of 77.9%.

Total Questionnaire Distributed	385
Total Questionnaire Received	300
Respond rate	77.9%

Table 4.5 Summary of the response rate

4.3 DEMOGRAPHIC PROFILE OF RESPONDENTS

The demographic characteristics of the respondents were analyzed and transformed into a presentable manner as illustrated in *Table 4.6* (more details please refer to the tables and figures as below), by using descriptive statistics. The information accounted for include the respondents' gender, age, tenure, and the monthly salary that they currently earn.

Demographic	Categories	Frequency n = 300	Percentage (%)
Gender	Male	95	31.7
	Female	205	68.3
Age	21-30 years	93	30.9
	31-40 years	121	40.3

	41-50 years	81	27.0
	Above 51 years	5	1.7
Length of Services (Tenure)	Below 3 years	102	33.9
	3 to 5 years	77	25.7
	6 to 10 years	65	21.7
	11 to 15 years	38	12.7
	Above 16 years	1	6
Monthly Salary (RMB)	Below 3500 RMB	191	63.5
	3500 – 6000 RMB	79	26.2
	6001 – 10000 RMB	12	4.0
	Above 10000 RMB	18	6.0

Table 4.6 Demographic Profile of Respondents

4.4 PRELIMINARY DATA ANALYSIS

According to Sutton and Austin (2015) define preliminary test as a statistical tool to help the researcher prove effective of statistic results, which should have contributions practical and reliable conclusions for this research. The factor analysis and reliability test will run at this section to improve and enhance the results.

4.4.1 FACTOR ANALYSIS

Factor analysis is a technique that statistically identifies a large number of measurement variables and reduces the number of factors. Where Kaiser-Meyer-Olkin (KMO) followed by Bartlett's tests used in this study to determine the contents of the collected data and objects within the relevant factors for further analysis in which the factor loading and KMO Bartlett spherical must more than 0.60 (Kaiser, 1974 cited in Pallant, 2011). Where the significance value for Barlett's test should be of $p < 0.05$. Besides, communalities and component matrix are tested to verify the validity of the

study structure. Therefore, the communalities value should be greater than 0.5 and component matrix correlation should be greater than 0.4.

Variables	Number of questions	Communalities (>0.5)	Component matrix (>0.40)	Overall KMO Measure of adequacy (>0.60)	Barlett's significance (p < 0.05)
Job Satisfaction	4	0.837 > 0.925	0.915 > 0.936	0.867	0.000
Work Life Balance	4	0.832 > 0.921	0.912 > 0.960	0.872	0.000
Compensation	4	0.563 > 0.912	0.513 > 0.955	0.774	0.000
Employee retention in Tourist industry of China	4	0.687 > 0.807	0.829 > 0.898	0.770	0.000

Table 4.7: Summary of Factor Analysis of Independent Variables and Dependent Variable

1) factor analysis of employee retention

In the table 4.7 shows that the overall KMO value is more than the minimum requirement. The communalities and component matrix all meet the minimum requirement which is 0.687 and 0.892 respectively. Therefore, the factor is appropriate in this study to measure the employee retention in tourist industry of China.

Besides, In order to determine the most important factor, only the cutoff criterion that the eigenvalue of the first factor is greater than 1 is explained, and the total variance of 73.60% employee retention structure is explained. Therefore, it can be concluded that the employee retention scale is considered to be sufficient and relevant to this study.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.944	73.600	73.600	2.944	73.600	73.600
2	.554	13.856	87.456			
3	.297	7.432	94.888			
4	.204	5.112	100.000			

Extraction Method: Principal Component Analysis.

Table 4.8: Total Variance Explained for Employee Retention

2) factor analysis of job satisfaction

In the table 4.7 shows that the overall KMO value is more than the minimum requirement. The communalities and component matrix all meet the minimum requirement which is 0.837 and 0.935 respectively. Therefore, the factor is appropriate in this study to measure the employee retention in tourist industry of China.

Besides, In order to determine the most important factor, only the cutoff criterion that the eigenvalue of the first factor is greater than 1 is explained, and the total variance of 88.546% employee retention structure is explained. Therefore, it can be concluded that the job satisfaction scale is considered to be sufficient and relevant to this study.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.542	88.546	88.546	3.542	88.546	88.546
2	.225	5.627	94.173			
3	.136	3.395	97.568			
4	.097	2.432	100.000			

Extraction Method: Principal Component Analysis.

Table 4.9: Total Variance Explained for job satisfaction

3) factor analysis of work life balance

In the table 4.7 shows that the overall KMO value is more than the minimum requirement. The communalities and component matrix all meet the minimum requirement which is 0.832 and 0.912 respectively. Therefore, the factor is appropriate in this study to measure the employee retention in tourist industry of China.

Besides, In order to determine the most important factor, only the cutoff criterion that the eigenvalue of the first factor is greater than 1 is explained, and the total variance of 88.769% employee retention structure is explained. Therefore, it can be concluded that the work life balance scale is considered to be sufficient and relevant to this study.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.551	88.769	88.769	3.551	88.769	88.769
2	.222	5.551	94.320			
3	.129	3.229	97.550			
4	.098	2.450	100.000			

Extraction Method: Principal Component Analysis.

Table 4.10: Total Variance Explained for work life balance

4) factor analysis of compensation

In the table 4.7 shows that the overall KMO value is more than the minimum requirement. The communalities and component matrix all meet the minimum requirement which is 0.563and 0.513 respectively. Therefore, the factor is appropriate in this study to measure the employee retention in tourist industry of China.

Besides, In order to determine the most important factor, only the cutoff criterion that the eigenvalue of the first factor is greater than 1 is explained, and the total variance of 72.023% employee retention structure is explained. Therefore, it can be concluded that the compensation scale is considered to be sufficient and relevant to this study.

Total Variance Explained

Component	Initial Eigenvalues	Extraction Sums of Squared Loadings

	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.881	72.023	72.023	2.881	72.023	72.023
2	.812	20.300	92.323			
3	.204	5.110	97.433			
4	.103	2.567	100.000			

Extraction Method: Principal Component Analysis.

Table 4.11: Total Variance Explained for compensation

In addition, factor analysis showed that all variables adopted for the purpose of this study met the minimum requirements and were sufficient for further analysis. Then the reliability analysis is carried out.

4.4.2 Reliability test

Reliability testing is conducted for the purpose of measuring stability, internal consistency and underlying error of measurement, in this assessments, the term of reliability is evaluated by Cronbach Alpha (Sekaran and Bougie, 2016). According to Hair et al (2010) believe that the reliability of each scale was between 0.70 and 0.90 where with good reliability and within the recognized range. Reliability testing is also used by other authored to evaluate employee retention rates (Nawab and Bhatti, 2011).

Therefore, the Cronbach's Alpha as shows in *Table 4.12*(See Appendix D) are more than the threshold of 0.7 which is taken as acceptable and good internal consistency. In addition, the Cronbach's Alpha for all variables are considered as having excellent internal consistency, and hence deemed as reliable for further analyses.

Variables	Cronbach's Alpha	Number of items
Job Satisfaction (Independent variable)	0.957	4
Work Life Balance (Independent variable)	0.955	4
Compensation	0.850	4

(Independent variable)		
Employee Retention (Dependent variable)	0.880	4
All Variables	0.964	16

Table 4.12: Summary of Results of Reliability Analysis

Overall reliability analysis results show that 21 items involved independent and dependent variables are suitable for further analysis. Therefore, correlation analysis is carried out.

4.5 HYPOTHESIS ANALYSIS

As illustrated in *Table 4.13*, a total of four hypotheses were proposed. The Four hypotheses were tested using the multiple regression.

Hypothesis 1:	There is a significant relationship between job satisfaction and employee retention in tourist industry of China.
Hypothesis 2:	There is a significant relationship between work-life balance and employee retention in tourist industry of China.
Hypothesis 3:	There is a significant relationship between compensation and employee retention in tourist industry of China.
Hypothesis 4:	Job Satisfaction has the highest significant relationship with employee retention in the tourist industry of China.

Table 4.13: Research Hypotheses

As illustrated in *Table 4.14*, a multiple regression was conducted that achieved 0.756 with a correlation of R of 0.871. This means that approximately 75.60 per cent of variance of employee retention have been explained by the three independent variables used in this research. According to Pallant (2011) the remaining 24.40 per cent variations could be explained by other factors that have not been considered for this research. (ERA as employee retention, JSA as job satisfaction, CMA as compensation, and WLA as work-life balance)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the	Durbin-Watson
1	.871[a]	.758	.756	.44410	1.871

a. Predictors: (Constant), JSA, CMA, WLA

b. Dependent Variable: ERA

Table 4.14 Multiple Regression Model Summary

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	182.998	3	60.999	309.285	.000[b]
	Residual	58.379	296	.197		
	Total	241.377	299			

a. Dependent Variable: ERA

b. Predictors: (Constant), JSA, CMA, WLA

Table 4.15: Multiple Regression ANOVA

Therefore, based on these findings, it can be assumed that the model in this study describes the positive strong relationship between employee retention rate and the four independent variables used. In addition, Durbin-Watson value shows in Table 4.14 which is 1.871. Since the number is between 1.5 and 2.5, as Alam et al. (2013) stated that the multicollinearity assumption of variables is implemented. The ANOVA analysis (Table 4.15) identified the regression model is significant as P-value less than 0.05.

Coefficients[a]

Model		Unstandardized		Standardized	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.295	.141		2.090	.037		
	JSA	.543	.074	.541	7.336	.000	.151	6.644
	WLA	.209	.077	.195	2.726	.007	.160	6.254

CMA	.169	.044	.179	3.887	.000	.383	2.609

a. Dependent Variable: ERA

Table 4.16: Results from Multiple Regression

As stated above, the assumption of the multiple regression has been implemented, next the results from multiple regression going to be discussed as illustrated in Table 4.16. The three influence factors JSA (Job satisfaction), CMA (compensation), WLA (work-life balance) all were noted to be predictor for employee retention Since the P-value all less than 0.05. Besides, the highest standardized coefficients beta of 0.541 which illustrated that job satisfaction with the highest influencing on employee retention in tourist industry of China. Other factors as work-life balance with the coefficient of 0.195 and compensation with the coefficient of 0.179. All the factors with the positive influencing on employee retention.

The equation formulated below was the regression equation based on this research findings.

$y=0.295+0.209X_1 + 0.169X_2 +0.543X_3+ \varepsilon$

y= Employee retention in tourist industry of China

X_1= Work Life Balance

X_2= Compensation

X_3= Job Satisfaction

ε = Error

The overall research findings can be as the table 4.17, which illustrated that all the four hypotheses were accepted. The hypotheses 1 (job satisfaction), hypotheses 2 (work-life balance), hypotheses 3 (compensation) all have positive relationship with employee retention in tourist industry of China. In addition, job satisfaction (Hypotheses 4) has the highest significant relationship (Coefficient = 0.543) with employee retention in tourist industry of China.

Hypotheses	Status
Hypothesis 1	Accepted
Hypothesis 2	Accepted
Hypothesis 3	Accepted
Hypothesis 4	Accepted

Table 4.17: Hypotheses Analysis Summary

4.6 SUMMARY OF FINDINGS

The research findings as shows in the Table 4.18, which shows that all the hypothesis are accepted. In the other words, job satisfaction (Hypothesis 1), work life balance (Hypothesis 2), compensation (Hypothesis 3) are all have positive relationship with Employee retention in tourist industry of China, especially for job satisfaction with the highest influence on employee retention.

Hypotheses	Status
H1: There is a significant relationship between job satisfaction and employee retention in tourist industry of China.	Accepted
H2: There is a significant relationship between work-life balance and employee retention in tourist industry of China.	Accepted
H3: There is a significant relationship between compensation and employee retention in tourist industry of China.	Accepted

H4: Job Satisfaction has the highest significant relationship with employee retention in the tourist industry of China.	Accepted

Table 4.18: Hypotheses Analysis Summary

4.7 CONCLUSION

In this chapter the research findings are highlighted which based on the data analysis. By using SPSS Version 22.0 to measure the hypotheses testing. The result illustrates that the three factors (job satisfaction work life balance, and compensation) have positive influence employee retention and job satisfaction has the highest effect on employee retention in tourist industry of China. The key findings, contributions, and recommendations of this research will be discussed in the following chapter.

CHAPTER 5: CONCLUSION AND RECOMMEDATION

5.0 OVERVIEW

This chapter discusses the research results in detail based on the data analysis in the previous chapter. Subsequently, the significance, suggestion and future research are discussed. At the end of chapter, the author makes a personal reflection of the personal research experiences.

5.1 DISCUSSION OF FINDINGS

The main objective of this research is to investigate the relationship between influence retention factors and employee intention to stay in the tourist industry of China. In order to achieve the objective, two specific objectives were listed below:

To investigate the relationship between retention factors and employee retention in the tourist industry of China.

To identify the most significant factor that influence the employee's intention to stay in tourist industry of China.

Hence, in the proposed framework mentioned in chapter 2, to identify the relationship between independent variables including job satisfaction, work life balance and compensation, and the dependent variables which is employee retention. There are 300 respondents who working at tourist industry of China were distributed by using online questionnaire. The goal can be discussed based on the results of data analysis.

Objective 1: To investigate the relationship between retention factors and employee retention in the tourist industry of China.

In today's rapidly globalizing business world, employee retention has become a major source of competitive advantage. Das (2013) stated that with high-quality employees getting harder and harder to find, today's companies pay great attention to retaining

valuable employees and outstanding employees. Gurumani (2010) added explanation that Employers have a responsibility to retain their outstanding employees, if not star employees will be lost for the organization.

However, Turnover become a serious issue perplex many organizations because it influence internal organization and also external stakeholders (Shakeel and Sahar, 2015). How the organization retain employees along with rising employee turnover become the most difficult problem faced by organization (Vnoučková and Klupáková, 2013).

Therefore, the three retention factors be chosen based on the literature have reviewed. Namely are job satisfaction, work life balance and compensation as influence factors of employee retention in tourist industry of China. These factors are related to employee retention as independent variables to provide a statistical overview of the interactions between variables.

To identify the relationship between both independent variable (job satisfaction, work life balance and compensation) and depend variable (employee retention). In the hypothesis test conducted multiple liner regression analysis to test the hypotheses. The results of hypothesis test are released following:

Hypothesis 1： there is a significant relationship between job satisfaction and employee retention in tourist industry of China.

This hypothesis was accepted because the result showed that job satisfaction is a significant factor influence the employee retention, with the positive influence on employee retention in tourist industry of China. It illustrated that the participant of this research more satisficed will be more tend to stay in the current organization. This result coincides with the previous studies determined that Employees with positive experience related to job satisfaction were less likely to leave the company (Abayomi et al., 2011; Musso et al., 2014; Newman, Thanacoody and Hui, 2012). As Wagner (2000) stated

employees who are satisfied with their work are more productive, creative and more likely to be retained by the organization.

Therefore, As Gaan (2011) said that organizational commitment is negatively related to turnover intention and job satisfaction, negatively related to turnover intention and significantly related. The managers in tourist industry of China should pay more attention on the satisfaction factors such as organization culture, workload, and career advancement and so on. Since dissatisfaction will directly influence the intention of employees to leave the organization.

Hypothesis 2: There is a significant relationship between work life balance and employee retention in tourist industry of China.

This hypothesis was accepted because the result showed that work life balance is a significant factor influence the employee retention, with the positive influence on employee retention in tourist industry of China. This result in a line with Neog and Barua (2015), previous researches like Shoaib et al. (2010) had come up with the viewpoint that of employees have the right to use work life policies, employee will have greater organizational commitments, and these employees will express their willingness with lower turnover intention.

As Stone and Deadrick (2015) stated the balance between work and family plays an important role in the retention of an organization's employees. Therefore, for the mangers in tourist industry of China the importance of work-life balance should be emphasized, support employees in maintain the integration of family responsibilities and work enhance the willingness of employees to stay in the organization.

Hypothesis 3: There is a significant relationship between compensation and employee retention in tourist industry of China.

The research on compensation and employee retention shows that there is a significant positive correlation between the current compensation package given and employee

retention. This research aligned with the Allen et al. (2010), compensation packages are key factor influencing employee attraction and retention while in the recruitment process. Hence, the regression result shows accept this factor.

As the previous study stated that the key to retaining employees in the service industry lies in the degree to which the company provides fair compensation, including transparency and the compensation based on effort and performance (George, 2015).Therefore, for managers in tourist industry of China should be noted that compensation is a crucial factor to retain the employees.

Overall, the Hypotheses 1 2 3 are all accepted which means that job satisfaction, compensation and work life balance are the factors influence employee retention in tourist industry of China, Therefore, the first objective has been achieved.

Objective 2: To identify the most significant factor that influence the employee's intention to stay in tourist industry of China.

One Hypothesis be sited in older to achieve the objective 2 as proposed in chapter 2 as following:

Hypotheses 4: Job Satisfaction has the highest significant relationship with employee retention in the tourist industry of China.

As the result of the multiple regression the highest standard coefficient of 0.541 (refer to Table 4.22), which means the job satisfaction with the highest significant relationship with employee retention in tourist industry of China. As previous study mentioned that the other factors such as compensation, work life balance are all related to job satisfaction. For example, study of Malaysian hospital staff found that respondents were satisfied with the six aspects of job satisfaction (supervisor support, colleagues, compensation, management policies, job diversity, and pay) and their lower intention to leave (Alam and Mohammad, 2010). Later, studies by Juhdi, Pa'wanb and Hansaram (2013) also supported this view. External and internal job satisfaction has a significant relationship

with turnover intention (Shea, 2012). Christeen (2015); Doherty (2004); Maxwell, (2005) proposed that work-life balance is closely related to employee satisfaction and retention.

Therefore, job satisfaction as the most important factor influences employee retention in tourist industry of China. As a paragraph said by Greenberg and Baron (2003) “Satisfaction not only makes us stop shirking work, but also makes our work more enjoyable. This, of course, is an important goal in itself”. Hence, the first and second objectives of this research are achieved.

5.2 CONTRIBUTIONS

5.2.1 CONTRIBUTION TO THE ACADEMIA

From review other research papers found that many researchers conducted the research on topic related to employee retention. Early discussion of the definition of employee retention and factors influence employee retention. However, there are limited research on employee retention in tourist industry of China. Hence, the findings from this research can be of help to the academic community as it fills a gap in the tourist industry of between retention factors and employee retention of China. In addition, the framework established by this study is great significance to other researchers in future studies or similar studies that focus on other retention factors or employee retention in other different industries.

5.2.2 CONTRIBUTION TO THE INDUSTRY

The results of this study can be used for reference by employers or managers in the human resources department of tourist industry. The managers could use some of the findings when implementing strategies that focus on retaining employees. For example, from this research found that work-life balance, job satisfaction and compensation were positively correlated with employee retention. The findings support study by Neog and Barua (2015) that as the same three important factors influence employee retention.

Therefore, organization could continue to improve job satisfaction, compensation and work-life balance ultimately help to retain employees.

5.3 RECOMMENDATIONS

This study has recognized some of the factors do influence employee retention. The study found that job satisfaction, compensation and work life balance have positive influence on employee retention, among which job satisfaction has the highest influence on employee retention in tourist industry of China. Therefore, enterprises should pay more attention to retaining employees according to these factors, especially to improve their job satisfaction level. Some recommendations are out forward to alleviate the challenges faced by the organization in tourist industry of China in terms of employee retention.

At first, in terms of job satisfaction, according to the opinion from most of interviewees, every organization must have an on-job interview policy other than exit interview. The reason because by conducing on job interview, managers are able to understand employee's expectation, problems and aspiration while working with them. Through on job interview, explore employee ideas and listen to their feedback rather than asking for it after losing the competition. Besides, education employees are reminded not to expect 100% satisfaction and 0% dissatisfaction, and overall job satisfaction can be a balance. Often many of the best jobs are not even satisfactory. Therefore, employees need to start their own businesses. In addition, employees can clearly see the type of work they are engaged in and the working conditions, such as working conditions, culture, working hours, relationship and so on, through the expression. If employees are not satisfied with their present job, they may consider changing their job.

Secondly, work life balance is also the factor that managers should be considered. Work life balance such as the allocation of time and energy between health activities, hobbies, and other non-work needs. Provide Flexible work schedules, child care assistance, parental leave and maternity leave should be given to maintain employee motivation

levels. The balance between work and life is to establish and maintain a healthy and supportive working environment, so that employees can establish a balance between work and personal responsibility, thus improving their work efficiency and loyalty. On the other hand, balancing employees' time spent on work and their workload will give employees extra time to spend with their families and friends, because workload and long working hours increase employees' pressure and mental pressure, which will ultimately affect employees' performance and further lead to turnover (Kim, 2014).

Last but not least, apart from job satisfaction and work life balance, compensation has proved to be an important factor in retaining employees in tourist industry of China. The key to retaining employees in the service industry lies in the degree to which the company provides fair compensation, including transparency and the compensation based on effort and performance (George, 2015).Therefore, The organization should establish a comprehensive reward structure, including not only compensation. Management should also consider favorable compensation schemes in order to attract and maintain appropriate employee qualities. In addition, organizations should do a fair and fair performance evaluation so that their employees can stay with them for a long time. In many organizations, promotions are based on seniority, not performance or seniority. Therefore, it makes some young employees lose motivation, they are more capable than senior employees and should be promoted. Their willingness to retain will automatically decline.

In summary, tourist industry is one of the important market in China and a big sector contribute to GDP. Therefore, it is significant in today’s business to keep people retain in the organization. Not only improves the productivity but also enables organizations to achieve their goals as they gain experience.

5.4 FUTURE RESEARCH

For future research should be only looking for employee with skills and high performance which could have a more valuable impact on the study. As recently, like many countries in the world today, China is facing a serious problem of brain drain (Zhang, 2015).

Based on the key findings of this study, the relationship between job satisfaction and employee retention rate is the most significant. Therefore, the future study could focus on each factor to better and fully understand the influence of job satisfaction on employee retention. In addition, there are other factors that may influence the willingness of talents to leave. Kibui et al. (2014) found in employee research that training and development can not only reduce employee absenteeism, but also improve employee job satisfaction and employee engagement. Thus reducing turnover rate.

Besides, future study can also research the moderators such as generation, gender, and location in older to analyze the difference in behaviors between these groups.

In addition, quantitative methods limit the answers and respondents' opinions, so future research can also focus on qualitative methods to collect details of job satisfaction and retention. The qualitative approach may give different views on the actual factors leading to high turnover of Chinese talent.

5.5 PERSONAL REFLECTION

Part of writing personal reflections is to share my experience with the MBA program. This project helped me improve my ability to search for information through the Internet. I realized that it was important to enter the right keywords in order to find the right information for the study. In addition, I learned to use the database to search for my ancillary information to ensure that the information is reliable and relevant to learning. Through reading so many journals, I learned a lot. After reading so many journals about employee retention, I found that I had a deeper understanding of employee retention.

I also learned how to arrange my time reasonably by arranging my time in advance. In doing this project, I realized that time management is very important, so that a high-quality project can be produced. By doing projects ahead of time and discussing with my dedicated mentor, I can better improve my project. So, I create a timeline by assigning what should be done each day.

In addition, I also learned a lot of analytical methods that can be used to achieve this research goal. It is important to interpret these data correctly in order to provide better insights for future research. All analysis must be useful for research and must have a purpose for testing. Therefore, I must understand the function of analysis in order to properly interpret the data and discuss interesting findings.

When the research was over, I felt satisfied and happy because I had completed a high quality paper not only for my MBA program, but also for academia and industry.

Finally, I would like to thank all those directly and indirectly involved in this research for their support and cooperation in completing the final chapter of my master's journey.

5.6 CONCLUSION

This is the last chapter of this research. This chapter starts with the main research results and puts forward the necessary Suggestions according to the main research results. Then the future research direction and contribution are mainly introduced. This chapter concludes with a personal reflection that highlights the motivation for this research.

REFERENCE

Abayomi, O. A., Aniebiet, S., and Obiajulu, A.U., 2011. *Influence of perceived co-worker involvement and supervisory support on job satisfaction*. *Ife Psychology,* 19(2).

Abercromby, M. (2015) A Report on the Importance of Work-Life Balance. BIA Available at:https://www.bia.ca/articles/AReportontheImportanceofWork-LifeBalance.htm [Accessed: 6 June, 2018].

Abu Bakar, H., Dilbeck, K. E., and McCroskey, J. C., 2010. Mediating role of supervisory communication practices on relations between leader–member exchange and perceived employee commitment to workgroup. *Communication Monographs*, 77(4), pp.637-656.

Alam, M. M., and Mohammad, J. F., 2010. Level of Job Satisfaction and Intent to Leave Among Malaysian Nurses. *Business Intelligence Journal*, 3(1), pp.123-137.

Alam, M. S., Saeed, A. S. A., Sahabuddin, M., and Akter, S., 2013. *Relationship between Employee Recognition and Employee Contribution in Service Industry*.

Alam, M.M. and Mohammad, J.F., 2010. *Level of job satisfaction and intent to leave among Malaysian nurses. Business Intelligence Journal*, 3(1), pp.123-137.

Allen, D. G., Bryant, P. C., and Vardaman, J. M., 2010. Retaining Talent: Replacing Misconceptions with Evidence based Strategies. *Academy of Management Perspectives,* pp.48-63.

Anupam, R., and Upasna, J., 2012. A Study of Talent Management as a Strategic Tool for the Organization in Selected Indian IT Companies. *European Journal of Business and Management,* 4(4), pp. 2222-2839.

Arokiasamy, A. R. A., 2013. A Qualitative Study on Causes and Effects of Employee Turnover in the Private Sector in Malaysia. *Middle East Journal of Scientific Research,* 16(11), pp.1532-1541.

Aryee, S., Budhwar, P. S., and Chen, Z.X., 2002. Trust as a mediator of the relationship between organizational justice and work outcomes: Test of a social exchange model. *Journal of organizational Behaviour*, 23 pp. 267-285.

Ashdown, L., 2014. *Performance Management*. [Online] Available at: <http://uel.eblib.com/>. [Accessed: 6 June, 2018].

Asia One (2015) *Key audit quality trends in Singapore mirrors global audit landscape* [Online] Available at:< http://business.asiaone.com/news/key- audit-quality-trends-singapore-mirrors-global-audit-landscape>[Accessed: 6 June, 2018].

Augsberger, A., Schudrich, W., McGowan, B.G. and Auerbach, C. (2012)

Awan, W., 2013. Impact of employee orientation on retention: A case of service sector organizations in Pakistan. *Interdisciplinary Journal of Contemporary Research in Business,* 5(4), pp.326-333.

Awan, W., 2013. Impact of employee orientation on retention: A case of service sector organizations in Pakistan. *Interdisciplinary Journal of Contemporary Research in Business,* 5(4), pp.326-333.

Bakar, J.A., Mohamad, Z.Z. and Sharmeela-Banu, S.A. (2015) 'Factors Affecting Femal e Lecturer Retention in Private Higher Institution in Perak'. International Journal of Academic Research in Business and Social Sciences. 5(1) pp.137-146 [Online] A vailable at:http://hrmars.com/hrmars_papers/Factors_Affecting_Female_Lecturer_Retention_in_Private_Higher_Institution_in_Perak.pdf [Accessed: 6 June, 2018].

Bakar, J.A., Mohamad, Z.Z. and Sharmeela-Banu, S.A. (2015) *'Factors Affecting Femal e Lecturer Retention in Private Higher Institution in Perak'. International Journal of*

Academic Research in Business and Social Sciences. 5(1) pp.137-146 [Online] A vailable at:http://hrmars.com/hrmars_papers/Factors_Affecting_Female_Lecturer_ Retention_in_Private_Higher_Institution_in_Perak.pdf [Accessed: 6 June, 2018].

Balakrishnan, L., and Vijayalakshmi, M., 2014. Cross cultural training a study to underst and the importance in global businesses. *Proceedings of the International Confer ence - Frontiers of Management*. 9 February - Chennai, India.

Baran, B. E., Shanock, L. R., and Miller, L. R., 2012. Advancing organizational support theory into the twenty-first century world of work. *Journal of Business and Psychology*, 27(2), pp.123-147.

Bersin, J. (2015) Engagement, Retention, and Culture now the #1 Issues in Talent and HR. Bersin. Available at: http://www.bersin.com/blog/post/Engagement2c-Retention2c-and- Culture-now-the-1-Issue-in-Talent-and-HR.aspx [Accessed: 13 July, 2018].

Bhutto, N. A., Anwar, N., and Khawaja, H. A., 2012. Relationship of Age, Gender, Tenure, Rank and Job Satisfaction- Empirical Evidence from Business Institute of Pakistan. *International Journal of Contemporary Business Studies,* 3(6).

Bidisha, D., and Mukulesh, B., 2013. Employee Retention: A Review of Literature. *IOSR Journal of Business and Management (IOSR-JBM)*, 14(2), pp.08–16.

Blau, P. M., 1964. *Exchange and power in social life*. New York: John Wiley.

Bliss, W.G., 2010. *Cost of Employee Turnover*. [Online] Available at: <http://www.isquare.com/turnover>. [Accessed: 6 June, 2018].

Brown, P., Fraser, K., Wong, C., Muise, M., and Cummings, G., 2013. Factors influencing intentions to stay and retention of nurse managers: a systematic review. *Journal of Nursing Management*, 2013(21), pp.459–472.

Brown, P., Fraser, K., Wong, C., Muise, M., and Cummings, G., 2013. Factors influencing intentions to stay and retention of nurse managers: a systematic review. *Journal of Nursing Management*, 2013(21), pp.459–472.

Brown, P., Fraser, K., Wong, C., Muise, M., and Cummings, G., 2013. Factors influencing intentions to stay and retention of nurse managers: a systematic review. *Journal of Nursing Management*, 2013(21), pp.459–472.

Bryman, A. and Bell, E., 2011. *Business Research Methods.* 3rd ed. New York: Oxford University Press Inc.

Bryman, A. and Bell, E., 2011. *Business Research Methods.* 3rd ed. New York: Oxford University Press Inc.

Butali, N. D., Wesang'ula, P. M., and Mamuli, L. C., 2013. Effects of Staff Turnover on the Employee Performance of Work at Masinde Muliro University of Science and Technology. *International Journal of Human Resource Studies*, 3(1).

Cameron, L., Miller, P., and Frew, E., 2010. Relationship Marketing in the Recruitment and Retention of Service Industry Staff in Family-Owned Businesses. *Journal of Human Resources in Hospitality and Tourism*, 9, pp.71–91.

Carraher, S.M. (2011) '*Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, and Lithuania'. Baltic Journal of Managemen*t. 6(1) [Online] Available at: <http://dx.doi.org/10.1108/17465261111100905> [Accessed: 6 June, 2018].

Cave, A., Chung, W., and Choi, S., 2013. Determining the Factors Affecting Retention of Employees in Taiwanese Electronic's Firms - General Vs Repatriated Employees. *International Journal of Academic Research in Business and Social Sciences,* 3(1), pp.100-118.

Cegarra-Leiva Shujat, S., Cheema, F., and Bhutto, F., 2011. Impact of work life balance on employee job satisfaction in private banking sector of Karachi. *Journal of Management and Social Sciences*, 7(2), pp.08-15.

Chee Hong, E. N. et al., 2012. An effectiveness of Human Resource Management PPtactices on Employee Retention in Institute of Higher Learning:- A Regression Analysis. *International Journal of Business Research and Management (IJBRM),* 3(2), p.60.

Chen, L. T., Chen, C. W., and Chen, C. Y., 2010. Are educational background and gender moderator variables for leadership, satisfaction and organizational commitment?. *African Journal of Business Management, 4*(2), pp.248-261.

Chiew, C.W. (2015) *Recruiting and Retaining Audit Talent. ACCA Global.* Available at: http://www.accaglobal.com/ng/en/member/accounting-business/insights/more/happy-here.html [Accessed: 6 June, 2018].

Chiew, C.W. (2015) *Recruiting and Retaining Audit Talent. ACCA Global.* Available at: http://www.accaglobal.com/ng/en/member/accounting-business/insights/more/happy-here.html [Accessed: 6 June, 2018].

Coetzee, M. and Stoltz, E. (2015) '*Employees' satisfaction with retention factors: Exploring the role of career adaptability'. Journal of Vocational Behavior.* 89(2015) pp.83-91 [Online] Available at: www.elsevier.com/locate/jvb [Accessed: 6 June, 2018].

Cooper, D. R., and Schindler, P. S., 2011. *Business Research Methods* (11th ed). New York: McGraw-Hill/Irwin

Cote, D., 2013. *Honeywell's CEO on How He Avoided Layoffs.* [Online] Available at: <https://hbr.org/2013/06/honeywells-ceo-on-how-he-avoided-layoffs>. [Accessed: 6 June, 2018].

Cowin, L.S., Johnson, M, Craven, R.G. and Marsh, H.W. (2008) *'Causal modeling of self-concept, job satisfaction, and retention of nurses'. International Journal of Nursing Studies*. 45(10) pp. 1449-1459 [Online] Available at: http://www.sciencedirect.com.libezp.utar.edu.my/science/article/pii/S0020748907002532 [Accessed: 6 June, 2018].

Cropanzano, R., and Mitchell, M., 2005. Social Exchange Theory: An Interdisciplinary Review. *Journal of Management*, 31(6).

Cropanzano, Russel, Rupp, Deborah E., Byrne, Zinta S., 2003. The relationship of emotional exhaustion to work attittudes, job performance, and organizational citizenship behaviours. *Journal of applied psycology*, 88(1): pp.160-169.

Darkwa, K., Newman, M., Kawkab, M., and Chowdhury, M., 2015. A qualitative study of factors influencing retention of doctors and nurses at rural healthcare facilities in Bangladesh. *BMC Health Services Research 2015,* 15:344.

Das, B., 2013. Employee Retention: A Review of Literature. *IOSR Journal of Business and Management*, 14(2), pp.08-16.

Davis, A., 2007. *Leading for growth; how Umpqua bank got cool and created culture of greatness*. United States of America: Jossey bass

Dessler, G., 2013. *Human Resource Management.* NY:McGraw Hill.

Devi, R. V., and Nagini, A., 2014. Work-life balance and burnout as predictors of job satisfaction in private banking sector. *Skyline Business Journal*, 10(1).

Diego, G. and Arras, T.K.O., 2011, September. *Please do not disturb Minimum interference coverage for social robots. In Intelligent Robots and Systems* (IROS), 2011 IEEE/RSJ International Conference on (pp. 1968-1973). IEEE.

Dirks, K. T., and Ferrin, D. L., 2002. Trust in leadership: Meta-analytic findings and implications for research and practice. *Journal of Applied Psychology*, 87(4), pp.611-628.

Ellis, B. (2015) *Enhancing the Guest Experience through Employee Retention. Hospitality Net*. Available at: http://www.hospitalitynet.org/news/4070519.html [Accessed: 21 June, 2015].

Ewen, R. B., Smith, P. C., and Hulin, C. L., 1966. An empirical test of the Herzberg two-factor theory. *Journal of Applied Psychology*, 50(6), pp.544–550.

Fatt, C.K., Khin, E.W.S. and Heng, T.N., 2010. *The impact of organizational justice on employee's job satisfaction: The Malaysian companies perspectives. American Journal of Economics and Business Administration*, 2(1), p.56.

Faustina, N., 2012. *Impact of Motivation on Employee Retention: A Case Study of Standard Chartered Bank Ghana Limited.* [Online] Available at: <http://ir.knust.edu.gh/bitstream/123456789/4889/1/FAUSTINA%20NYAMEKYE.pdf>. [Accessed: 6 June, 2018].

Field, A., 2015. Reliability Analysis. *In: Discovering statistics using SPSS.* London: Sage, pp. 1-7.

Forbes, 2014. *Global 2000 companies for 2014*. [Online] Available at: <http://www.forbes.com/global2000/#page:1_sort:0_direction:asc_search:_filter:Hotels%20%26%20Motels_filter:All%20countries_filter:All%20states> [Accessed: 6 June, 2018].

Gaan, N. A., 2011. Revisit on Impact of Job Attitudes on Employee Turnover: An Empirical Study in Indian IT Industry. *Vilakshan, XIMB Journal of Management,* pp.33–42.

Gay, L., Mills, G., and Airasian, P., 2006. *Educational research: Competencies for analysis and application*. 8th edn, New York: Prentice Hall.

George, C. (2015) *'retaining professional workers: what makes them stay? 'Department of Psychology.* 37(1) pp.102-121 [Online] Available at: www.emeraldinsight.com/0142-5455.htm [Accessed: 6 June, 2018].

George, C. (2015) '*Retaining professional workers: what makes them stay?' Department of Psychology.* 37(1) pp.102-121 [Online] Available at:www.emeraldinsight.com/0142-5455.htm [Accessed: 6 June, 2018].

Gerstner, C. R., and Day, D. V., 1997. Meta-Analytic review of leader–member exchange theory: Correlates and construct issues. *Journal of Applied Psychology*, 82(6), pp.827-844.

Gittins, J. (2013) the Importance of Retention. Lamont Jones. Available at: http://www.lamontjones.co.uk/the-importance-of-retention/ [Accessed: 13 July, 2018].

Gould Williams, J., and Davies, F., 2005. Using social exchange Theory to predict the effects of HRM practice on employee outcomes. *Public management review*, 7: pp.1-24.

Grayson, L. (2015) How to Create a Work-Life Balance. Chron. Available at: http://smallbusiness.chron.com/create-worklife-balance-45505.html [Accessed: 6 June, 2018].

Griffeth, R. W., Hom, P. W., and Gaertner, S., 2000. A Meta-Analysis of Antecedents and Correlates of Employee Turnover: Update, Moderator Tests, and Research Implications for the Next Millennium. *Journal of Management.* 26(3), pp.463-488.

Grobler, P. A., and De Bruyn, A. J., 2012. Flexible Work Practices (FWP)-an effective instrument in the retention of talent: a survey of selected JSE-listed companies. *South African Journal of Business Management,* 4(42), pp. 63-78.

Gurumani, V.S., 2010. Invaluable Tools for Talent Retention. *Human Capital*, pp. 54-55.

Hair, J. F., Black, W. C., Babin, B. J. and Anderson, R. R., 2010*. Multivariate Data Analysis*, 7th ed. New Jersey: Prentice Hall.

Hamdia, M., and Phadett, T., 2011. Conceptual framework on the relationship between human resource management practices, job satisfaction, and turnover. *Journal of Economics and Behavioral Studies,* 2(2), pp. 41-49.

Haynes, R. (2015) Are too many of your employees pressing the Quit button? LinkedIn. Available at: https://www.linkedin.com/pulse/3-reasons-you- need-employee-turnover-audit-asap-ron [Accessed: 13 July, 2018].

Heathfield, S.M. (2015) *Top 10 Ways to Encourage Employee Work Balance:Employers Can Support Employees in Their Efforts to Balance Work and Life. Human Resource.* Available at: http://humanresources.about.com/od/work-life-balance/a/work-balance.htm [Accessed: 6 June, 2018].

Herzberg, F. W., 1959. *The Motivation to Work*. John Willey, New York, pp.416-417.

Herzberg, F., Mausner, B., Snyderman, B., 1999. *The motivation to work.* New York: Wiley.

Hoffman, R. and Lublin, N. (2014) *A Solution to Millennials' High Turnover Rate. Fast Company*. Available at: <http://www.fastcompany.com/3039130/the-case-for-encouraging-short-term-job-commitment> [Accessed: 6 June, 2018].

Holtom, B. C., Mitchell, T. R., Lee, T. W., and Eberly, M. B. 2008. *Turnover and retention research: A glance at the past, a closer review of the present, and a venture into the future*. The Academy of Management Annals, 2, 231-274.

Idris, A., 2014. Flexible Working as an Employee retention strategy in developing countries. *Journal of Management Research*. 14(2), pp. 71–86.

Jackson, S., 2013. Causes of Attrition of Senior Level Employees: A Study on Selected Commercial Banks of Nepal. *Banking Journal*, 3(2).

James, L., and Mathew, S., 2012. Employee Retention Strategies: IT Industry. *Journal of Indian Management*: a Quarterly Journal.

Jiang J.C. 2016. *Employee Retention strategy*. A Literature Review *–horizon of science and technology*, 2016(14), PP.314-315

Johnson, R. (2015) *Importance of Compensation in the Workplace*. Chron. Available at: <http://smallbusiness.chron.com/importance-compensation-workplace-38470.html>[Accessed: 6 June, 2018].

Juhdi, N., Pa'wan, F., and Hansaram, R., 2013. HR practices and turnover intention: the mediating roles of organizational commitment and organizational engagement in a selected region in Malaysia. *The International Journal of Human Resource Management*, 24(15), pp.3002-3019.

Karimi, V., Eslami, A., Karimi, R., Karimi, S., & Hesampour, M., 2015. *Role of job satisfaction components on organizational productivity (case study of Pegah Fars Co). Journal of Scientific Research and Development*, 2(5), pp. 182-189.

Kenpro, 2012. *Sample Size Determination Using Krejcie and Morgan Table*. [Online] Available at: <http://www.kenpro.org/sample-size-determination-using-krejcie-and-morgan-table/>. [Accessed 15 November 2015].

Khalid, A., and Kenneth, A. K., 2013. Employee Retention Strategies: the case of a patent firm in Australia. *School of Management ,* 2(1), pp. 265-186.

Kim, J., 2000. Does Attitude towards Money Moderate the Relationship between Intrinsic Job Satisfaction and Voluntary Turnover?. *Human Relations*, 52(2), pp.213–245.

Kirby, S., 2000. Impact of Marketing Work-Place Diversity on Employee Job Involvement and Organisational Commitment. *Journal of Social Psychology*, 140(3), pp.367–377.

Krejcie, R. V., and Morgan, D. W. M., 1970. Determining sample sizes for research activities. *Educational and Psychological Measurement*, 30, pp.607-610.

Kumar, R., 2010. *Research Methodology: A Step-by-Step Guide for Beginners.* 3rd ed. Chennai: SAGE Publications.

Kumari. L., 2012. Employees' perception on work life balance and its relation with job satisfaction in Indian public sector banks. *International Journal of Marketing and Technology*, 2(2), pp.1-13.

Kwon, K., and Rupp, D. E., 2013. High-performer turnover and firm performance: The moderating role of human capital investment and firm reputation. *Journal of Organizational Behaviour*, 34(1), pp.129-150.

Lebowitz, S. (2014) *What Men and Women Really Think of Work Life Balance.Learn Vest.* Available at: http://www.learnvest.com/2014/11/what-men-and-women-really-think-of-worklife-balance-123/ [Accessed: 6 June, 2018].

Lee, C., and Way, K., 2010. Individual employment characteristics of hotel employees that play a role in employee satisfaction and work retention. *International Journal of Hospitality Management*, 29(3), pp.344-353.

Lee, C., and Way, K., 2010. Individual employment characteristics of hotel employees that play a role in employee satisfaction and work retention. *International Journal of Hospitality Management*, 29(3), pp.344-353.

Leena, J., and Lissy, M., 2012. Employee Retention Strategies: IT Industry. *SCMS Journal of Indian Management,* A Quarterly Journal, pp.79-87.

Leena, J., and Lissy, M., 2012. Employee Retention Strategies: IT Industry. *SCMS Journal of Indian Management,* A Quarterly Journal, pp.79-87.

Lister, J. (2015) *Strategic Plan for Employee Compensation and Benefits. Chron*. Available at: http://smallbusiness.chron.com/strategic-plan-employee-compensation-benefits-15613.html [Accessed: 6 June, 2018].

Long, C.S. and Thean, L.Y., 2011. Relationship between leadership style, job satisfaction and employees' turnover intention: A literature review. Research journal of business management, 5(3), pp.91-100.

Lubna, A., Qazi, B., Syed, S. and Faisal, J. (2014) '*Employees' Retention Problem in Pakistani Business Environment: with special reference to Construction Field'. International Research Journal of Environment Sciences.* 3(11) pp.71-77 [Online] Available at:http://www.isca.in/IJENS/Archive/v3/i11/13.ISCA-IRJEvS-2014-181.pdf [Accessed: 6 June, 2018].

MacIntosh, E.W., and Doherty, A., 2010. The Influence of Organizational Culture on Job Satisfaction and Intention to Leave. *Sport Management Review*,13, pp.106–117.

Maddox, R. N., 1981. Two-factor Theory and Consumer Satifaction: Replication and Extension and Extension. *Journal of Consumer Research*, 8(7), pp.97-102.

Maertz, C.P., and Campion, M.A., 1998. 25 Years of Voluntary Turnover Research: A Review and Critique. *International Review of Industrial and Organizational*

Psychology, 13, pp.49–81.

Maidani, E. A., 1991. Comparative study of Herzberg's two-factor theory of job satisfaction among public and private sectors. *Public Personnel Management*, 20(4), pp.441–448.

Marriott, 2014. *Core values*. [Online] Available at: <http://www.marriott.com/culture-and-values/core-values.mi> [Accessed: 6 June, 2018].

Masterson, S. S., Lewis, K., Goldman, B. M., and Taylor, M. S., 2000. Integrating justice and social exchange: The differing effects of fair procedures and treatment on work relationships. *The Academy of Management Journal*, 43 (4), pp.738-748.

Mayhew, R. (2015) *Example of an Employee Compensation Plan. Chron*. Available at: http://smallbusiness.chron.com/example-employee-compensation-plan-10068.html [Accessed: 6 June, 2018].

Mellinger, B.B. (2015) *How Does Compensation Affect Employee Retention?* Chron. Available at: <http://smallbusiness.chron.com/compensation-affect-employee-retention-61399.html> [Accessed: 6 June, 2018].

Meysamie, A., Taee, F., Mohammadi-Vajari, M., Yoosefi-Khanghah, S., Emamzadeh-Fard, S., and Abbassi, M., 2014. *Sample size calculation on web, can we rely on the results? Journal of Medical Statistics and Informatics*. 2(1), p.3.

Mohamed, N., Karim, N.S.A. and Hussein, R., 2010. *Linking Islamic work ethic to computer use ethics, job satisfaction and organisational commitment in Malaysia*. *Journal of Business Systems*, *Governance and Ethics*, 5(1), pp.13-23.

Mohd Hanif Ismail and Adrian Chia 2013, *The challenge of talent retention in today s globalised economy, In HR Asia*, Issue 17, pp. 18-19.

Moncarz, E., Zhao, J. and Kay, C. (2008) '*An exploratory study of US lodgingproperties' organizational practices on employee turnover and retention'.*

International Journal of Contemporary Hospitality Management. 21(4) pp.437-458 [Online] Available at: http://dx.doi.org/10.1108/09596110910955695 [Accessed: 6 June, 2018].

Moran, G. (2015) *which gender is most likely to sacrifice for work-life balance? Fortune*. Available at: http://fortune.com/2015/05/05/men-women-sacrifice-balance/[Accessed: 6 June, 2018].

Musso, M., Garay, C., Kyndt, E., and Cascallar, E., 2014. Employee retention and perceived supervisor support: A study of “knowledge workers” in Argentina. *International Congress of Applied Psychology*, Location: Paris, France date: pp.8-13.

Musso, M., Garay, C., Kyndt, E., and Cascallar, E., 2014. Employee retention and perceived supervisor support: A study of “knowledge workers” in Argentina. *International Congress of Applied Psychology*, Location: Paris, France date: pp.8-13.

Naeem, H., Sentosa, I., Nejatian, H., and Piaralal, S.K., 2011. Job satisfaction of civil servants; an evidence from the Republic of Maldives. *International Conference on business and economic research*, 2, pp.1330-1345.

Nawab, S. and Bhatti, K.K., 2011. *Influence of employee compensation on organizational commitment and job satisfaction: A case study of educational sector of Pakistan.* International Journal of Business and Social Science, 2(8).

Neog, B., and Barua, M., 2015. Factors Affecting Employee’s Retention in Automobile Service Workshops of Assam: An Empirical Study. *The SIJ Transactions on Industrial, Financial & Business Management (IFBM)*, 3(1), pp.9-18.

Neog, B.B. and Barua, M. (2015) *‘Factors Affecting Employee’s Retention in Automobile Service Workshops of Assam: An Empirical Study’. The Standard*

International Journals. 3(1) pp.9-18 [Online] Available at: http://www.thesij.com/papers/IFBM/2015/January/IFBM-03010030102.pdf [Accessed: 6 June, 2018].

Newman, A, Thanacoody, R, and Hui, W., 2012. *The effects of perceived organizational support, perceived supervisor support and intra-organizational network resources on turnover intentions: A study of Chinese employees in multinational enterprises. Personnel Review*, 41(1), pp.56 – 72.

Noordin, F. and Jusoff, K., 2010. *Individualism-collectivism and job satisfaction between Malaysia and Australia. International Journal of Educational Management,* 24(2), pp.159-174.

Oladapo, V., 2014. The impact of Talent Management on Retention. *Journal of Business Studies Quarterly,* 5(3), p. 10.

Oracle, 2012. *Talent Retention: Six Technology-Enabled Best Practic*es. [Online] Available at: <http://www.oracle.com/us/media1/talent-retention-6-best-practices-1676595.pdf> [Accessed: 13 July, 2018].

Oscar, W. D., Kara, A., and Kaynak, E., 2005. Determinants of business students' satisfaction and retention in higher education: applying Herzberg's two-factor theory. *International Journal of Educational Management*, 19(2): pp.128-139.

Pallant, J., 2011. *SPSS Survival Manual.* 4th ed. New South Wales: Allen & Unwin.

Patra, S. and Singh, V.P. (2012) *The Challenge of Retaining Employees: Employee Engagement, Reducing Cynicism and Determinants of Employee Retention.* Global J. of Arts & Mgmt. 2(1) pp. 53-60 [Online] Available at: <http://search.proquest.com.libezp.utar.edu.my/pqdtglobal/index?accounti >d=50 207 [Accessed: 6 June, 2018].

Rajesh Singh. 2016. *The Impact of Intrinsic and Extrinsic Motivators on Employee Engagement in Information Organizations. J. of Education for Library and Information Science,* Vol. 57, No. 2.

Raju, P. V. L., 2004. Talent Magnet: How to Attract and Retain Star Employees. *HRM Review*, pp.11-13.

Razzaq Leung, W. C., 2001. *How to design a questionnaire?* [Online] Available at: <http://www.dpcdsb.org/NR/rdonlyres/138975AC-B110-4D1E-902F-81C8E69BF9A0/107060/How_to_design_a_questionnaire.pdf>. [Accessed: 6 June, 2018].

Reynolds, L. (2014) *Retaining Workers in 2014 Requires A Clear Talent-Retention Strategy, Counteroffer Guide*. BNA. Available at: <http://www.bna.com/retaining-workers-2014-n17179881224/> [Accessed: 6 June, 2018].

Rosato, D. (2015) Millennials Want Work-Life Balance Too. Here's How They Can Get It. Time Inc. Available at:< http://time.com/money/3859182/millennials-work-life-balance-2/> [Accessed: 6 June, 2018].

Samuel, M. and Chipunza, C., 2009. Employee retention and turnover: Using motivational variables as a panacea. *African Journal of Business Management,* 3(8), pp.410-415.

Samuel, M.O. and Chipunza, C. (2010) '*Employee retention and turnover: Using motivational variables as a panacea'. African Journal of Business Management*. 3(8) pp. 410-415.

Sanjeevkumar, V. (2012) '*A Study on Employee's Intention to Stay in PublicCompanies, Kedah, Malaysia'. International Journal of Business Economics & Management Research*. 2(4) pp.91-101 [Online] Available at:

<http://zenithresearch.org.in/images/stories/pdf/2012/April/ZIJBEMR/6_ZIB_VOL2_ISSUE4.pdf> [Accessed: 6 June, 2018].

Saunders, M. N. K., Lewis, P., and Thornhill, A., 2012. *Research methods for business students*, 6edn Harlow, England: Pearson Education.

Sekaran, U., and Bougie, R., 2016. *Research Methods for business: A skill building approach*. 7th ed. New Delhi: John Wiley and Sons.

Shakeel, N. and Butt, S. (2015) 'Factors Influencing Employee Retention: An Integrated Perspective'. Journal of Resources Development and Management. 6(1) pp. 32-49 [Online] Available at: http://iiste.org/Journals/index.php/JRDM/article/view/20390/20793 [Accessed: 13 July, 2018].

Shakeel, N. and Butt, S. (2015) *'Factors Influencing Employee Retention: An Integrated Perspective'. Journal of Resources Development and Management*. 6(1) pp. 32-49 [Online] Available at: <http://iiste.org/Journals/index.php/JRDM/article/view/20390/20793> [Accessed: 6 June, 2018].

Shan, S., Wu, W., Wang, W., Du, H., Gao, X. and Jiang, A., 2012. *Constructing minimum interference connected dominating set for multi-channel multi radio multi hop wireless network.* International Journal of Sensor Networks, 11(2), pp.100-108

Shoaib, M., Noor, A., Tirmizi, S., and Bashir, S., 2009. Determinants of Employee Retention in Telecom Sector of Pakistan. *Proceedings 2nd CBRC*, Lahore, Pakistan.

Singh, P., and Loncar, N., 2010. Pay Satisfaction, Job Satisfaction and Turnover Intent. *Département des relations industrielles*. Université Laval, 65(3), pp.470–490.

Sinha, C., and Sinha, R., 2012. Factors Affecting Employee Retention: A Comparative Analysis of two Organizations from Heavy Engineering Industry. *European Journal of Business and Management,* 4(3), pp.145-162.

Smith, A., Oczkowski, E., and Smith, C. S., 2011. To have and to hold: Modelling the drivers of employee turnover and skill retention in Australian organisations. *The International Journal of Human Resource Management*, 22(2), pp.395–416.

Spencer, C. (2015) *Employee Retention: Keeping Your Employees in 2015. Bershire Associates*. Available at: http://info.berkshireassociates.com/balanceview/employee-retention- retain-your-employees-in-2015 [Accessed: 13 July, 2018].

Stone, D., and Deadrick, D., 2015. Challenges and opportunities affecting the future of human resource management. *Human Resource Management Review*, 25(2), pp.139-145.

Strand, V.C. and Dore, M.M. (2010) '*Job satisfaction in a stable state child welfare workforce: Implications for staff retention'. Children and Youth Services Review.* 31(2010) pp. 391-397 [Online] Available at: www.elsevier.com/locate/childyouth [Accessed: 6 June, 2018].

Sunil, R., 2014. A review of employee motivation theories and their implications for employee retention within the organization. *Journal of American Academy of Business,* 5(1), p. 52.

Tangthong, S., Trimetsoontorn, J., and Rojniruntikul, N., 2014. HRM Practices and Employee Retention in Thailand—A Literature Review. *International Journal of Trade, Economics and Finance*, 5(2), pp.162-166.

Terera, S. R., and Ngirande, H., 2014. The Impact of Training on Employee Job Satisfaction and Retention among Administrative Staff Members: A Case of a Selected Tertiary Institution. *Journal of social science studies,* 39(1), pp.43-50.

Tower Watson (2014) 2014 Global M&A Retention Survey Report: How Companies Use Retention Agreements to Keep Top Talent [Online] Available at: https://www.towerswatson.com/en-PH/Insights/IC-Types/Survey-Research-Results/2014/10/2014-global-ma-retention-survey-report [Accessed: 6 June, 2018].

Umamaheswari, S. and Krishnan, J. (2015) *'Retention Factors and Their Relative Significance in Ceramic Manufacturing Industries in India'. Asian Social Science*. 11(13) pp.260-268 [Online] Available at: http://www.ccsenet.org/journal/index.php/ass/article/viewFile/48886/26249 [Accessed: 6 June, 2018].

Vaiman, V., Scullion, H., and Collings, D., 2012. Talent management decision making, *Management Decision*, 50(5), pp.925 – 941.

Vargo, S. L., and Lusch, R. F., 2004. Evolving to a new dominant logic for marketing. *Journal of Marketing*, 68(1), pp.1-17.

Vnoučková, L., and Klupáková, H., 2013. Impact of motivation principles on employee turnover. *Ekonomická revue - Central European Review of Economic Issues*, 16(2), pp.79-92.

Voon, M.L., Lo, M.C., Ngui, K.S. and Ayob, N.B., 2011. The influence of leadership styles on employees' job satisfaction in public sector organizations in Malaysia. International Journal of Business, Management and Social Sciences, 2(1), pp.24-32.

Vrajlal, S., and Patel, S., 2013. Business Ethics & Employee Turnover: CAFE Matrix.

International Journal for Research in Management and Pharmacy, 2(4).

Wagner, S., 2000. Retention: Finders, Keepers. *Training and Development*, 54(8), p.64.

Waissman, J. (2015*) Why Pay Workers More? An Economist's Guide to Efficiency Wages. Economics.* Available at: http://economics.about.com/od/factor-markets/a/The-Efficiency-Wage-Theory.htm [Accessed: 6 June, 2018].

Waleed, A., 2011. The Relationship between Human Resource Practices and Employee Retention in Public Organisations: An Exploratory Study Conducted in the United Arab Emirates. *Ph.D Thesis*, *Edith Cowan University*.

Yamamoto, H., 2013. The relationship between employees' perceptions of human resource management and their retention: from the viewpoint of attitudes toward job-specialties. *The International Journal of Human Resource Management,* 24(4), pp.747-767.

Zachariah, M., and Roopa, T.N., 2012. A Study on Employee Retention Factors Influencing IT Professionals of Indian IT Companies and Multinational Companies in India. *Interdisciplinary Journal of Contemporary Research in Business,* 4(7), pp.449-466.

Zareen, M., Razzaq, K., and Ramzan, M., 2013. Impact of employee retention on performance: the moderating role of employee psychological perception towards retention plan. *Institute of Interdisciplinary Business Research*, 4(10).

Zhao, X., Qu. H., and Ghiselli. R., 2011. Examining the relationship of work-family conflict to job and life satisfaction: A case of hotel sales managers*. International journal of hospitality management*, 30(1), pp.46-54.

Zopiatis, A., Constanti, P., and Theocharous, A. L., 2014. Job involvement, commitment, satisfaction and turnover: Evidence from hotel employees in Cyprus. *Tourism Management,* 41, pp.129-140.

Zopiatis, A., Constanti, P., and Theocharous, A. L., 2014. Job involvement, commitment, satisfaction and turnover: Evidence from hotel employees in Cyprus. *Tourism Mana* Abercromby *ement,* 41, pp.129-140.

APPENDIX

APPENDIX A: RESEARCH QUESTIONNAIRE

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

I am DONG QI (ID: I14005318) and currently doing my postgraduate program in the Master of Business Administration at INTI International University, Malaysia. As partial fulfillment for the completion of this program, I am conducting a research on:

Employee Retention in the Tourist Industry of China.

This research complies with the Ethics protocols at INTI International University, Malaysia. Any information that I collect will be treated confidentially and the anonymity of the respondent will be preserved. I will be very grateful if you would complete the enclosed questionnaire which should take approximately ten (5) minutes. Furthermore, be aware that participation is absolutely voluntary and that participants have the option to refuse participation or withdraw at anytime.

Thank you in anticipation for your cooperation.

This survey is carried out on voluntary basis. Please tick the following and proceed with questionnaire if you agree to take this survey.

I Agree ☐

Yours faithfully,

DONG QI

SECTION A - [Demographic Factors]

Please tick '√' in the box which contains most appropriate answer of your choice.

1 – Gender:

a) Male ☐

b) Female ☐

2 – Age: ☐

a) 21 - 30 years ☐

b) 31 - 40 years ☐

c) 41 - 50 years ☐

d) above 51 years ☐

3 – Length of Service (Tenure) ☐

a) Below 3 years ☐

b) 3 to 5 years ☐

c) 6 to 10 years ☐

d) 11 to 15 years ☐

e) Above 16 years ☐

4 – Total Salary in Chinese Currency (RMB):

a) Below 3500RMB

b) 3500 – 6000RMB

c) 6001 – 10000RMB

d) Above 10000RMB

SECTION B

The scale is given below:

1	2	3	4	5
Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**

I – Employee Retention

Listed below are the series of statements that represents feelings that you may have about your **intention to stay**. There are no right or wrong answers. Your responses will be treated as strictly confidential.

Instruction: Please tick (√) in the box with relevant information.

#	Statement	1	2	3	4	5

B1	I do not intend to quit my job within the short term.					
B2	I am unlikely to look for different organization to work in the short term.					
B3	I will not leave my current company even I get a more attractive salary.					
B4	I am likely to complete my career with this organization.					

SECTION C

II – Retention Factors

Listed below are the series of statements that represents feelings that you may have about **job satisfaction, work life balance** and **compensation**. There are no right or wrong answers and it will be treated as strictly confidential.

Instruction: Please tick (√) in the blank with relevant information.

#	Statement	1	2	3	4	5

C1.1	I am satisfied with the support and recognition I receive from co-workers.					
C1.2	I am satisfied that my job allows me to continuously learn and improve myself.					
C1.3	I am satisfied with the support and encouragement given by my superior.					
C1.4	Overall, I am satisfied with my job.					
C2.1	My supervisor supports me in balancing the demands of my job with my personal life.					
C2.2	Stress from work is acceptable, and I can balance my job with my family.					
C2.3	Stress from work is within manageable levels to enable me to form friendships.					
C2.4	Overall, my job provides me with the required work-life balance.					
C3.1	Compensation package offered by my organization is very attractive.					
C3.2	Compensation package offered by the organization motivates for better employee performance.					

C3.3	The company's overall compensation and rewards systems is fair and equitable.					
C3.4	Overall, I would work in a company which offers better compensation package.					

T H A N K Y O U

APPENDIX B: SPSS OUTPUT FOR PILOT TEST

KMO and Bartlett's Test for DV

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.727
Bartlett's Test of Sphericity	Approx. Chi-Square	170.090
	df	6
	Sig.	.000

KMO and Bartlett's Test for IVs

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.805
Bartlett's Test of Sphericity	Approx. Chi-Square	490.994
	df	66
	Sig.	.000

Reliability Statistics for DV

Cronbach's Alpha	N of Items
.914	4

Reliability Statistics for job satisfaction

Cronbach's Alpha	N of Items
.910	4

Reliability Statistics for work life balance

Cronbach's Alpha	N of Items
.915	4

Reliability Statistics for compensation

Cronbach's Alpha	N of Items
.723	4

Reliability Statistics for all variables

Cronbach's Alpha	N of Items
.944	16

APPENDIX C: SPSS OUTPUT FOR PRELIMINARY DATA ANALYSIS: FACTOR ANALYSIS

Independent variable 1: job satisfaction

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.867
Bartlett's Test of Sphericity	Approx. Chi-Square	1351.574
	df	6
	Sig.	.000

Communalities

	Initial	Extraction
JS1	1.000	.837
JS2	1.000	.925
JS3	1.000	.904
JS4	1.000	.876

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.542	88.546	88.546	3.542	88.546	88.546
2	.225	5.627	94.173			
3	.136	3.395	97.568			
4	.097	2.432	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix[a]

	Component
	1
JS1	.915
JS2	.962
JS3	.951
JS4	.936

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Independent variable 2: work life balance

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.872
Bartlett's Test of Sphericity	Approx. Chi-Square	1367.496
	df	6
	Sig.	.000

Component Matrix[a]

	Component
	1
WL1	.912
WL2	.960
WL3	.944
WL4	.952

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Communalities

	Initial	Extraction
WL1	1.000	.832
WL2	1.000	.921
WL3	1.000	.891
WL4	1.000	.907

Extraction Method: Principal Component Analysis.

Total Variance Explained

	Initial Eigenvalues			Extraction Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.551	88.769	88.769	3.551	88.769	88.769
2	.222	5.551	94.320			
3	.129	3.229	97.550			
4	.098	2.450	100.000			

Extraction Method: Principal Component Analysis.

Independent variable 3: compensation

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.774
Bartlett's Test of Sphericity	Approx. Chi-Square	894.654
	df	6
	Sig.	.000

Communalities

	Initial	Extraction
CM1	1.000	.912
CM2	1.000	.864
CM3	1.000	.842
CM4	1.000	.263

Extraction Method: Principal Component Analysis.

Component Matrix[a]

	Component
	1
CM1	.955
CM2	.929
CM3	.918
CM4	.513

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.881	72.023	72.023	2.881	72.023	72.023
2	.812	20.300	92.323			
3	.204	5.110	97.433			
4	.103	2.567	100.000			

Extraction Method: Principal Component Analysis.

Dependent variable: employee retention

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.770
Bartlett's Test of Sphericity	Approx. Chi-Square	685.917
	df	6
	Sig.	.000

Communalities

	Initial	Extraction
ER1	1.000	.687
ER2	1.000	.737
ER3	1.000	.713
ER4	1.000	.807

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.944	73.600	73.600	2.944	73.600	73.600
2	.554	13.856	87.456			

3	.297	7.432	94.888			
4	.204	5.112	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix[a]

	Component
	1
ER1	.829
ER2	.859
ER3	.844
ER4	.898

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

APPENDIX D: RELIABILITY TEST

Reliability Statistics for Employee retention

Cronbach's Alpha	N of Items
.877	4

Reliability Statistics for Job satisfaction

Cronbach's Alpha	N of Items
.957	4

Reliability Statistics for work life balance

Cronbach's Alpha	N of Items
.955	4

Reliability Statistics for compensation

Cronbach's Alpha	N of Items
.851	4

Reliability Statistics for all variables

Cronbach's Alpha	N of Items
.964	16

APPENDIX E: RESULT OF TURNITIN

FYP

ORIGINALITY REPORT

7%	4%	1%	6%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	Submitted to Republic of the Maldives Student Paper	1%
2	www.thesij.com Internet Source	1%
3	Submitted to Taylor's Education Group Student Paper	1%
4	Submitted to Laureate Education Inc. Student Paper	1%
5	usir.salford.ac.uk Internet Source	<1%
6	Submitted to KDU College Sdn Bhd Student Paper	<1%
7	Submitted to Asia e University Student Paper	<1%
8	Submitted to Eiffel Corporation Student Paper	<1%
9	Submitted to Segi University College Student Paper	<1%

10	Submitted to Universiti Teknologi MARA Student Paper	<1%
11	Submitted to University of New York in Tirana Student Paper	<1%
12	Submitted to University of Sunderland Student Paper	<1%
13	Submitted to DeVry University Onlline Student Paper	<1%
14	journal-archieves8.webs.com Internet Source	<1%
15	Submitted to Universiti Sains Malaysia Student Paper	<1%
16	Submitted to University of Northampton Student Paper	<1%
17	eprints.usq.edu.au Internet Source	<1%
18	Submitted to London School of Marketing Student Paper	<1%
19	Submitted to CVC Nigeria Consortium Student Paper	<1%
20	Submitted to University of Witwatersrand Student Paper	<1%
21	Submitted to School of Business and	<1%

APPENDIX F: PRESENTATION SLIDES

Employee retention in tourist industry of China

Name:DONG QI

Student ID:i14005318

Under the Guidance of:

Umi Kalsom

Agenda

- Introduction
- Problem Statement
- Research Questions and Objectives
- Significance of Study – will not provide due to slide number and time limitations
- Literature Review – will not provide due to slide number and time limitations (supervisor has reviewed)
- Gaps Identified
- Theoretical Framework
- Research Methodology
- Pilot test
- Preliminary test
- Hypothesis test
- Discussion of key findings
- Recommendation
- Contribution
- Future research
- Q & A

Introduction / Background of Study

- The Turnover become a serious issue perplex many organizations because it influence internal organization and also external stakeholders (Shakeel and Sahar, 2015).
- According to Oracle (2012) conducted a researcher for 100 CEOs, there are 97% out of respondents strongly agree with attract and retain talent employee will help the organization to achieve long-term competitive advantage, thereby enhancing the organization sustainable growth.
- Therefore, the objective of this research will be identifying whether work life balance, job satisfaction and compensation influence employee retention in tourist industry of China with deeper understanding.

Problem Statement

- The rate of high employee turnover was the major issue faced by organizations, employee retention has been established by many researchers in the past as a strategy to retain employees (Awan, 2013; Brown et al., 2013; Sinha and Sinha, 2012; Zachariah and Roopa, 2012).
- Especially in tourist industry of China, According to Ren (2014) stated that the average turnover rate of employee is above 25% in tourist industry, some of the organization the turnover rate are over 50%.
- Meanwhile, because of the previous work experience in Tourist Company of China, the researcher clearly knew the seriousness of the high turnover rate. Hence, this paper gives the researcher a chance to explore the reason that why employees leave the organizations so often and to ascertain the relationship between retention factors and employee retention in the tourist industry of China.

Research Objectives & Research Questions

The objectives of this research is to ascertain the relationship between employee retention factors and employee intention to stay in tourist industry of China. The key purpose is to understand the factors of employee retention and willingness of employees to stay in tourist industry of China.

RO1: To identify whether **work life balance** influence employee retention in tourist industry of China.		RQ1: Will **work life balance** influence Employee retention in tourist industry of China?
RO2: To identify whether **compensation** influence employee retention in tourist industry of China.	➡	RQ2: Will **compensation** influence Employee retention in tourist industry of China?
RO3: To identify whether **job satisfaction** influence employee retention in tourist industry of China.		RQ3: Will **job satisfaction** influence Employee retention in tourist industry of China?

Literature Review

Author and year	Findings	DV	IV
Ashdown, L., 2014	It is very important that organizations retain their employees, especially the good and experienced ones	√	
Yamamoto, H., 2013	retention is 'maintaining, holding, continuation, and preventing from leaving' and the new meaning in business administration is 'securing employees in a company	√	
Tan (2014)	Employee retention is the process on which the employees are attached maximum of the period of time or until completion of the company project	√	
Ashdown, L., 2014	It is significant action for the organization to retain the good performance employees	√	
Butali, Mamuli and Wesang'ula , 2013	customers do not feel positive dealing with an organization which is unable to keep their employees	√	
Kwon and Rupp, 2013	constant high turnover rate creates disturbances and increased workloads in remaining present employees	√	
Neog and Barua, 2015	Employee retention as the policies and practices organizations use to avoid precious employees from quitting their jobs	√	
Vrajlal and Patel, 2013	employee retention is best organizational practices	√	
Das, 2013	organizations today take great care in retaining its valuable employees and good employees	√	
Dessler, 2013	hiring new employees are far complicated as well as costlier than to remain the present employees in the organization	√	
Gurumani, 2010	it is the responsibility of the employer to retain their best employees	√	
Patra and	in some studies as well the method of retaining resources	√	

Gaps of Study

- Many studies have conducted research on employee retention in different industries such as such as manufacturing (Patah, Abdullah, Naba et. al., 2010; Saeed et el., 2014; Van, 2001) and **limited research on employee retention in tourist industry of China. In the term of industry, there are limited studies on tourism company consultancy forms in China,** which means that the industry needs to conduct relevant studies by providing guidance for the management of tourist industry companies. Therefore, this study has academic gaps in this area. Through this study, it will help the business owner in tourist industry of China by proving the information that needed to understand on the factors influence employee retention.

Conceptual Framework

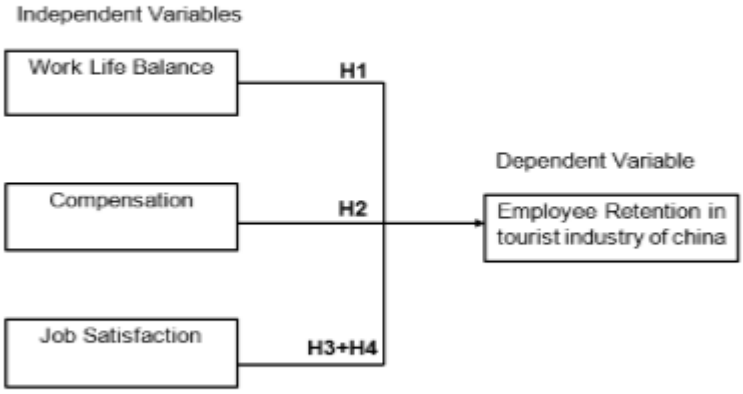


Figure 2.3 Conceptual Framework

Hypotheses

RO1: To confirm whether work life balance influence employee retention in tourist industry of China.	RQ1: Will work life balance influence Employee retention in tourist industry of China?	H1: There is a significant relationship between **job satisfaction and employee retention** in the tourist industry of China.
RO2: To confirm whether compensation influence employee retention in tourist industry of China.	RQ2: Will compensation influence Employee retention in tourist industry of China?	H2: There is a significant relationship between **work-life balance and employee retention** in the tourist industry of China.
RO3: To confirm whether job satisfaction influence employee retention in tourist industry of China.	RQ3: Will job satisfaction influence Employee retention in tourist industry of China?	H3: There is a significant relationship between **compensation and employee retention** in the tourist industry of China.
		H4: **Job Satisfaction has the highest significant relationship with employee retention** in the tourist industry of China

Research Methodology

	Details	Citations
Purpose of Study	Descriptive research	Saunders (2012)
Type of Investigation	Quantitative based Correlations design	Zikmund, Babin, & Carr et. al. (2012)
Extent of researcher interference	Minimal	Cooper & Schindler (2014)
Study Setting	Non-contrived	Alkassim, Etikan and Musa (2016)
Time Horizon	Cross-sectional	Cooper & Schindler (2014)
Target Population	1.5 million employees working at tourist industry of China	National bureau (2018)
Sample size	385,300 used to do data analysis	Krejcie and Morgan (1970)
Sampling Procedure	Convenience sampling-non probability	Vaus, (2015)
Data collection	Online Questionnaire	Sekaran and Bougie (2016)

Data Analysis Techniques and Tools

Tests	Function	Rule of thumb	Citation
Factor Analysis (Pilot & Preliminary test)	To identify a reduced number of factors from a larger number of measured variables (Hair et al, 2014) • KMO + Factor loading • Eigenvalue	• KMO Bartlet sphericity and Loadings >0.6 (Hair et al, 2014) • Higher than 1 valid factor	Zikmund et al., (2013)
Reliability Test (Pilot & Preliminary test)	To evaluate the internal consistency and stability of the measurement.	Cronbach alpha between 0.70 and 0.90 (Hair et al, 2010)	Sekaran and Bougie, (2016)
Correlation matrix (pilot test)	The correlation matrix is mainly to test whether there is close correlation between the dependent variable and the independent variable	DV must correlation IVs must no correlation	(Nawab and Bhatti, 2011)
Hypotheses testing (multiple regression)	Multiple regression analysis is applied to the development of equation in estimating the self-weighting which indicates the values for a reliable variable out of the values of standalone variables.	R^2>0.5 which means IVs is support DV.	(Cooper and Schindler, 2014)
Beta coefficient	β coefficient stands for the estimation of the linear association s strength and the tendency between ratio and interval variables.	Range between 1 to -1 The higher the better IV influence on DV	Brunnermeier et al . (2017)

Summary of Proposed Questionnaire Items adaptation from previous studies

Section	Items	No. of Questions	Reference
A	Demographic Profile	4	Milman (2003); Hooi (2007)
B(Independent Variables)	Work-life balance	4	Netemeyer et al. (1996); Clark (2002); Milman (2003); Toit and Coetzee (2012); Wu et al. (2013); George (2015)
	Job satisfaction	4	Milman (2003)
	Compensation	4	Luscombe, Lewis and Biggs (2012); Johnco et al (2014); Khoo (2014); George (2015)
C(Dependent Variable)	Employee retention	4	Kalbers and Cenker (2007); Nouri and Parker (2013); Khoo (2014); Robinson et. al. (2014)

Pilot Test

- Using 40 respondents from tourist industry of China.
- Pilot test sample size will not test for preliminary test again.
- Test for KMO and factor analysis, Reliability test

KMO and Bartlett's Test for DV		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.727
Bartlett's Test of Sphericity	Approx. Chi-Square	170.090
	df	6
	Sig.	.000

KMO and Bartlett's Test for IVs		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.805
Bartlett's Test of Sphericity	Approx. Chi-Square	490.994
	df	66
	Sig.	.000

Factor analysis (pilot test)

Items	Initial	Extraction
I do not intend to quit my job within the short term.	1.000	.705
I am unlikely to look for different organization to work in the short term.	1.000	.856
I will not leave my current company even I get a more attractive salary.	1.000	.868
I am likely to complete my career with this organization.	1.000	.737
I am satisfied with the support and recognition I receive from co-workers.	1.000	.869
I am satisfied that my job allows me to continuously learn and improve myself.	1.000	.788
I am satisfied with the support and encouragement given by my superior.	1.000	.695
Overall, I am satisfied with my job.	1.000	.743
My supervisor supports me in balancing the demands of my job with my personal life.	1.000	.750
Stress from work is acceptable, and I can balance my job with my family.	1.000	.832
Stress from work is within manageable levels to enable me to form friendships.	1.000	.821
Overall, my job provides me with the required work-life balance.	1.000	.806
Compensation package offered by my organization is very attractive.	1.000	.940
Compensation package offered by the organization motivates for better employee performance.	1.000	.885
The company's overall compensation and rewards systems is fair and equitable.	1.000	.888
Overall, I would work in a company which offers better compensation package.	1.000	.713

Reliability test (Pilot Test)

Variables	Cronbach's Alpha	Number of Items
Job Satisfaction (Independent variable)	0.910	4
Work Life Balance (Independent variable)	0.915	4
Compensation (Independent variable)	0.723	4
Employee Retention (Dependent variable)	0.914	4
All Variables	0.944	16

Demographic

Demographic	Categories	Frequency n = 300	Percentage (%)
Gender	Male	95	31.7
	Female	205	68.3
Age	21-30 years	93	30.9
	31-40 years	121	40.3
	41-50 years	81	27.0
	Above 51 years	5	1.7
Length of Services (Tenure)	Below 3 years	102	33.9
	3 to 5 years	77	25.7
	6 to 10 years	65	21.7
	11 to 15 years	38	12.7
	Above 16 years	1	6
Monthly Salary (RMB)	Below 3500 RMB	191	63.5
	3500 – 6000 RMB	79	26.2
	6001 – 10000 RMB	12	4.0
	Above 10000 RMB	18	6.0

Preliminary data analysis

- Factor analysis for each of variables

Variables	Number of questions	Communalities (>0.5)	Component matrix (>0.40)	Overall KMO Measure of adequacy (>0.60)	Barlett's significance (p < 0.05)
Job Satisfaction	4	0.837 > 0.925	0.915 > 0.936	0.867	0.000
Work Life Balance	4	0.832 > 0.921	0.912 > 0.960	0.872	0.000
Compensation	4	0.563 > 0.912	0.513 > 0.955	0.774	0.000
Employee retention in Tourist industry of China	4	0.687 > 0.807	0.829 > 0.898	0.770	0.000

Total Variance Explained employee retention

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.944	73.600	73.600	2.944	73.600	73.600
2	.554	13.856	87.456			
3	.297	7.432	94.888			
4	.204	5.112	100.000			

Extraction Method: Principal Component Analysis.

Total Variance Explained job satisfaction

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.542	88.546	88.546	3.542	88.546	88.546
2	.225	5.627	94.173			
3	.136	3.395	97.568			
4	.097	2.432	100.000			

Extraction Method: Principal Component Analysis.

Total Variance Explained work life balance						
	Initial Eigenvalues			Extraction Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.551	88.769	88.769	3.551	88.769	88.769
2	.222	5.551	94.320			
3	.129	3.229	97.550			
4	.098	2.450	100.000			
Extraction Method: Principal Component Analysis.						

Total Variance Explained compensation						
	Initial Eigenvalues			Extraction Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.881	72.023	72.023	2.881	72.023	72.023
2	.812	20.300	92.323			
3	.204	5.110	97.433			
4	.103	2.567	100.000			
Extraction Method: Principal Component Analysis.						

Reliability test

Variables	Cronbach's Alpha	Number of Items
Job Satisfaction (Independent variable)	0.957	4
Work Life Balance (Independent variable)	0.955	4
Compensation (Independent variable)	0.850	4
Employee Retention (Dependent variable)	0.880	4
All Variables	0.964	16

Hypothesis analysis (multiple regression)

- Review the Hypothesis

Hypothesis 1:	There is a significant relationship between job satisfaction and employee retention in tourist industry of China.
Hypothesis 2:	There is a significant relationship between work-life balance and employee retention in tourist industry of China.
Hypothesis 3:	There is a significant relationship between compensation and employee retention in tourist industry of China.
Hypothesis 4:	Job Satisfaction has the highest significant relationship with employee retention in the tourist industry of China.

Hypothesis analysis (multiple regression)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.871[a]	.758	.756	.44410	1.871

a. Predictors: (Constant), JSA, CMA, WLA

b. Dependent Variable: ERA

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	182.998	3	60.999	309.285	.000[b]
	Residual	58.379	296	.197		
	Total	241.377	299			

a. Dependent Variable: ERA

b. Predictors: (Constant), JSA, CMA, WLA

Hypothesis analysis (multiple regression)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.295	.141		2.090	.037		
	JSA	.543	.074	.541	7.336	.000	.151	6.644
	WLA	.209	.077	.195	2.726	.007	.160	6.254
	CMA	.169	.044	.179	3.887	.000	.383	2.609

a. Dependent Variable: ERA

Hypothesis 1: Accepted	There is a significant relationship between job satisfaction and employee retention in tourist industry of China.
Hypothesis 2: Accepted	There is a significant relationship between work-life balance and employee retention in tourist industry of China.
Hypothesis 3: Accepted	There is a significant relationship between compensation and employee retention in tourist industry of China.
Hypothesis 4: Accepted	Job Satisfaction has the highest significant relationship with employee retention in tourist industry of China.

Discussion on findings

- **Objective 1**: To investigate the relationship between retention factors and employee retention in the tourist industry of China.
- **Hypothesis 1**: there is a significant relationship between job satisfaction and employee retention in tourist industry of China.
- This result coincides with the previous studies determined that Employees with positive experience related to job satisfaction were less likely to leave the company.
- **Hypothesis 2:** There is a significant relationship between work life balance and employee retention in tourist industry of China.
- This result in a line with Neog and Barua (2015), previous researches like Shoaib et al. (2010) had come up with the viewpoint that of employees have the right to use work life policies, employee will have greater organizational commitments, and these employees will express their willingness with lower turnover intention.
- **Hypothesis 3:** There is a significant relationship between compensation and employee retention in tourist industry of China.
- This research aligned with the Allen et al. (2010), compensation packages are key factor influencing employee attraction and retention while in the recruitment process.

Discussion on findings

- **Objective 2:** To identify the most significant factor that influence the employee's intention to stay in tourist industry of China.
- **Hypotheses 4**: Job Satisfaction has the highest significant relationship with employee retention in the tourist industry of China.
- As previous study mentioned that the other factors such as compensation, work life balance are all related to job satisfaction. For example, study of Malaysian hospital staff found that respondents were satisfied with the six aspects of job satisfaction (supervisor support, colleagues, compensation, management policies, job diversity, and pay) and their lower intention to leave (Alam and Mohammad, 2010). Later, studies by Juhdi, Pa'wanb and Hansaram (2013) also supported this view.

  Hence, the first and second objectives of this research are achieved.

Contributions

- **Contribution to the Academia**
- From review other research papers found that many researchers conducted the research on topic related to employee retention.
- there are limited research on employee retention in tourist industry of China. Hence, the findings from this research can be of help to the academic community as it fills a gap in the tourist industry of between retention factors and employee retention of China.
- the framework established by this study is great significance to other researchers in future studies or similar studies
- **Contribution to the Industry**
- The results of this study can be used for reference by employers or managers in the human resources department of tourist industry.
- The managers could use some of the findings when implementing strategies that focus on retaining employees.

Recommendations

- At first, in terms of job satisfaction, according to the opinion from most of interviewees, every organization must have an on-job interview policy other than exit interview.
- Secondly, work life balance is also the factor that managers should be considered. Work life balance such as the allocation of time and energy between health activities, hobbies, and other non-work needs.
- The key to retaining employees in the service industry lies in the degree to which the company provides fair compensation, including transparency and the compensation based on effort and performance

Future research

- only looking for employee with skills and high performance which could have a more valuable impact on the study.
- the relationship between job satisfaction and employee retention rate is the most significant. Therefore, the future study could focus on each factor to better and fully understand the influence of job satisfaction on employee retention.
- research the moderators such as generation, gender, and location in older to analyze the difference in behaviors between these groups.
- quantitative methods limit the answers and respondents' opinions, so future research can also focus on qualitative methods to collect details of job satisfaction and retention. may give different views on the actual factors leading to high turnover of Chinese talent.

Feedback for
Enhancement
Thank you

APPENDIX G: PROJECT PAPER LOG

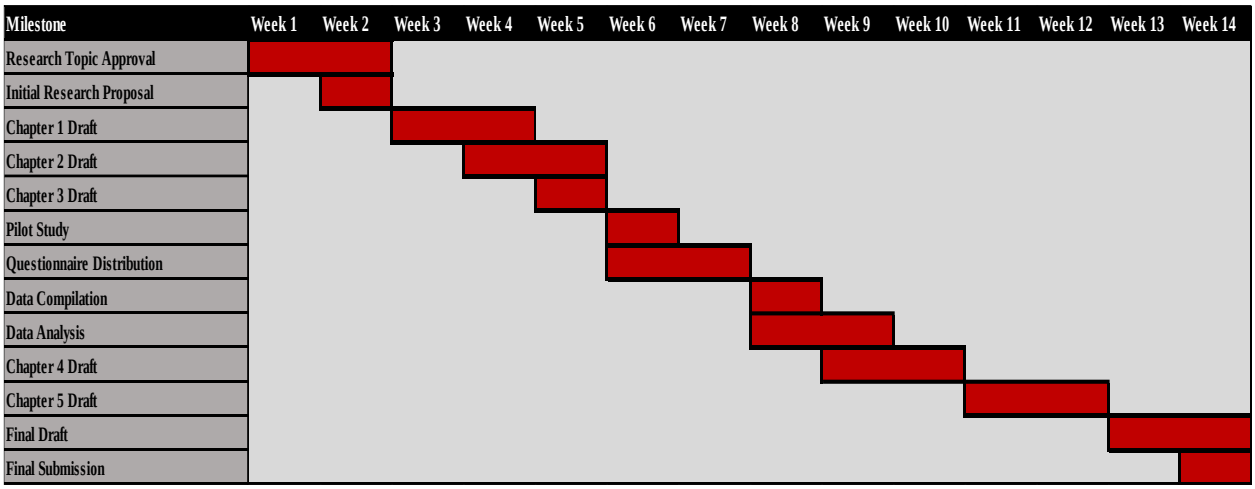
PROJECT PAPER LOG

This is an important document, which is to be handed in with your dissertation. This log will be taken into consideration when awarding the final mark for the dissertation.

Student Name:	DONG QI
Supervisor's Name:	UMI KALSOM
Dissertation Topic: Employee retention in tourist industry of China	

SECTION A. MONITORING STUDENT DISSERTATION PROCESS

The plan below is to be agreed between the student & supervisor and will be monitored against progress made at each session.



SECTION B. RECORD OF MEETINGS

The expectation is that students will meet their supervisors up to seven times and these meetings should be recorded.

Meeting 1

Date of Meeting	21/9/2018
Progress Made	Kick- off meeting
Agreed Action	Review & Enhance IRPP
Student Signature	DONG QI
Supervisor's Signature	

Meeting 2

Date of Meeting	6/10/2018
Progress Made	Check chapter 1-3
Agreed Action	Wait for feedback and enhance chapter 1 - 3
Student Signature	DONG QI
Supervisor's Signature	

Meeting 3

Date of Meeting	10/10/2018
Progress Made	Revise Chapter 1-3
Agreed Action	Revise Chapter 1-3 and prepare Proposal Defense Slides
Student Signature	DONG QI
Supervisor's Signature	

Meeting 4

Date of Meeting	15/10/2018
Progress Made	Preparing & Review Chapter 1-3
Agreed Action	Prepare Proposal Defense Slides
Student Signature	DONG QI
Supervisor's Signature	

Meeting 5

Date of Meeting	25/10/2018
Progress Made	Proposal Defense
Agreed Action	Enhance Research & Defense Proposal Feedback from panel, Enhance on Chapter 1-3
Student Signature	DONG QI
Supervisor's Signature	

Meeting 6

Date of Meeting	29/10/2018
Progress Made	Adjustment from panel feedback
Agreed Action	Finalize questionnaire
Student Signature	DONG QI
Supervisor's Signature	

Meeting 7

Date of Meeting	16/11/2018
Progress Made	Pilot test checking
Agreed Action	Distribute questionnaire
Student Signature	DONG QI
Supervisor's Signature	

Meeting 8

Date of Meeting	19/11/2018
Progress Made	Distributed questionnaire
Agreed Action	Collect data using SPSS analysis
Student Signature	DONG QI
Supervisor's Signature	

Meeting 9

Date of Meeting	20/11/2018
Progress Made	Enhance Chapter 4-5
Agreed Action	Wait feedback
Student Signature	DONG QI
Supervisor's Signature	

Meeting 10

Date of Meeting	25/11/2018
Progress Made	Complete all chapters

Agreed Action	Enhance after viva presentation
Student Signature	DONG QI
Supervisor's Signature	

Meeting 11

Date of Meeting	30/11/2018
Progress Made	VIVA
Agreed Action	Enhance based on feedback
Student Signature	DONG QI
Supervisor's Signature	

Meeting 12

Date of Meeting	3/12/2018
Progress Made	Revise according to panel feedback
Agreed Action	Send for final review
Student Signature	DONG QI
Supervisor's Signature	

SECTION C. COMMENTS ON MANAGEMENT OF PROJECT

(To be completed at the end of the dissertation process)

Student Comments:

My supervisor UMI KALSOM has provided her conscientious guidance and encouragement to accomplish this research. I am extremely thankful for the support throughout my research with her patience and knowledge whilst allowing me the room to work in my own way.

Supervisor Comments:

_____

_____

Signature of Student DONG QI	Date: 13/12/2018
Signature of Supervisor	Date
Ethics Confirmed	Date