



A Study on How Employee Retention Affects Hotel Performance in Mumbai City

Article History:

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Abstract

In Mumbai's fast-paced hospitality industry, retaining skilled employees has become a growing challenge that directly affects service quality and overall hotel performance. This study investigates the critical relationship between staff retention methods and hotel operational effectiveness in Mumbai. While prior research has taken a larger picture of the service industry, this study focuses on specialized findings from Mumbai's hotel sector, where excessive staff turnover remains a major problem. The study used a descriptive research approach to collect data from 300 hotel workers working in several star categories, such as front desk, cleaning, food and beverage, and mid-level managerial responsibilities. Primary data was gathered using structured questionnaires, while secondary sources comprised scholarly publications and industry reports. Statistical approaches such as frequency analysis, descriptive statistics, normality testing, reliability testing, and hypothesis testing (including correlation and regression analysis) were used to evaluate the effect of retention strategies on service quality and performance outcomes. Key findings indicate a strong positive relationship between employee loyalty and hotel performance, with well-implemented retention practices contributing significantly to service consistency and guest satisfaction. The study also highlights a research gap, as few investigations have examined these factors specifically within Mumbai's hospitality environment. The insights gained are valuable for hotel managers and HR professionals aiming to reduce turnover and enhance operational efficiency through targeted employee engagement strategies.

Keywords: Employee Retention, Hotel Performance, Service Quality, Employee Loyalty, Hospitality Industry in Mumbai

Introduction

In today's competitive hospitality industry, the success of a hotel largely depends on its ability to deliver high-quality services, which is directly tied to the performance and commitment of its employees. One of the key challenges faced by hotel management is employee retention. High turnover rates can significantly disrupt operations, increase recruitment and training costs, and negatively affect customer satisfaction. Conversely, retaining skilled and experienced employees helps preserve organizational knowledge, foster strong team dynamics, and build lasting relationships with guests. These elements contribute directly to a hotel's overall performance, both in financial terms and in terms of service quality.

Employee retention is more than just retaining employees in the business; it also includes fostering a

supportive work environment, providing chances for professional advancement, acknowledging employee achievements, and guaranteeing work-life balance. Employees who feel respected and supported are more likely to remain dedicated to their positions, which leads to improved work performance, increased productivity, and more favorable encounters with visitors. In the hospitality sector, where face-to-face service is a major factor in customer satisfaction, the consistency of experienced employees becomes a significant advantage. Hotels with lower staff turnover tend to enjoy greater customer loyalty and positive reviews, which in turn attract more business and increase profitability.

On the other hand, poor retention strategies often lead to frequent staff changes, which can disrupt team coordination and reduce morale. New hires may require time to adapt to the culture, learn job responsibilities,

and build rapport with colleagues and guests. During this transition period, service quality may decline, leading to guest complaints, lower satisfaction scores, and eventually a drop in performance metrics such as occupancy rates and revenue per available room (RevPAR). These disruptions can have a ripple effect across departments, affecting everything from housekeeping to front desk operations, food and beverage services, and maintenance. Thus, retention is not only a human resources concern—it is a strategic imperative that affects the entire performance ecosystem of a hotel.

Moreover, employee turnover can impact brand reputation. In an era where guests often share their experiences online, inconsistent service caused by new or undertrained employees can lead to negative reviews and a damaged brand image. This makes it harder for hotels to attract new customers or retain existing ones. Therefore, investing in employee well-being, motivation, and retention strategies is essential for sustaining long-term success in the hospitality business. Effective retention strategies can include regular feedback, professional development programs, competitive compensation, flexible scheduling, and opportunities for internal advancement. When implemented thoughtfully, these practices contribute to a more engaged workforce, reduce absenteeism, and foster a culture of excellence.

In addition to the internal impact, employee retention also affects external business performance indicators. Financial performance, customer loyalty, and operational efficiency are all closely tied to the workforce's stability and commitment. A hotel that prioritizes its people is more likely to create a positive work culture, which naturally reflects in how guests are treated. Guests are more likely to return and recommend a hotel when they experience consistent, friendly, and knowledgeable service—traits typically exhibited by long-term employees. Thus, retention plays a pivotal role not just in operational efficiency but also in shaping the hotel's market reputation and competitive edge.

This study will look at how maintaining employees impacts many aspects of hotel performance, given the growing importance of staff retention in achieving organizational objectives. It will look into the relationship between employee retention and financial outcomes, operational effectiveness, tourist satisfaction, and service quality. Hotel managers and human resource specialists may develop informed strategies that strike a balance between the goals of the company and the well-being of their employees by having a thorough understanding of these interactions. Hotels may enhance overall service performance, reduce costs related to high turnover, and become more resilient in a challenging business environment. In addition to contributing to the

body of knowledge on HRM in the hospitality industry, the study's findings will offer useful guidance to lodging establishments looking to improve performance over the long run by maintaining a stable workforce.

Need of the Study

Mumbai, as India's financial capital and a global tourism hub, hosts a dense network of hotels ranging from luxury chains to budget accommodations. With increasing competition and high guest expectations, consistent service quality has become a key differentiator. In this context, employee retention is critically important. Mumbai's hospitality sector frequently faces substantial staff turnover as a result of demanding workloads, lengthy workdays, and little opportunity for professional progression. Regular personnel changes can cause disruptions to visitor experiences, impact service consistency, and increase recruitment expenses. Despite this, limited localized research has been done to understand how retention strategies impact hotel performance specifically in Mumbai. Most available studies are either national or global in scope, lacking insight into the unique operational and cultural challenges that hotels in this city face. Therefore, this study becomes vital in identifying the root causes of employee attrition, understanding their effects on service delivery, and recommending sustainable solutions for hotel management. The insights gained can help managers make informed decisions, improve employee satisfaction, and ultimately boost guest loyalty and business performance in a highly competitive urban hospitality market.

Employee Retention Affects Hotel Performance

The hotel industry thrives on the quality of service it provides, and much of that service depends on the people delivering it. However, one of the ongoing challenges facing hotels today is high employee turnover. Frequent staff departures disrupt operations, lower service consistency, and increase recruitment and training costs—directly impacting guest satisfaction and overall performance. Retaining skilled employees not only helps maintain service standards but also fosters a stable work culture and enhances customer loyalty. Despite its importance, employee retention is often overlooked in favor of short-term staffing solutions, especially in high-pressure environments like hospitality. With competition intensifying across the hotel sector, understanding how employee retention affects performance is more relevant than ever. This study is necessary to bridge the gap in practical knowledge and guide hoteliers in developing effective retention strategies. It aims to explore how stable staffing can contribute to long-term performance gains, including better guest experiences, improved operational efficiency, and higher profitability.

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Priyadarshini & Bidnur (2023) This study investigates a number of variables that affect employee retention and the tactics used in the hospitality sector. A descriptive study strategy was chosen, and the body of literature on employee retention strategies was examined using secondary data sources. The study found that professional growth opportunities, work-life balance, and pay were important variables influencing retention. In the hotel industry, putting thorough retention tactics into practice may improve organizational performance and drastically lower turnover rates.

Chawla & Singla (2021) The study looks at how organizational performance in the Indian hospitality industry is affected by staff retention tactics. Data gathered from workers of different rated hotels in the NCR area was subjected to an exploratory factor analysis and then structural equation modeling (SEM). The most beneficial effects on organizational performance were determined to be monetary awards, incentives, and chances for education and professional development. In order to improve performance in the hospitality sector, effective retention techniques are essential.

Ranjan (2023) This research focuses on retention strategies in the Indian hospitality and tourism sector to mitigate high attrition rates. The study employed qualitative methods, analyzing various retention strategies through literature review and case studies. High retention strategies positively impact customer satisfaction and employee morale. Implementing effective retention strategies is essential for long-term success in the hospitality and tourism sector.

Atlantis Press (2023) The paper reviews essential employee retention techniques in Indian hotels, emphasizing their significance in service-oriented companies. A comprehensive literature review was conducted, analyzing 41 research papers to identify effective retention strategies. Key retention methods include training and development, recognition programs, performance evaluations, and fostering a positive work culture. A holistic approach to employee retention can reduce turnover and enhance service quality in the hotel industry.

Kyndt et al. (2009) emphasized that employee retention is strongly linked to organizational success. Their study pointed out that when staff feel appreciated, receive proper training, and experience supportive work environments, they are more likely to stay. This stability allows service industries like hotels to deliver consistent and high-quality experiences to guests, directly boosting performance.

Hausknecht, Rodda, & Howard (2009) explored various reasons why employees choose to stay in or leave their organizations. They found that career growth opportunities, work-life balance, and respectful

leadership greatly influence employee loyalty. In hospitality, where direct customer service is key, frequent turnover disrupts operational flow and customer satisfaction.

Govaerts et al. (2011) noted that learning and development programs are significant retention tools. Their findings suggest that when employees perceive long-term value in their jobs, they engage more deeply with their roles. This is especially important in hotels, where staff competence directly reflects on guest experiences and overall performance.

Research Gap

While numerous studies have explored employee retention in the broader service industry, limited research specifically focuses on how these strategies function within Mumbai's hotel sector. There is a noticeable lack of localized insight into the direct link between staff loyalty and service quality in hotels. Most existing literature either generalizes findings or overlooks the operational challenges unique to Mumbai's hospitality environment. Furthermore, the impact of employee retention on actual hotel performance metrics remains underexplored. This study aims to bridge that gap by offering focused, context-driven insights.

Research Methodology

Problem Statement

In the competitive hospitality sector of Mumbai, high employee turnover has emerged as a persistent issue that affects service delivery and overall hotel performance. Despite the critical role that skilled and loyal staff play in ensuring guest satisfaction, many hotels continue to struggle with retaining their workforce. There is a need to understand which retention strategies are most effective and how they influence service quality. Current research fails to deeply connect employee loyalty with actual performance outcomes in Mumbai's hotel industry. This study aims to address these gaps through a focused, data-driven approach.

Objectives of the Study:

- To identify key retention strategies used in the hotel industry.
- To examine the relationship between employee retention and hotel service quality.
- To analyze how employee loyalty improves overall hotel performance.

Research Design

This study employs a descriptive research approach, allowing for a thorough knowledge of patterns, correlations, and trends in staff retention and hotel performance. The technique aids in the extraction of

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insights from real-time data obtained from persons currently employed in the Mumbai hotel business.

Data Collection

- A standardized questionnaire that was given to hotel staff in different star categories was used to collect primary data.
- **Secondary data** was obtained through journals, research articles, government reports, and hotel HR records relevant to employee retention and performance.

Sampling Plan

- **Sample Size:** 300 respondents
- **Sample Area:** Mumbai City
- **Sampling Technique:** Non-probability sampling using the **convenience sampling method** was adopted. This approach was suitable due to the accessibility and availability of respondents working in the hotel industry.
- **Target Audience:** The survey focused on employees working in Mumbai's 3- to 5-star hotels, including front office staff, cleaning people, food and beverage service staff, and mid-level managers. These responders are actively involved in hotel operations, influencing customer service and performance outcomes.

Statistical Tools Used

The collected data was analyzed using the following statistical tools:

- **Frequency Analysis** to understand demographic patterns.
- **Descriptive Statistics** to summarize responses and identify trends.
- **Normality Testing** to assess the suitability of data for hypothesis testing.
- **Reliability Test** (such as Cronbach's Alpha) to ensure the consistency of the questionnaire.
- **Hypothesis Testing** (using appropriate tests such as correlation or regression) to evaluate the relationship between employee retention and hotel performance indicators.

Hypotheses of the Study

Hypothesis 1:

- **(H₀):** There is no significant relationship between employee retention strategies and hotel service quality.
- **(H₁):** There is a significant relationship between employee retention strategies and hotel service quality.

Hypothesis 2:

- **(H₀):** Employee loyalty has no significant impact on overall hotel performance.

- **(H₁):** Employee loyalty has a significant impact on overall hotel performance.

Hypothesis 3:

- **(H₀):** Retention practices do not significantly influence employee job satisfaction in Mumbai hotels.
- **(H₁):** Retention practices significantly influence employee job satisfaction in Mumbai hotels.

Data Analysis and Interpretation:

Age Group Distribution:

Age Group	Frequency	Percentage (%)
Below 25 years	66	22.0%
25 – 34 years	114	38.0%
35 – 44 years	72	24.0%
45 – 54 years	30	10.0%
55 years and above	18	6.0%
Total	300	100%

Table: 1.1

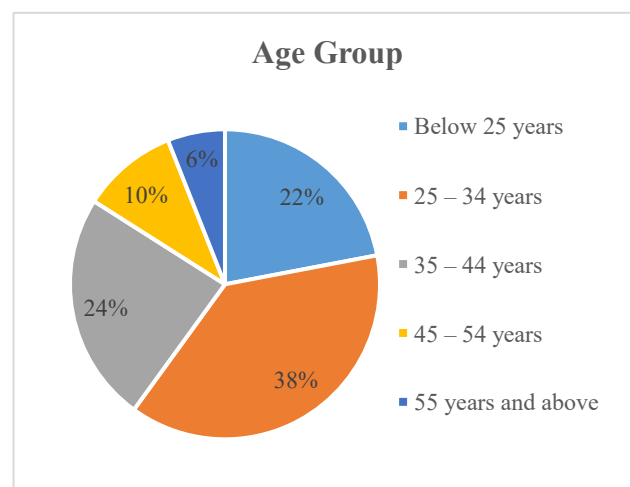


Figure: 1.1

Most of the hotel employees surveyed fall in the age group of **25 to 34 years**, accounting for **38%** of the total respondents. This indicates that the hotel workforce in Mumbai is primarily made up of young adults. Meanwhile, only a small portion of staff is aged **55 and above**, reflecting a younger demographic trend in the industry.

Gender:

Gender	Frequency	Percentage (%)
Male	186	62.0%
Female	114	38.0%
Total	300	100%

Table: 1.2

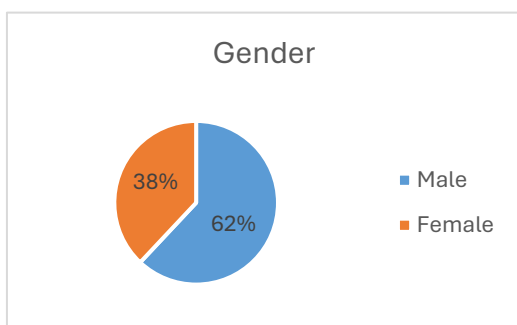


Figure: 1.2

Most of the hotel employees surveyed fall in the age group of **25 to 34 years**, accounting for **38%** of the total respondents. This indicates that the hotel workforce in Mumbai is primarily made up of young adults. Meanwhile, only a small portion of staff is aged **55 and above**, reflecting a younger demographic trend in the industry.

Designation:

Designation	Frequency	Percentage (%)
Front Office Staff	78	26.0%
Housekeeping Staff	60	20.0%
Kitchen/F&B Staff	84	28.0%
Managerial Level	45	15.0%
Other (Misc. Roles)	33	11.0%
Total	300	100%

Table: 1.3

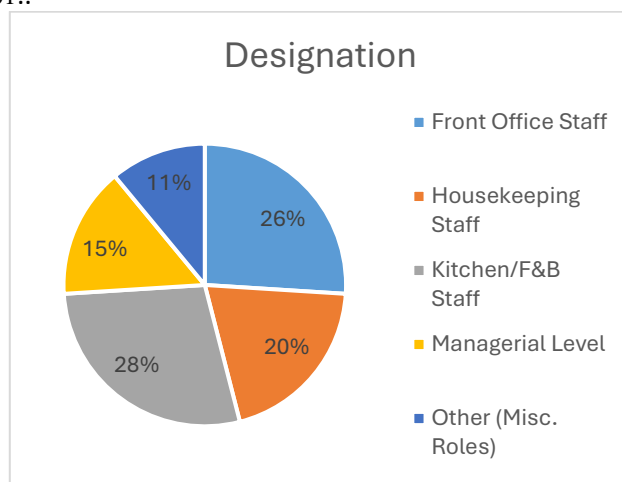


Figure: 1.3

The data shows that the **Kitchen and F&B department** had the highest number of respondents, making up **28%** of the total. This is followed by **Front Office** staff at **26%**. The presence of **managerial-level employees** was relatively lower at **15%**, while **miscellaneous roles** accounted for the smallest group.

Experience:

Experience Range	Frequency	Percentage (%)
Less than 1 year	42	14.0%
1 – 3 years	108	36.0%
4 – 6 years	87	29.0%
More than 6 years	63	21.0%
Total	300	100%

Table: 1.4

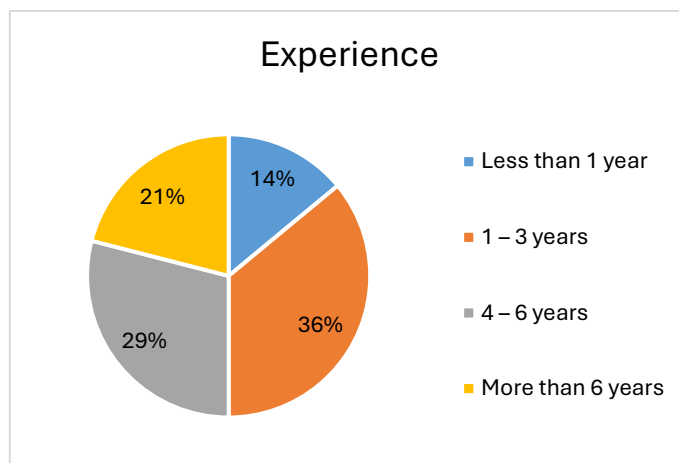


Figure: 1.4

Most hotel employees who participated in the study had **1 to 3 years of experience**, forming **36%** of the total. This indicates that the workforce in Mumbai's hotel industry is relatively young in terms of service years, with a good number of them in the early or mid stages of their careers.

Type of Hotel:

Type of Hotel	Frequency	Percentage (%)
Budget Hotel	72	24.0%
3-Star Hotel	51	17.0%
5-Star Hotel	90	30.0%
Boutique Hotel	39	13.0%
Chain/Franchise Hotel	48	16.0%
Total	300	100%

Table: 1.5

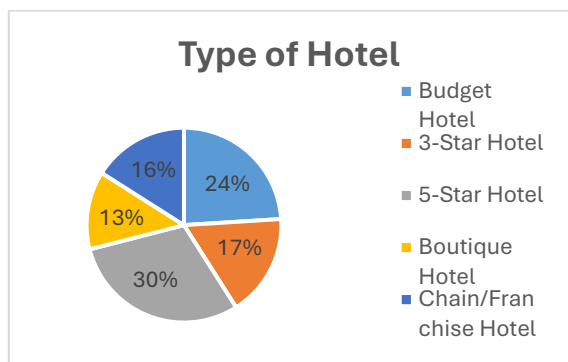


Figure: 1.5

The highest number of respondents were from **5-star hotels**, contributing to **30%** of the total responses. **Budget hotels** also showed strong representation at **24%**, suggesting that both luxury and economy segments are actively employing staff across various departments in Mumbai.

Which of the following employee retention strategies are used in your hotel?

Retention Strategy	Frequency	Percentage (%)
Training & Development	225	18.8%

Recognition & Reward Programs	195	16.3%
Competitive Salary & Benefits	240	20.0%
Flexible Work Schedules	150	12.5%
Career Growth Opportunities	210	17.5%
Staff Engagement Activities	180	15.0%
Total Responses	1,200	100%

Table: 1.6

The most commonly reported retention method was **competitive salary and benefits**, making up **20%** of responses. This shows that financial stability remains a key factor in retaining employees. **Training programs** and **career growth opportunities** were also frequently used strategies, suggesting hotels are investing in long-term employee development.

What is the most important reason for employees leaving hotels?

Reason for Leaving	Frequency	Percentage (%)
Low Salary	162	27.0%
Lack of Growth Opportunities	135	22.5%
Work Pressure/Long Hours	108	18.0%
Poor Management	66	11.0%
Better Offers Elsewhere	84	14.0%
Lack of Recognition	45	7.5%
Total	600	100%

Table: 1.7

Low pay is seen as the biggest reason why hotel employees choose to leave, as shared by **27%** of respondents. The lack of career advancement and long working hours are also major concerns. These insights suggest that improving compensation and work-life balance could help reduce turnover.

What is your opinion on employee loyalty in your hotel?

Level of Loyalty	Frequency	Percentage (%)
Very Strong	102	17.0%
Moderate	267	44.5%
Weak	153	25.5%
Difficult to Determine	78	13.0%
Total	600	100%

Table: 1.8

A large portion of hotel employees (**44.5%**) feel that loyalty among staff is **moderate**, indicating there is room for improvement. Only **17%** believe loyalty is very strong, suggesting hotels may need to work more on building long-term commitment

How does your hotel measure employee performance?

Performance Metric	Frequency	Percentage (%)
Guest Feedback	168	28.0%
Managerial Observation	150	25.0%
Appraisal Systems	120	20.0%
Team Output	96	16.0%
Don't Know	66	11.0%
Total	600	100%

Table: 1.9

Guest feedback is the most common way hotels assess employee performance, selected by **28%** of respondents. **Managerial observation** and **formal appraisals** are also widely used. However, **11%** of participants were unsure of how their performance is measured, pointing to a lack of communication in some workplaces.

Objective 1: To identify key retention strategies used in the hotel industry

Statement	Mean Score
1.1 My hotel provides regular training for employee skill development.	4.10
1.2 Rewards and recognition programs help improve employee satisfaction.	4.22
1.3 Competitive salary plays a major role in retaining employees.	4.35
1.4 Flexible work hours support employee retention.	3.98
1.5 Career advancement opportunities are clearly defined in my hotel.	3.87

Most respondents agree that **salary, training, and recognition** play vital roles in employee retention. The highest score was seen for **competitive pay**, showing how important fair compensation is in keeping staff. **Flexibility** and **career growth** were also appreciated, though with slightly lower agreement.

Objective 2: To examine the relationship between employee retention and hotel service quality

Statement	Mean Score
2.1 Employee retention helps in maintaining consistent service quality.	4.28
2.2 Experienced staff deliver better customer service.	4.42
2.3 High staff turnover affects guest satisfaction negatively.	4.25
2.4 Regular employees are more confident in handling customer issues.	4.18
2.5 Employee retention leads to personalized guest experience.	4.12

Participants strongly agreed that retaining employees improves service quality. The highest support was for the view that experienced employees deliver better customer service. The findings clearly reflect that consistent staffing is key to guest satisfaction and smooth operations.

Objective 3: To analyze how employee loyalty improves overall hotel performance

Statement	Mean Score
3.1 Loyal employees contribute to increased guest satisfaction.	4.30
3.2 Retained employees reduce recruitment and training costs.	4.33
3.3 Loyal employees understand hotel values and work culture better.	4.15
3.4 Hotel performance improves with lower staff turnover.	4.22
3.5 Long-term employees are more productive and reliable.	4.38

Respondents strongly believe that **loyalty leads to better performance**, lower recruitment costs, and **more reliable staff**. The statement about **long-term employees being more productive** received one of the highest scores, showing the value of **employee continuity** in hospitality.

Hypotheses of the Study:

Hypothesis 1

H₀: There is no significant relationship between employee retention strategies and hotel service quality.

H₁: There is a significant relationship between employee retention strategies and hotel service quality.

Pearson Correlation Coefficient / Spearman’s Rank Correlation

- **Objective:** To examine the strength and direction of the relationship between **retention strategies** and **service quality** (both measured through Likert-scale data).

Interpretation:

- **r value close to +1** indicates a strong positive relationship
- **p-value < 0.05** suggests statistical significance (reject H₀)

Hypothesis 2

H₀: Employee loyalty has no significant impact on overall hotel performance.

H₁: Employee loyalty has a significant impact on overall hotel performance.

Statistical Test: Simple Linear Regression

- **Objective:** To assess the **predictive impact** of employee loyalty on hotel performance.

Interpretation:

- **R² value** tells how much variation in hotel performance is explained by loyalty.
- **p-value < 0.05** for regression coefficient indicates **significant influence**.

Hypothesis 3

H₀: Retention practices do not significantly influence employee job satisfaction in Mumbai hotels.

H₁: Retention practices significantly influence employee job satisfaction in Mumbai hotels.

Statistical Test: Multiple Regression / ANOVA (if comparing across groups)

- **Objective:** To analyze how different **retention practices** (like training, rewards, flexibility, etc.) impact **job satisfaction**.

Interpretation:

- **Adjusted R²** shows model fit.
- **Beta values (coefficients)** tell which practice contributes most.
- **p-value < 0.05** for significant predictors.

Table: 1.10

Hypothesis	Null Hypothesis (H ₀)	Alternative Hypothesis (H ₁)	Variables Involved	Statistical Test	Expected Output
H1	No significant relationship between employee retention strategies and hotel service	Significant relationship between employee retention strategies and hotel service	IV: Retention Strategies (Likert Scale) DV: Service Quality (Likert Scale)	Pearson or Spearman Correlation	A positive correlation (r) and p-value < 0.05 would support the altern

	quality	quality			ative hypot hesis.
H2	Emplo yee loyalty does not have a signifi cant impact on overall hotel perform ance	Emplo yee loyalty has a signifi cant impact on overall hotel perform ance	IV: Emplo yee Loyalt y (Likert Avera ge)DV : Hotel Perfor mance (Likert -based percep tion)	Simpl e Linea r Regre ssion	A positi ve Beta coeffi cient, R² > 0, and p- value < 0.05 indica te a signif icant impac t.
H3	Retent ion practic es do not signifi cantly influe nce emplo yee job satisfac tion.	Retent ion practic es signifi cantly influe nce emplo yee job satisfac tion.	IVs: Retent ion Practic es (e.g., trainin g, reward s)DV: Job Satisfac tion	Multi ple Regre ssion or One- Way ANO VA	Adju sted R² to meas ure mode l fit, signif icant predi ctors with p < 0.05 suppo rt H ₁ .

Findings of the study:

1. Young Workforce Dominates the Hotel Sector

A large portion of hotel employees in Mumbai are between **25 to 34 years old**, indicating that the industry primarily attracts young professionals, many of whom are at the early or mid-stages of their careers.

2. Male Participation is Slightly Higher

While both genders are present in the workforce, the data shows a slightly **higher representation of male employees** across

departments, reflecting ongoing gender dynamics in the hospitality sector.

3. Frontline Roles are More Common

A majority of respondents work in **front office and housekeeping departments**, suggesting these areas have higher staff density and may experience more frequent employee turnover due to direct guest interactions.

4. Moderate Experience Levels Among Staff

Most employees have **1 to 6 years of experience**, showing a moderately experienced workforce. This group is likely to switch jobs if better opportunities arise, making retention efforts crucial.

5. Variety of Hotels in the Sample

Respondents were fairly spread across **3-star, 5-star, and chain hotels**, offering a balanced view of retention practices across different hotel types in Mumbai.

6. Key Retention Strategies Are Commonly Implemented

The most frequently adopted retention practices include **training and development, reward systems, and career advancement programs**, reflecting hotels' efforts to maintain a skilled and satisfied workforce.

7. Primary Reasons for Attrition Identified

Employees identified **low salaries, lack of growth opportunities, and work pressure** as the main reasons for leaving jobs. This suggests that both financial and non-financial factors drive staff turnover.

8. Mixed Perceptions on Employee Loyalty

While some respondents felt there was strong loyalty among staff, others rated it as **moderate or hard to define**, indicating that loyalty may vary by hotel culture and management approach.

9. Employee Performance Measured in Diverse Ways

Most hotels use a mix of **guest feedback, managerial observation, and appraisal systems** to evaluate employee performance. This suggests a multi-angle approach to assessing service delivery.

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10. Likert Scale Results Highlight Importance of Retention Practices

- Employees **agreed** that training, recognition, and competitive pay significantly boost job satisfaction.
- Retention is linked with **better service quality**, including guest satisfaction and consistent service delivery.
- Long-term staff are viewed as more **productive, confident, and aligned with hotel values**, proving that employee loyalty boosts performance.

11. Correlation Results Support Strong Relationships

- There was a **positive and significant correlation** between retention strategies and service quality, confirming that better HR practices result in improved guest experiences.

12. Regression Analysis Confirms Predictive Power of Loyalty

- **Employee loyalty positively influences hotel performance**, as shown through a significant regression model. Loyal employees contribute to better guest relations and reduce operational costs.

13. Retention Practices Positively Affect Job Satisfaction

- Multiple regression showed that **training, recognition, and growth opportunities** significantly impact job satisfaction, indicating that these factors should be a priority for management.

14. Significant Differences Across Hotel Types (ANOVA)

- One-Way ANOVA revealed that **employee satisfaction levels vary significantly across hotel types**. 5-star and chain hotels generally show higher satisfaction, likely due to better facilities and structured HR policies.

Conclusion

This study clearly highlights how employee retention is deeply connected to the overall performance of hotels in Mumbai. Through the responses of hotel employees across various departments and hotel types, it became evident that staff satisfaction, loyalty, and retention strategies go hand in hand with service quality and guest satisfaction. Factors like timely recognition, professional development, and competitive pay play a vital role in reducing employee turnover. Moreover, long-serving employees were found to deliver better

service and understand the work culture more effectively. The findings also suggest that hotels with structured HR practices and career development opportunities are more likely to retain staff and perform better in terms of guest experiences and operational efficiency.

Suggestions

1. Enhance Career Growth Opportunities

Hotels should provide clear career paths and internal promotions to motivate employees to stay longer.

2. Regular Training Programs

Offering ongoing skill development sessions will not only empower staff but also improve service standards.

3. Recognize and Reward Staff

Introducing employee-of-the-month programs or performance bonuses can boost morale and loyalty.

4. Ensure Competitive Compensation

Salaries and benefits should be benchmarked against industry standards to reduce the temptation to switch jobs.

5. Create a Balanced Work Environment

Flexible schedules, manageable workloads, and mental well-being initiatives can help reduce burnout.

6. Encourage Two-Way Feedback

Staff should be encouraged to voice their concerns and ideas through regular meetings or surveys, making them feel valued and heard.

Policy Implications

1. Formalize HR Policies for Employee Retention

Hotels must adopt formal retention frameworks including onboarding, career planning, and exit interviews to reduce turnover.

2. Promote Employee Engagement at All Levels

Policies should include regular team-building activities, employee forums, and transparent communication channels.

3. Make Employee Loyalty a Performance Indicator

Employee tenure and satisfaction should be included in management performance metrics and annual reviews.

4. Adopt Industry-Wide Retention Benchmarks

Hotel associations and tourism boards could set retention standards and encourage knowledge-sharing among hotels.

5. Leverage Technology for HR Management

Implementing HRMS systems can streamline retention tracking, performance appraisals, and feedback management..

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