

Employee Retention Strategies and Organizational Performance: The Buffering Effect of Personal

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Abstract - As a major driver of worldwide economic and societal progress, budget hotels are essential to the hospitality sector. Economic development and organizational effectiveness have been adversely affected by the frequent and unplanned turnover of staff in these companies. This study looks at how staff retention strategies—respect, recognition, and rewards in particular—relate to the organizational success of budget hotels in Ghana and explores the moderating role that individual demographics play. In Ghana, 422 staff of 51 budget hotels were included in the study, which used a survey research design. The results show that staff retention tactics have a middling effect on budget hotels' performance in Ghana's hospitality industry. According to the study, managers of budget hotels should concentrate on putting into practice efficient employee retention measures in order to improve overall organizational performance.

Keywords: Budget Hotels, Employee Retention Strategies, Respect, Recognition, Rewards, Organizational Performance

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1 INTRODUCTION

The hospitality industry, particularly the budget hotel segment, plays a crucial role in contributing to economic and societal growth globally. Despite their significant presence and impact, budget hotels face persistent challenges in retaining employees, which negatively affects organizational performance and economic growth (Marinakou & Giousmpasoglou, 2019). Employee retention in budget hotels is critical due to the high turnover rates that lead to increased costs in recruiting, training, and lost productivity (Nudurupati, Garengo, & Bititci, 2021). High employee turnover is particularly problematic as it disrupts organizational effectiveness and hinders the achievement of strategic goals (Chatzoudes & Chatzoglou, 2022).

Employee motivation is a key driver in retention strategies. Motivated employees are more likely to stay with their current employers, ensuring smooth work processes and helping firms achieve their objectives (Khairy, Agina, Aliane, & Hashad, 2023). In the competitive hospitality sector, competent employees are vital for shaping the firm's brand and delivering quality service, which in turn enhances customer satisfaction and loyalty (Cvenkel, 2020). Retaining skilled personnel is especially important for budget hotels as it provides a competitive advantage over luxury hotels by ensuring consistent service quality despite having fewer amenities and simpler services (Maraya, Armada, Karen, & Castro, 2023).

The problem of high employee turnover in budget hotels in Ghana mirrors issues seen across other African countries. These businesses struggle to keep engaged personnel, resulting in a deterioration in company performance. The retention of employees is crucial for improving organizational performance, with strategies focusing on career development, independence, and a healthy work environment playing significant roles (Kaewnaknaew, Siripipatthanakul, Phayaphrom, & Limna, (2022). This study explores the relationship between employee retention methods – respect, recognition, and reward – and organizational performance, moderated by personal profiles such as age and gender. Budget hotels in Ghana struggle with high employee turnover, leading to increased costs and diminished performance. Retention issues stem from inadequate strategies addressing respect, recognition, and rewards (Dube, Nhamo, & Chikodzi, 2020; Ghasemaghahi & Ghasemaghahi, 2020; Aguinis & Burgi-Tian, 2021; Saffar & Obeidat, 2020). This impacts operations and service quality negatively, necessitating effective retention strategies for organizational improvement (Ngwa, Adeleke, Agbaeze, Ghasi, & Imhanrenialena, 2019; Batool, Zhao, Irfan, & Żywiołek, 2023).

1.1 OBJECTIVE OF THE STUDY

The study examined the role of personal profiles in the relationship between employee retention strategies and organizational performance of budget hotels in Ghana. Specifically, the study examined:

- a. The relationship between employee retention strategies and organizational performance.
- b. The moderating effect of personal profiles in the relationship between employee retention strategies and organizational performance.

1.2 RESEARCH QUESTIONS

- a. How do employees perceive retention strategies in the hospitality industry?
- b. Is there a significant moderating effect of personal profiles in the relationship between employee retention strategies and organizational performance?

2 LITERATURE REVIEW

2.1 BUDGET HOTELS

The hospitality sector encompasses a wide range of fields within the service industry, and hotels are no exception. Due to their significant presence in Ghana, hotels have been selected as the focus of this study. According to international accommodation standards, hotels are characterized as establishments that feature at least one licensed bar and restaurant on the premises, provide on-site management, offer breakfast services, and occasionally include conference or banquet facilities. These attributes distinguish hotels from other types of accommodations, such as self-catering units, caravan or camp sites, and private residences. A budget hotel provides reasonably priced lodging for consumers seeking an economy option. Thus, budget hotels have less amenities and services than luxury hotels and are more basic (Maraya, Armada, Armada, Karen, & Castro, 2023).

The tourist business attracts a significant number of foreign visitors to the country. These travelers frequently have little choice but to book hotel and guesthouse reservations. Furthermore, Chotangada, (2024) posited their study, the options for hotels include motels, guesthouses, cheap hotel condominiums, and star-rated hotels. Also, Maraya Armada, Armada, Karen, and Castro, (2023), opined that budget hotels typically provide less amenities and services than luxury hotels, as well as being simpler and more basic. These inexpensive lodging options would enjoy a competitive advantage over luxury hotels when they could keep skilled personnel for a longer duration of tenure. Unfortunately, some of Ghana's hotel businesses, namely cheap hotels, have significant obstacles, as do those in other African countries (Publishers and Ampofo, 2020). The study focuses on employee retention strategies and organizational performance in budget hotels in the Greater Accra Region.

Budget hotels in Ghana have struggled to keep engaged personnel, resulting in a deterioration in company performance; employee retention techniques are a major concern for the hospitality business, particularly these budget hotels (Mtapuri, 2023). To increase organizational performance, budget hotels are struggling to encourage staff to stay with the company for as long as feasible (Kaewnaknaew, Siripipatthanakul, Phayaphrom, & Limna, 2022; Hassan, 2022). In order for human resources to provide an organization with a sustainable competitive edge, they must allow the business to develop and execute plans that increase its effectiveness and efficiency (Burke, & Holmes, (2023).

Employee retention is a significant component of this plan, with initiatives such as career development, independence, and a healthy work environment all play-

ing important roles (Dube ,Nhamo, & Chikodzi, (2020). The issue that comes to mind is what causes the high turnover rate of personnel at budget hotels and how it affects performance. Each employee wants to please his managers by giving practical suggestions for the company's progress. There is a chance that the firm's successful policies and practices will be passed down to another company, allowing it to expand. Consequently, the company loses both a key employee and its competitive advantage (Rakhra 2018). Therefore, it is incumbent on organizations to implement respect, recognition, and rewards, to keep staff and maintain high levels of satisfaction to improve their performance (Bhende, 2020). If employees are not appreciated, recognition and rewards would have minimal impact. Therefore, it is necessary to consider the need for respect, recognition and rewards of employees.

2.2 EMPLOYEE RETENTION STRATEGIES

Employee retention strategies refer to the organized efforts and practices that organizations use to keep their talented and skilled employees. These strategies include initiatives to improve job satisfaction, provide career growth opportunities, create a positive work environment, and offer competitive pay and benefits (Aguinis & Burgi-Tian, 2021). Effective retention strategies are essential for reducing turnover rates and ensuring organizational stability and performance. Employee retention has become increasingly challenging and a significant concern for many firms. The demand for competent, knowledgeable, and talented workers continues to grow, intensifying competition in the job market and decreasing the availability of such employees. Consequently, retaining talent has become a critical issue for organizations worldwide (Yukongdi & Sherstha, 2020). To address this, businesses need to implement strategies to retain skilled and talented individuals by identifying factors related to employee retention, thereby minimizing unnecessary turnover. A company invests a lot of time and resources in the employee's hiring (Enamala & Reddy, 2022). Nowadays, every company wants the employee to be good not only in his technical skills, but also in his soft skills, which are critical for an employee's success and, later, for the company's success. However, these carefully selected individuals are ultimately responsible for the company's performance and consumer happiness (Rakhra, 2018). In 2020, Naz et al. opined that staff training and career development are important dimensions of employee retention strategies. The absence of effective retention strategies will result in voluntary turnover of valuable employees and inability to attain competitive advantage. Therefore, it is incumbent on organizations to implement respect, recognition, and rewards, to retain employees and maintain high levels of satisfaction to improve their performance (Bhende et al., 2020). On the other hand, when employees are not appreciated, recognition and rewards would have minimal impact. Furthermore, special notice or attention and the act of clearly perceiving are two indications of recognition.

Retention and morale issues arise as a result of management's failure to pay attention to employees' needs and reactions. Employee retention rates increase when they have some influence over decisions that affect their employment. Fair and transparent compensation methods could affect this relationship (Khalid & Nawab, 2018). Then, when respect for the employee's dignity is also implement-

ed, the employee becomes more secure in the work environment to work effectively and efficiently to achieve organizational goals.

2.2.1 Respect

The word "respect" refers to someone's regard, esteem, or particular treatment. Respect is essential for employee retention (Reyes, 2020). Everyone is entitled to respect, which is a general concept that is widely acknowledged in many academic domains and has been essential to philosophers of all moral persuasions. Members of an organization want to be regarded as respected and valuable members of their work groups, not just as a means to an end. Similarly, according to Kant, respecting someone entails acknowledging their inherent (priceless) value or dignity (Subramani & Biller-Andorno, 2022). When employees are appreciated and respected, the rewards they receive, whether intrinsic, extrinsic, or both, become meaningful Pandzic & Hadziahmetovic (2022), and they will continue to help the company achieve its goals. So, the reward is the next subvariable to be examined.

2.2.2 Rewards

Nowadays, rewards have a significant impact on how employees behave and perform. Furthermore, when employees receive awards for their good work, they are more likely to keep it up (Bhatia et al., 2023). They also mentioned Rast and Tourani (2012) in their research, which found that monetary rewards can increase employee loyalty to the organization, job satisfaction, and motivation. Nonmonetary rewards such as recognition and possibilities for progress promote a sense of gratitude and personal development, increasing worker loyalty and output. Employee satisfaction is said to be predetermined by both internal and extrinsic rewards. Furthermore, Armitage et al. (2023) separate rewards into two groups. This includes financial benefits in the form of extra monetary recompense in addition to salary or wage bonuses, as well as allowances, as proposed by Anwar and Abdullah (2021) and Westerman et al. (2020). Non-monetary benefits, such as praise, are provided to those who work hard, and they are publicly acknowledged by being granted an extra day off in appreciation of their efforts (Kwarteng et al., 2023; Anwar & Abdullah, 2021).

2.2.3 Recognition

Employees want to know how well they are performing in their jobs, and how they are recognized can make them feel valued. The primary goals of employee recognition are to reinforce specific behaviors, attitudes, or procedures that contribute to greater performance and a successful organization. Higher productivity and employee contentment as a result of appreciation for their efforts could increase organizational success (Anwar et al., 2021; Augustinus & Halim, 2021). Employee recognition is the practice of appreciating and recognising an employee's remarkable accomplishments or heroic actions related to their job obligations. Spot bonuses, quarterly bonuses, annual incentives, employee of the year awards, and personal accolades are all examples of ways to recognize employees. Employee recognition programs try to reinforce specific behaviors and actions to incentivize.

2.3 ORGANIZATIONAL AND EMPLOYEE PERFORMANCE

Performance has been described in terms of actions or behaviours connected to an organization's objectives (Abubakar et al., 2019) and (Awang et al., 2021). These objectives are frequently determined by the organization's mission as well as assessments of the actions taken by managers or other higher-ups.

2.3.1 Organizational Performance

Organizational performance is the efficiency with which a group of people or a group of organizations achieve its goals (Abubakar, Faroutan & Mengdadi, 2019; Bohórquez et al., 2022). Meanwhile, a measure of organizational performance evaluates how well a business achieves its goals. Employee performance is defined as their behaviour or activity, not as the outcome of their activities or their consequences. In other words, instead of focusing on the product of work, the conceptualization of employee performance is based on the health and productivity of the employee (Sadikin et al., 2023; Asfaw et al., 2015).

2.3.2 Employee Performance

Employee performance is one of the most important components in achieving financial success for organizations, and job completion may be a major source of personal fulfilment; therefore, performance is crucial for both organizations and employees (Duong & Nguyen, 2023).

Employee performance helps to improve organizational operations generally, especially in terms of productivity and efficiency (Abualoush et al., 2018) through adaptive performance, task performance, and contextual performance.

2.4 PERSONAL PROFILES AND ORGANIZATIONAL PERFORMANCE

Demographics are different characteristics or properties that are used to classify a group of individuals based on certain criteria such as age, gender, income level, education, ethnicity, marital status, and employment (Al et al., 2020). Demographic data enables researchers to discover trends and patterns within a community. Hence, the consideration was undertaken on the age, gender, education

and length of service factors of the employee on how it can affect the organizational performance.

2.4.1 Age Factor and Organizational Performance

The first to consider is the age factor. With age, significantly, millennials born 1981–2000 (Siahaan, 2020) personnel in the hospitality business, are increasingly emphasizing the pursuit of satisfaction (He et al., 2019). Hence, the most productive workers seem to be the younger ones who can strike a healthy balance between their obligations to their families and their jobs. Consequently, companies that provide their staff with sufficient possibilities to balance their roles in work and family life will benefit from higher performance levels from their staff (Bataineh, 2019). Employees from the Millennial generation (also known as Generation Y) have different work values, opinions, aspirations, interests, and concerns than prior generations (Prentice et al., 2020).

In general, millennial employees in the hotel industry want more acknowledgment, respect, continual training, workplace involvement, encouraging management, fairness, tolerance, and concern for each person's welfare, ability to balance work and family, and general well-being as propagated by Cvenkel (2020);; Chatzoudes and Chatzoglou (2022); Al et al., (2020) looked into Generation Y employees' desire to work for the same company.

The empirical results show that "work environment" is the factor that has the greatest impact on employees' retention, followed by "pay," "empowerment," and "relationships with managers.", thus, age aids in the retention of employees. As employees get older, their career possibilities become less, and as a result, they value their existing positions more. Their performance is anticipated to increase as they mature inside the company through adaptive and task performance, innovation to enhance their productivity, and eventually lead to organizational performance up until a particular age, at which point their energy levels decline and performance declines (Kalia & Bhardwaj, 2019).

2.4.2 Gender Factor and Organizational Performance

Gender can be considered an essential element of segmentation because women and men have different perspectives and decision-making processes (Lin et al., 2019). Some experts believe that men and women are attracted to distinct forms of work. Women, for example, may find work that includes assisting others to be more fulfilling. According to other experts, women's traditional position as family caregivers may encourage them to place a higher value on occupations that provide flexibility and work-family assistance (Fuller & Hirsh, 2019). Furthermore, according to some academics, female employees were content with their jobs and coworkers, whereas male employees were satisfied with their income, supervision, and advancement (Kara et al., 2017).

Generalizations and preferences that describe the positive attributes of males are used to strengthen and justify gender-based differences in the workplace (Al et al., 2020, there were still unions fighting for women's rights, because there are still disparities in men and women's equality (Hunter, 2021). There are no objections to some of the work done by men not being able to be done by women, and vice versa. Even with a high level of talent and hard work, career women are said to have a difficult time achieving a high position. This is because men are more

likely than women to be sponsored by their mentors in promotions (Omar, 2020). The team's market knowledge, creativity, and innovation can all be improved by gender diversity. They believe that having a diverse team allows for a larger range of viewpoints, skill sets, and ideas, all of which improve team performance and aid the organization as a whole in the process (Al et al., 2020). Strong commitments to diversity may give businesses a competitive advantage. Accordingly, companies with a more diverse mix of men and women may benefit over those with a more uniform mix. Gender diversity helps organizations compete better because it makes wise decisions easier, according to numerous studies. Organizations can build their long-term strategic goals on the viewpoints, talents, and experience of a more diversified workforce (Shehadeh et al., 2022).

The study's practical ramifications center on the requirement to create and put into practice strategies and instruments that will empower underrepresented genders and enable them to fully contribute to the objectives of the organizations in which they work. Plans and budgets for gender equality provide a way to work toward this goal (Naciti et al., 2022). Hence, when there is diversity in gender presentation in the organization, there organization is optimistic of better organizational performance.

Based on the conceptual and empirical literature, the following are hypothesized:

Ho1: There is no significant relationship between employee retention strategies and organizational performance.

Ho2: Personal profiles of age and gender do not moderate the influence of employee retention strategies on organizational performance.

2.5 CONCEPTUAL FRAMEWORK

Given the previous reviews, the following conceptual framework for the study was developed, as illustrated in Figure 1, showing the independent variable (employee retention strategies) and the dependent variable (organizational performance) and the moderators (personal profiles).

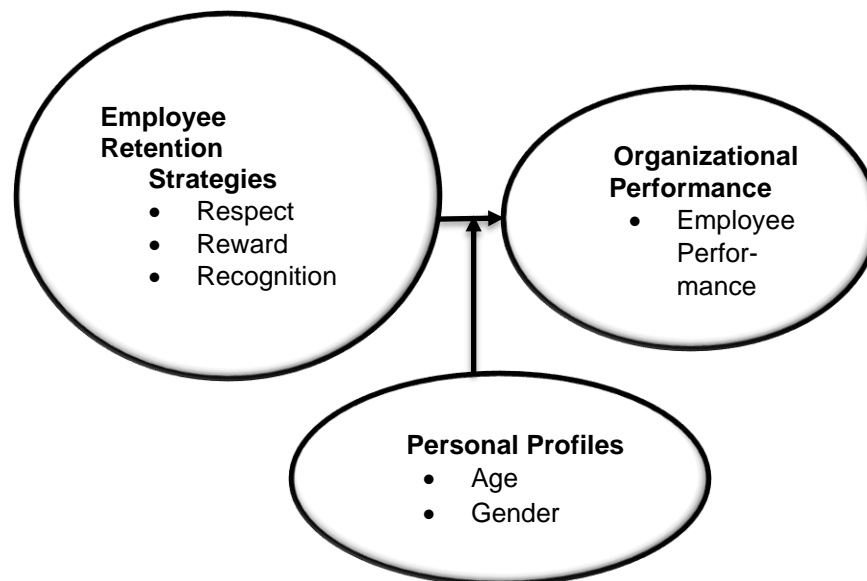


Figure 1. Conceptual Framework

3 RESEARCH METHODOLOGY

The word "research philosophy" refers to a set of assumptions about the nature of the reality being investigated. This social science study guide contains philosophical, ontological, and epistemological ideas.

Epistemology is further classified into three types: objectivist epistemology, positivism epistemology (also known as constructionist epistemology), and subjectivism epistemology (Boateng & Otoo, 2020). Positive or constructionist epistemology emphasizes the importance of context and the impact of human interpretation on knowledge generation (Al-Ababneh, 2020).

As a result, this study took a quantitative positivist research strategy. This research philosophy assisted in addressing the hypotheses raised, which were formed based on the concept of the link between the variables employed in the study (retention strategies and organizational performance) that were investigated and empirically examined using the researcher's statistical tools of analysis and the theoretical conjectures. The positivist philosophy used in this study is justified since it explained and predicted what happened in the social environment by looking for patterns and links between its constituent pieces (Bonache, 2021).

3.1 RESEARCH DESIGN AND DATA COLLECTION

The study employed a survey research design because of its flexibility and anonymity. It instills confidence in respondents to provide sincere responses to surveys on sensitive topics. Surveys enable researchers to acquire vast amounts of quantifiable data; the information can be obtained using a self-created questionnaire and distributed to individual respondents. Surveys are a better means of

acquiring primary data than observation and experiments (Pandey et al., 2021; Jain, 2021).

3.2 RESEARCH APPROACH

More specifically, the study employs a quantitative research approach, with a closed-ended questionnaire to collect data from respondents and provide a plethora of information.

3.3 SAMPLE FRAME

The study's population consisted of 422 employees from 51 budget hotels in the Accra Metropolis of the Greater Accra Region in Ghana. The Accra Metropolis of the Greater Accra Region was chosen over other Ghanaian regions since it is the country's capital. Second, most businesses' headquarters are located in the Greater Accra Region. According to Hennink and Kaiser's (2022) study, sampling allows researchers to gather observations and draw conclusions about a smaller fraction of a larger population. The sample unit used in this study consisted of all categories of employees in budget hotels from the operational level (Housekeeping, Front Office, Food Production, and Food & Beverage Service) to provide a comprehensive view of the study and how it affects the operational performance of the respective budget hotels. However, this study adopted the total enumeration sampling technique when selecting the sample for this study. The choice of the total enumeration sampling technique is due to the small size of the study population. Tillé (2020) posited that the total enumeration sampling technique enables researchers to exhaustively search and investigate the finite population; it involves the complete enumeration of all possible elements within the set of interest.

3.4 INSTRUMENTATION

To obtain respondents' perspectives for the study, the researchers employed a standardized questionnaire. The poll included closed-ended questions that respondents answered on a 6-point Likert scale with response possibilities of 1 (strongly disagree), 2 (disagree), 3 (partially disagree), 4 (partially agree), 5 (agree), and 6 (strongly agree). The study modified the research instrument to test. The variable employee retention techniques were assessed using Downie and Telfer's (2022) fifteen (14) items. The variable-organizational performance, specifically nonfinancial performance, was measured using (Xu & Zhang, 2022), Hallencreutz et al., (2021), and Moradi et al., (2021), sixteen (16) items. Four-hundred and twenty (422) participants fully completed and submitted the filled questionnaires for further analysis. This formed about 100% of the response rate. Data analysis has three main sections: demographic profile of respondents; descriptive statistics and normality; exploratory analysis; and confirmatory factor analysis.

4 RESULTS AND FINDINGS

Table 1. Socio-demographic Profiles of Respondents

Variable	N=422	Percent (%)
<i>Gender of respondents</i>		
Male	245	58.1%
Female	177	41.9%
<i>Age</i>		
20-35 years	345	81.8%
36-55years	69	16.4%
56years and above	8	1.9%
<i>Educational level</i>		
WASSCE/SSCE	200	47.4%
GCE o level	27	6.4%
GCE a level	11	2.6%
Bachelors	42	10.0%
Masters	13	3.1%
Others	129	30.6%
<i>Length of service</i>		
0-5years	264	62.6%
6-10years	105	24.9%
11-20years	36	8.5%
21-30years	9	2.1%
31-40years	8	1.9%

Note: N refers to the total number of respondents

The result in Table 1 displays the demographic profiles of the respondents. Of the total of 422 respondents, 58.1% ($n=245$) were male and 41.9% ($n = 177$) were female. In the case of the age group, 81.8% ($n=345$) were between 20-35 years, 16.4% ($n=69$) were between 36-55 years whilst 1.9% ($n=8$) were older than 56 years. The educational level of the respondents is as follows: 47.4% ($n=200$) were WASSCE/SSCE holders, 6.4% ($n=27$) were GCE O'level holders, 2.6% ($n=11$) were GCE A'level, 10% ($n = 42$) were Bachelor's degree holders, 3.1% ($n=13$) were master's degree holders whilst 30.6 % ($n=129$) hold other certificates. In the case of the duration of service, 62.6 % ($n=264$) have served between 0-5 years, 24.9% ($n=105$) have served between 6-10 years, 8.5% ($n=36$) have served between 11-20 years, 2.1% ($n=9$) have served between 21-30 years, while 1.9% ($n=8$) have served between 31-40 years, as shown in the result table.

4.1 DATA TREATMENT RESULTS

This section shows the results of the prediagnostic tests carried out on the data gathered before the inferential analyses to ensure that the regression criteria of normality, multicollinearity, linearity, and homogeneity of variances were met.

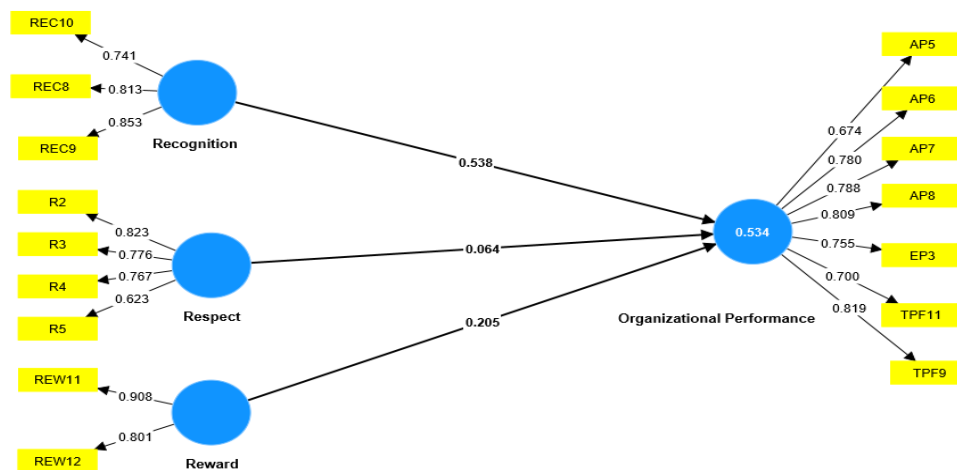
Research Question 1: How do employees perceive employee retention strategies in the hospitality industry?

The first research objective was achieved using descriptive statistics to analyze the responses of the respondents on respect, rewards, and recognition in measuring employee retention strategies on a six-point Likert scale.

Hypothesis 1 (H01): There is no significant relationship between employee retention strategies and organizational performance.

Hypothesis 1 was tested using partial least squares structural equation modelling (PLS-SEM), which stated that there is no significant relationship between employee retention strategies and organizational performance, which explored the link between latent variables and confirmed the model's accuracy. The statistical tool utilised to quantify the strength and direction of the linear relationship between the variables in this study was the R-value, which was calculated as the square root of the R2 obtained from the route analysis (employee retention strategies and organizational performance). To test hypothesis two, the structural path co-efficient (β -value), T-statistic value, R-value, F-Square (f^2), and the Q square value were evaluated to establish the relationship between employee retention strategies and organizational performance.

Figure 2: Path Analysis Showing the Measurement and Structural Model



Source: Author Data, via Smart PLS 4.0.9 (2023)

Figure 2 shows the findings of the PLS-SEM path analysis for both the outer (measurement) and inner (structural) models, which illustrate how effectively each latent variable is measured by the elements. The inner model reveals a relationship between the aspects of employee retention strategies and organizational performance, which is described in Table 2.

Table 2. Summary of the PLS-SEM for the relationship between employee retention strategies and organizational performance

Path Description	Structural Path Co-efficient Beta (β)	T	Sig.	F ²	R	R ²	Q ²
Recognition -> Organizational Performance	0.538	10.746	0.000	0.343	0.731	0.534	0.518
Respect -> Organizational Performance	0.064	1.124	0.261	0.005			
Reward -> Organizational Performance	0.205	3.324	0.001	0.041			

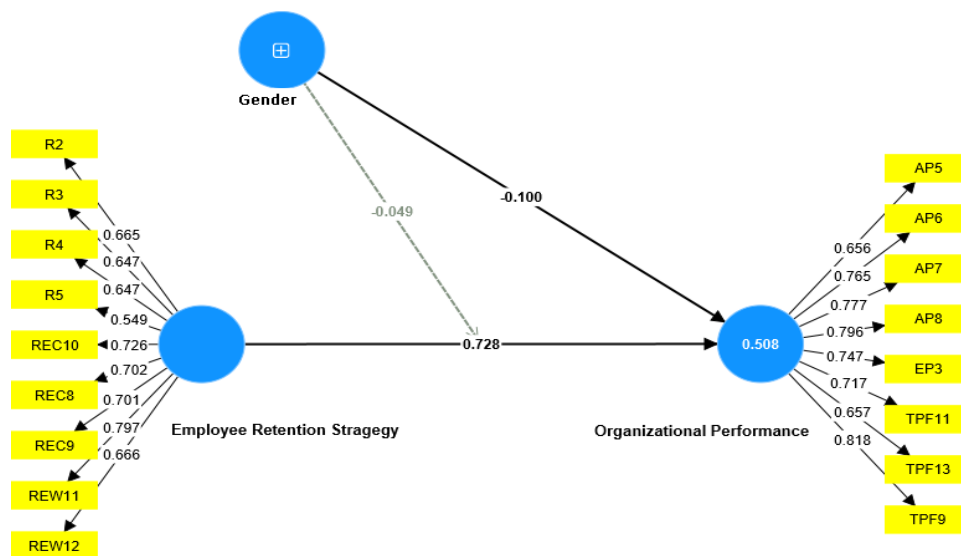
Source: Researcher's Result via SmartPLS Version 4.0.9 (2023)

Table 2 presents the PLS-SEM results for the link between staff retention tactics and organizational performance. The beta and p values of employee retention strategies, measured by recognition ($\beta = 0.053$, $p < 0.05$), respect ($\beta = 0.064$, $p > 0.05$), and reward ($\beta = 0.205$, $p < 0.05$), revealed that recognition and reward have a significant relationship with organizational performance, while respect does not have a significant relationship with organizational performance. The R-value, a statistical metric that reflects the strength and direction of a linear relationship between variables from Figure 2 shows the findings of the PLS-SEM path analysis for both the outer (measurement) and inner (structural) models, which illustrate how effectively each latent variable is measured by the elements. The inner model reveals a relationship between the aspects of employee retention strategies and organizational performance, which is described in Table 2.

reveals a value of 0.731.

According to Chin et al., (2020), the thresholds for the Q2 values representing small, medium, and large predictive relevance are 0.02, 0.15, and 0.35, respectively, while the Q2 values above zero confirm that the specified structural model is of importance and crucial. From the Q² value (0.518) of organizational performance, the employee retention strategy has a great predictive relevance for organizational performance. Therefore, the null hypothesis (H0), which states that there is no significant relationship between employee retention strategies and organizational performance was rejected.

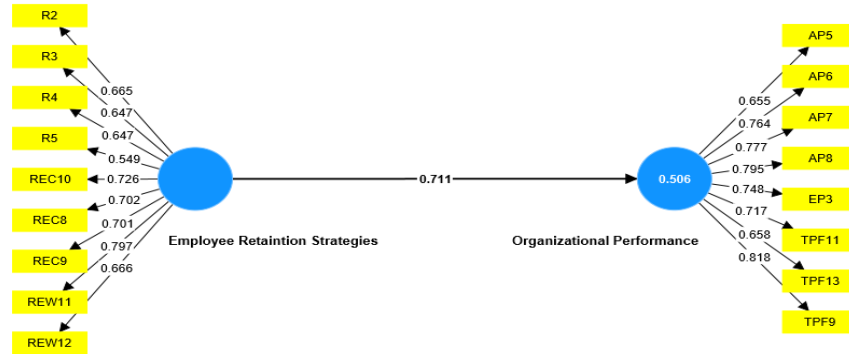
Figure 3. Moderation Path Analysis on Gender showing the measurement and Structural Model



Source: Author Data, via Smart PLS 4.0.9 (2023)

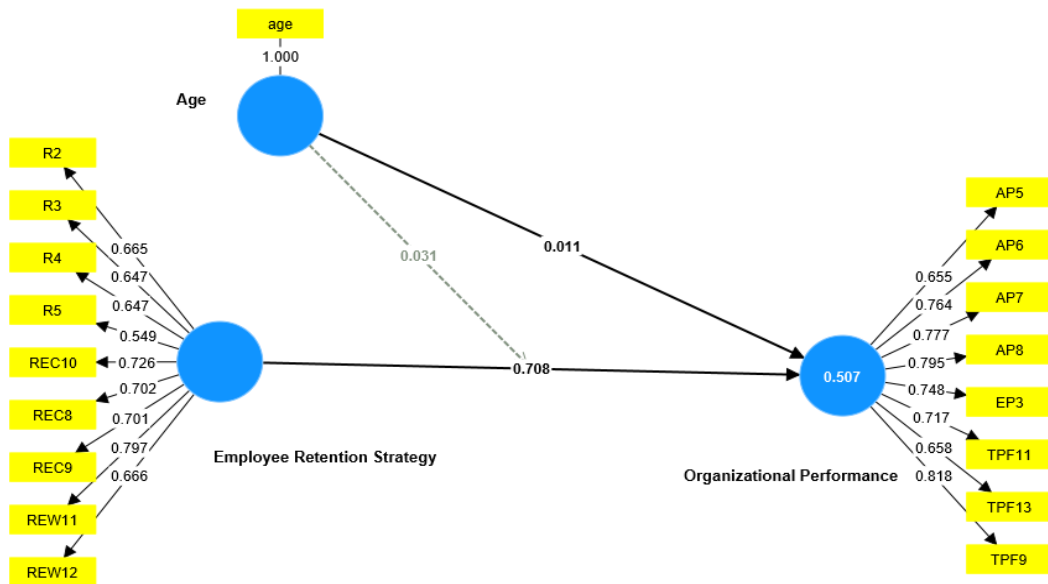
Table 2 and Figure 3 show the PLS-SEM measurement and structural model for how gender and education moderate the influence of employee retention strategy on organizational performance. The results from the path analysis revealed that gender was a negative but non-significant moderator of the relationship ($\beta = -0.049$, $p > 0.05$). However, the simple slope curve for the interaction of gender in the employee retention strategy influence on organizational performance revealed a steeper slope for gender at 0 standard deviation showing that the relationship is strengthened when gender is not included in the model. Hence, gender is a negative but non-significant moderator of the influence of employee retention strategy on organizational performance.

Figure 4. Path Analysis Showing the Measurement and Structural Model for the influence of employee retention strategies on organizational performance



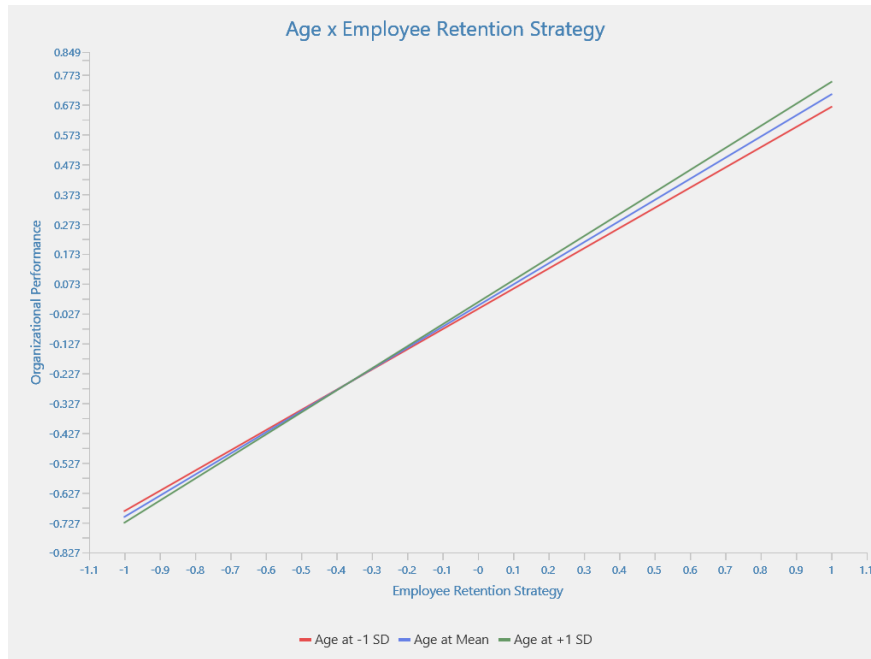
Source: Author Data, via Smart PLS 4.0.9 (2023)

Figure 5. Moderation Path Analysis on Age Showing the Measurement and Structural Model



How age moderates the influence of employee retention strategy on organizational performance.

Figure 6. Simple Slope Curve on Age



Source: Author Data, via Smart PLS 4.0.9 (2023)

Table 3: Summary of the PLS-SEM for age does not moderate the influence of employee retention strategy on organizational performance

Path Description	Original Sample (o) Unstandardized Beta (β)	Sig.	F ²	R	R ²
Age -> Organizational Performance	0.011	0.728	0.000	0.712	0.507
Employee Retention Strategy -> Organizational Performance	0.708	0.000	0.985		
Age x Employee Retention Strategy -> Organizational Performance	0.031	0.476	0.002		

Source: Researcher's Result via SmartPLS Version 4.0.9 (2023)

Figure 4, Figure 5, Figure 6 and Table 4 demonstrate that the PLS-SEM measurement and structural model of moderating effects are modelled using the two-stage approach (Hair et al., 2021; Ghani et al., 2022). The influence of employee retention strategy on organizational performance is presented in the first path analysis, while the age moderation of influence of employee retention strategy on

organizational performance is modelled in the second path model. The route coefficients revealed that the employee retention strategy has a favourable and significant impact on organizational performance ($\beta = 0.708$, $p < 0.05$). However, age had an insignificant influence on organizational performance ($\beta = 0.011$, $p > 0.05$). The second stage of the modelling of the moderating effects performed, linked the moderating variable (age) with an arrow, to the employee retention strategy = > organizational performance path. The SmartPLS Bootstrapping beta (β) result of the moderating effects of age on the employee retention strategy = > organizational performance ($\beta = 0.031$, $p > 0.05$) showed a positive but insignificant effect of age on the employee retention strategy = > organizational performance relationship. Therefore, when age is included in the model, the positive influence of the employee retention strategy on organizational performance does not change. The model further revealed a moderate relationship between the variables used in this study, as evident from the R (0.712) obtained from the square root of the R^2 -value of 0.507. This is based on the threshold for R^2 values of 0.75, 0.50, or 0.25 as strong, moderate, or weak, as presented in the literature (Hair *et al.*, 2019). Furthermore, R^2 changed from 0.506 to 0.507 when the moderator (age) was included in the model. This is a very negligible change (0.1%) $R^2 = 0.001$. The moderating effect is further explained using the simple slope curve revealed in Figure 6. The three lines on the simple slope curve represent the relationship between employee retention strategy and organizational performance for high, average, and low levels of the interaction term (age x employee retention strategy) (Hair *et al.*, 2021).

A low level of age is one standard deviation unit below its average (the middle line) while a high level of length of service is one standard deviation unit above its average. The gradient of the simple slope changes direction at a point on the slope for high, average, and low levels of length of service, showing a disordinal interaction effect of age on the influence of the employee retention strategy on organizational performance. Hence, there is a cross-over point within the observed range of values. Disordinal interactions involve crossing lines, often indicating that a factor has one kind of effect in one condition and the opposite kind of effect in another condition. This is further confirmed by the effect size ($f^2 = 0.497$).

4.2 DISCUSSION OF FINDINGS

Studies by Xu and Zhang (2022) and (Al Kurdi, Alshurideh, Shammout, AlHamad, & Akour, (2023) pioneered the notion that personnel are a basic corporate asset and have a major impact on the profitability of the business. Furthermore, the notions pioneered by Al *et al.*, (2020) have suggested that, in addition to the costs associated with hiring and training new employees, staff retention also helps a business retain consumers and reduce operational costs (Al *et al.*, 2020). Therefore, the retention of employees for a considerable period reduces such phenomenon and improves organizational performance. Likewise, Proceedings (2020) has also posited that the lengthy survival and performance of an organization are dependent on the retention of key employees. Thus, the null hypothesis which states that there is no significant relationship between employee retention strategies and organizational performance, was rejected.

On the findings on whether personal profiles of gender and age moderated the influence of employee retention strategies on organizational performance, it was realised that gender had negative but nonsignificant. Thus, gender antagonized the relationship between the endogenous and exogenous variables although it was insignificant. This contradicts the assertions of Shehadeh et al. (2022) and Ikeda (2019). They posited that women's traditional position as family caregivers can encourage them to place a higher value on occupations that provide flexibility and work-family assistance. Thus, gender diversity improves organizational performance since women make wise decisions. On the other hand, age has a strong but nonsignificant moderating effect on the influence of employee retention strategy on organizational performance. In the case of Generation X, which forms older-age employees, as they get older, their career possibilities become less, and as a result, they value their existing position more. Their performance is expected to increase as they mature within the company through adaptive and task performance, and innovation to enhance their productivity, eventually leading to organizational performance. Notwithstanding, with advancement in age, the energy levels of employees decline leading to a decline in performance (Kalia & Bhardwaj, 2019).

5 CONCLUSION

There is the result of a positive relationship between employee retention strategies and organizational performance. The results of this study revealed that three factors, recognition, respect, and rewards, are correlated with employee levels of happiness and, consequently, their retention rate, most specifically in budget hotels. Gender antagonized the relationship between employee retention strategies and organizational performance although the moderating effect of age was insignificant.

5.1 IMPLICATIONS FOR MANAGEMENT

This study has provided useful recommendations for management professionals working in the hospitality industry, particularly in budget hotels. Therefore, to retain talented individuals, managers should first understand the shifting dynamics of employee retention strategies. Hence, employees respected, recognized, and rewarded, they feel obligated to reciprocate those relationships and are less likely to leave the company, thereby confirming the social exchange theory underpinning this study.

5.2 IMPLICATIONS FOR ACADEMICS

The results of this study have filled the gap in knowledge by empirically proving the relationship between employee retention strategies and organizational performance in budget hotels and moderating effect of age and gender.

5.3 IMPLICATIONS FOR THE SOCIETY

Organizational leaders who implement initiatives to improve working conditions and increase employee happiness are more likely to recruit and retain staff who provide high-quality goods and services to the individuals in the community they serve.

5.4 Recommendations

Based on these findings, in order to improve organizational performance, the following recommendations are provided to the management and other stakeholders of budget hotels:

1. Improve the retention of employees through respect, recognition and rewards. This is for a specific period of their participation and then for management to preserve or capture the information and skills inculcated into them through a succession plan, as it may not be possible to retain employees for too long before they leave the facility.
2. Consider improving upon HRM practices such as respect, recognition, and rewards as policies and incorporate such practices into an organizational culture.
3. Incorporate in the retention strategies, dynamics to reflect periodic expectancy of individual needs of employees.
4. Improve HRM practices such as creating a conducive work environment to allow employees to manage their emotions as well as all the people they come into contact with.
5. Organizations, especially budget hotels, must preserve or capture the information held by experienced personnel before they leave. This is because it is not always possible to keep them on board for a long time as compared to large multinational hotels that can afford to meet their needs as they rise through their need theory.

5.5 CONTRIBUTION TO KNOWLEDGE

This study provides a framework for comprehending the distinctive characteristics of relationships and the substantial effects of staff retention policies on organizational success. Additionally, it serves as a jumping-off point for further studies on employee retention and organizational success. This study applies the social exchange theory to organizational tactics for employee retention and organizational performance.

5.6 CONCEPTUAL CONTRIBUTION

This study has developed a research model to explore the moderating effect of personal profiles on the relationship between employee retention strategies, and organizational performance. It is based on pertinent published research. An examination of the existing literature revealed limited research in the hospitality sector, particularly in Ghana's budget hotels. Therefore, management in budget hotels can in addition to giving this research for theoretical advancement, might prof-

it from the beneficial insights created to design and implement ways to enhance organizational performance using employee retention strategies.

5.7 THEORETICAL CONTRIBUTION

This study looks at the relationship between employee retention strategies, and organizational performance in the budget hotels. The association between staff retention tactics and organizational success extends beyond what has previously been proven. The findings improve employee retention strategies and academic indulgence of organizational performance in budget hotels. Second, the findings aid in illuminating how the organization's performance might be impacted by the level of employee retention.

5.8 LIMITATIONS OF THE STUDY

The investigation was limited by the small nature of the sample size. This could lead to a Type II error, meaning that a true difference between the groups would not be detected. This could make generalizing of the research findings difficult due to the limited sample size. The diverse backgrounds of the sampling groups may have an impact on the survey. Some respondents were able to grasp the questionnaires, while others required further clarification. Interpretation was made in the local dialect specifically Ga and Twi for some of the respondents. Each of these could have an effect on how accurate the response is.

5.9 SUGGESTION(S) FOR FURTHER STUDIES

Future research should be conducted with a larger sample size and in multiple settings to address these limitations. Including management and senior-level staff in a similar study is a recommendation. Additional findings from this study may include the perspectives and experiences of senior-level managers and employees in the budget hotels, who may have similar or different impressions of the factors affecting turnover from other workers in the sector. Because of the potential uniqueness that may be associated with specific budget hotels or organizations, a qualitative study encompassing turnover intention and the three variables in this study could produce insightful data that leaders can use to create and implement employee retention strategies in the hospitality industry.

Qualitative research findings might result in more thorough explanations of why employees leave the budget hotels, which might result in more site-specific remedies for the problem. The research survey was undertaken in the Greater Accra Region but specifically in the Accra Metropolis. Hence further studies can be undertaken within the Tema Metropolis which is a region of its own under the Ghana Tourist Authority.

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