

Factors Affecting Retention Intention Among Spa Therapists In Malaysia

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ABSTRACT

The emergence of the spa industry had created opportunities for the industry to lead in the tourism sector, as discussed in the 2012 Global Spa and Wellness Summit in Bali. The wellness tourism has contributed \$106 billion in the global industry and generated more revenue than any other sector in the tourism industry for example, medical tourism. In Malaysia, the spa industry has grown over 200% since 2002 and has the potential to continuously proliferate. Under the Malaysian Economic Transformation Program (ETP), among the 12 initiatives budgeted for tourism development, the spa industry development had caught the attention of private sectors. However, the industry is not without its problems. Besides competition from neighboring countries like Bali and Thailand, the spa industry in Malaysia has to also address issues regarding the lack of therapist expertise and service quality. The “lack of talent” in the spa industry is caused by high staff turnover when compared with the other services or other products in the tourism industry. Past studies had indicated that retention intention of employees is highly correlated to the overall job satisfaction. There are limited studies conducted in Malaysia in relation to spa therapist intention to remain in their job. Other factors that may influence retention are job related and lack of communication competencies. Personality is also an important factor where dissatisfaction may occur when it does not go well with the job.

Keywords: Retention, Job Satisfaction, Job Related Competency, Communication Competency, Personality, Spa Management

1.0 INTRODUCTION

The spa industry has emerged significantly and created opportunities to lead in the tourism sectors (Global Spa & Wellness Summit, 2011). The wellness tourism industry has contributed about \$106 billion in the global industry and generated more income than the medical tourism revenue contribution. The Global Spa and Wellness Summit in 2014 had reported that the world spa industry has grown from

\$60 billion in 2007, to \$94 billion revenue in 2013. Likewise, in Malaysia, the spa industry has grown over 200% since 2002 and has become the potential for continuous growth (Malaysia Tourism Department, 2010).

The tourism industry is vital for Malaysia's economy since it has contributed GDP and the government has taken initiatives as stipulated in the Economic Transformation Program (ETP) that was launched to enhance the sector to become a high-yield industry (Nair, 2014). The tourism industry in Malaysia had also shown positive results through the increase of 24.44 million inbound tourists to the country. (Mosbah, 2014). Mosbah (2014) further elaborated that with the continuous support program by the Malaysian government, it brought about great potential economic contribution to the country. Under the Malaysian Economic Transformation Program (ETP), twelve initiatives for tourism development were drawn under five themes to enhance the tourism industry. The emphasis on spa industry was laid along with four other themes: events, entertainment, spa and sports. The Ministry of Tourism and Culture of Malaysia estimated that the spa industry will generate 3,540 jobs by 2020 and also generate the Gross Net Income (GNI) of RM344.1 million. In the first phase, 1,500 local spa therapists will be trained under the program 'Career Progression of Spa Therapist' conducted by Ministry of Tourism and Culture of Malaysia (Bulletin 1Motac, 2014). However, recent studies found that the spa industry lacked expert therapists (Bhuiyan, 2012). In Malaysia, a study by Nair (2014), suggested that the tourism industry should provide an additional number of professional experts for the spa industry, especially since there was a shortage in economic contribution as compared with other segments in the tourism industry. This is further emphasized on the Global Spa and Wellness Summit (2012), which highlighted that the greatest challenge is the "lack of professional human resources" in the spa industry. The shortage might occur due to the retention problem or it could be that the industry is not attractive (Global Spa & Wellness Summit, 2012). However, past studies also indicated that the rewards were competitive (Othman, 2011).

Cohen (2008), however, posited that the spa industry has a high staff turnover when compared to other services in the hospitality industry. He further conjured that a spa business must be supported by therapists with professional skills and qualifications. Thus, human capital is an important element in retention of workers and is imperative since the investment cost in recruitment and training is high. In order to retain them, it is also important that the therapist should be satisfied with their job. Past studies indicated that it is important that workers are retained in the organization by avoiding turnover, otherwise the organization will be at a risk in losing good talent with the knowledge and experience to remain competitive, which will affect the organizations' profitability.(Ramlall, 2004; Acton, 2003)

In the following sections, previous researches and related literatures on the factors affecting retention intention would be discussed. Factors like job related competency, communication competency, and personality traits will be considered.

LITERATURE REVIEW

Retention Intention

Perrachione (2008) suggested that the determination of retention among public elementary school teachers in Missouri is not influenced by the job tasks, rather by the profession. Past studies have indicated that job satisfaction would create employees' loyalty towards the company and hence, job commitment will be higher (Humayoun, 2011). Hofaidhllaoui (2014) also suggested organizations to retain its workers. Consequently, Ramlall (2004) argued that a good combination of employment practices such as recruitment, compensation, trainings, effective supervision and management in organization may lead to employee retention. The negative consequences of staff turnover are well documented through human resources and organizational literature as it is costly to replace and is a

highly competitive field in which talent scarcities exist. (Karavardar, 2013; Hofaidhllaoui, 2104). Similarly, in the spa industry, a turnover problem that has been described as a critical business issue can be pervasive and costly. It also affects negatively on the innovation of the industry and causes major delays in service delivery (Global Spa and Wellness Summit, 2012). A past study by Abbasi & Hollman (2000) conjured that the employees often disproportionately leave the industry resulting in less effective service delivery and consumer dissatisfaction. Whether job satisfaction has a direct significant to retention or acted as a mediating role between two variables, it is left to future research. However, it is widely known to have important correlation between the variables (Karavardar, 2103; Özer, 2010).

Consequently, a study found that there was a direct impact between job satisfaction and turnover among teachers in South Africa (Kabungaidze, 2013). However, a past study by Hofaidhllaoui (2104) found no connection in the relationship between job satisfaction and turnover. It is possibly not applicable in the engineering sector in Europe. It would be interesting to find out whether job satisfaction can be a mediator rather than moderator in the relationship between competency and personality traits and retention intention. Previous studies had also supported the direct relationship between these two variables. For example, in the Malaysian retail industry, dissatisfaction with salary, promotion, superior, and the work itself can lead to turnover intention (Salleh, 2012). However, surprisingly, the study found that satisfaction with co-workers was not significantly related with turnover intention. Perhaps, the result for this study would include the job satisfaction role as a mediator which could be clearly explained with its relationship among job related competency, communication competency and personality traits and job retention among spa therapists in Malaysia.

In terms of the relationship with personality traits among accountants, Levy (2011) claimed that it had several impacts on the workers' job satisfaction which influenced their job retention in the company. High conscientiousness personality trait was found to receive higher reward and promotion which is fair in retaining them. Eckhardt (2014) postulated that how the big five personality traits would influence job satisfaction and retention among IT workers. It was found that employees with high ratings in openness and experience to leave the organization if they were assigned to administrative tasks. The study also suggested that extraversion IT workers who were assigned to software programming and development projects have the same intention. It is important to improve retention because with the range of professional skills and qualification, it will enhance a spa business since the people is the product of the business (Cohen, 2008). In the past, there were spurious studies on retention intention in relation to different contexts and industries but little study is done in the context of the spa industry.

Job satisfaction

Job satisfaction has been defined as the extent to which the worker's expectations of holding the job and meeting the actual result they receive from the job (Locke, 1969). Wetprasis's (2006) study on the impacts of work-related determinants on job satisfaction and retention intentions in the Thailand spa industry found that job retention would increase in line with therapist job satisfaction. Thus, it is important for the spa businesses to increase job satisfaction among the workers in order to retain them. However, Samuel (2009) indicated those motivational variables such as goal setting techniques; promotion system based on performance; recognition and rewards to achieve good performance; and a good mentoring program would significantly influence employee retention. Samuel's (2009) study supported Herzberg's motivation and hygiene theory which described that the presence of motivating factors would bring about job satisfaction and the set back on hygiene factors would result in job dissatisfaction. Hasin's (2007) research in an accounting firm had supported hygiene between two factors theories where salary, company policy and administration, interpersonal relationship, supervision, and work condition were identified. The study also identified that the other hygiene factors that are job related stress were found to be significant. He also argued that some factors such as monthly gross salary, job position and educational achievement have significantly influenced the audit staff job satisfaction. On the contrary, Wetprasis (2006) found that in the job position, years of experience, working hours per week,

marriage status, level of education, and gender were not positively related to job satisfaction. However, Karavardar (2013) suggested that job satisfaction had a mediating effect on turnover intention in the commodity industry. Furthermore, he posited that human resource management and job satisfaction were significantly related to job retention. Apparently, job satisfaction among the employees was found to have significant effect to turnover if the workers perceive high outbound opportunities. However, it was found that the employees' job satisfaction should be improved effectively if the external opportunities were not apparent (Hofaidhllaoui, 2014).

Job Related Competency

Job competency has been defined as being in a relationship to the employee's characteristic such as motive, trait, skill, self-image, social role or a body of knowledge which resulted in effective and superior performance in their jobs (Boyatzis, 1982). Sandberg (2002) agreed that workers' knowledge, skills, and other attributes used in performing the work is based on the workers' conceptions of their work. It is the way for them to conceive their work which structures and organizes their knowledge and skills into various competencies in performing their work. It is also related to the employees' career. Greenhaus (2000) defined career as a pattern of work-related experiences for the whole life of a person. Study by Wang (2013) in Taiwan among F&B employees, found that career competency was moderately related to career satisfaction. The result was significantly related to Wetprasit's (2006) study which suggested that the administrative practices' competence had a positive relationship with job satisfaction and intention to stay in their job. However, in a study conducted by Perrachione (2008) among school teachers, found that retention was caused more by their satisfaction with their profession rather than by their job related duties of teaching. However, Yeh (2009) suggested that newly employed nursing graduates should be catered with supportive working environment and continuous training in order to boost their competencies and thus, avoiding turnover. From the study he also conjured that newly graduated nurses' intention to leave can be caused by heavy work burden especially when they still lack the experience, skills and competency to carry out their tasks. In Malaysia, Fong (2013) suggested that to reduce the intention to leave among employees in the furniture manufacturing companies, job related skills training programs should be provided in order to enhance their competency as well as to improve their performance thus reducing occupational stress. Therefore, it is clear that job related competency is important in the furniture industry. Perhaps, job related competency has the same impact on the spa industry.

Communication Competency

Communication competency is not just limited to listening and speaking anymore (Waldeck, 2012). In this modern business world, communication competencies should be complimented with technological support. Customers have become more demanding and they are more attracted to companies having good presentation of their products and services that are easily understandable, very relevant, interactive, and media-rich. Supposedly, a supervisor should share and respond to information accurately, listen to other opinions actively, communicate clearly according to all levels of the organization and use the various communication channels (Shaw, 2005). Importance of communication has been portrayed as one of the factors found in Job Satisfaction Survey (JSS) (Spector, 1997).

Past studies had also found communication having a strong relationship with organizational commitment (Postmes, 2001). It was found that informal communications among the workers were less strongly related to commitment to organization as compared to employees' psychological job outcomes and job satisfaction. Madlock (2008) supported Postmes (2001) study in terms of the importance of higher level communication and organizational commitment and suggested that in order to satisfy employees with their jobs, organizations should focus on communication competency of the supervisors besides excellent leadership style. Waldeck (2012) posited that ageism communication

would lead to dissatisfaction among workers. However, Berfield (2007) argued that if they let the intergenerational communication among the workers, providing effective mentoring environment would result in improvement for all age group employees' retention and job satisfaction. Conversely, communication in the organization is also essential among co-workers instead of just upward or downward communication in the organization (Bachmann, 2013).

In a study conducted in Malaysia among SMEs, job satisfaction was found to be significantly related to turnover when the factor of communication was included (Emami, 2012). Recent studies have also found that communications directly influenced employees' job satisfaction (Sageer, 2012; Waldeck, 2012). Other studies found that job satisfaction should be considered as a mediating role between communication competency and retention (Perrachione, 2008; Karavardar, 2013; Hofaidhllaoui, 2104). Thus, it is interesting to find out whether the communication competency among spa therapists in Malaysia has a relationship with job satisfaction and retention.

Personality

Job dissatisfaction occurred when there was a mismatched personality of the workers with the tasks attributes and will have negative impact on job performance (Christiansen, 2014). It is important to assign workers with job profiles that are suited with their personalities. This will directly lead to job satisfaction and organizational commitments, thus, reducing turnover (Eckhardt, 2014). Goldberg (1993) discovered the big five personality traits such as neuroticism, extraversion, conscientiousness, openness to experience, and agreeableness were associated with several work-related attitudes and behaviors. The big five personality traits theory was originally generated by Norman (1963) formally known as "Norman's Big Five". The results of the relationship between personality traits and job satisfaction from previous studies showed some inconsistency. A study by Cheng (2014) found only specific traits were related to job satisfaction. Zimmerman (2008) posited that conscientiousness and agreeableness traits can predict the turnover rate as compared to other traits. Although Levy (2011) found that all the big five personality traits significantly related to career satisfaction, nevertheless based on a recent study by Templer (2012) no correlation was found between the traits of extraversion, conscientiousness, neuroticism and agreeableness and retention intention among the human resources department employees in Singapore. Thus, it can be concluded that only specific personality traits are suited with certain specific job areas. It is important for this study to be done in the spa industry to determine which personality traits have a relationship with job satisfaction and retention intention among the spa therapists.

3.0 Research Framework

The proposed research model depicted in Figure 1.0 below was developed to demonstrate the relationship between the dependent variable, independent variables and mediating variable. The dependent variable in this research is Retention Intention and the independent variables are Communication Competency, Job Related Competency and Personality Traits. Job satisfaction will be operationalized as the mediating variable.

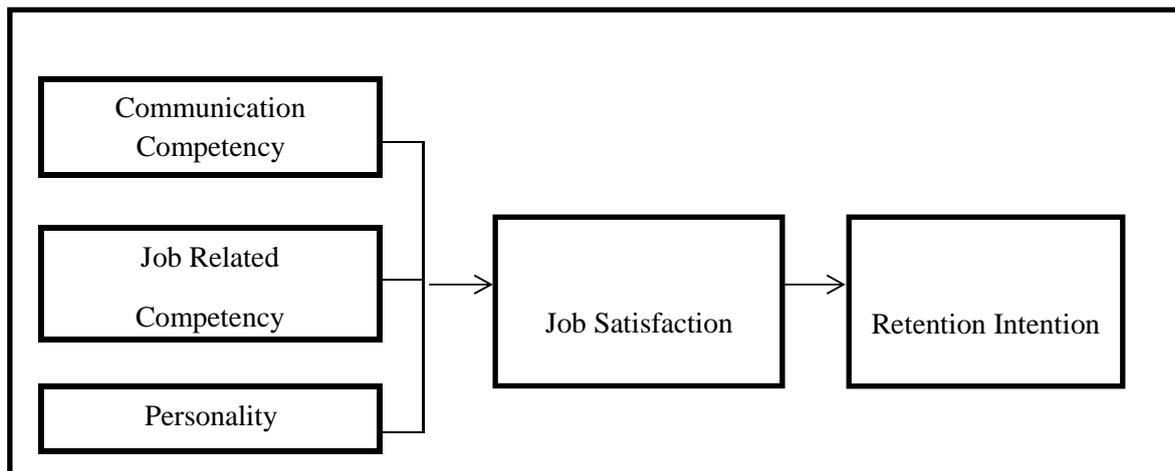


Figure 1.0 : Relationship between Competencies and Personality Traits and Retention Intention, Mediated by Job Satisfaction.

4.0 CONCLUSION

Based on previous studies, it can be concluded that factors of job related competency, communication competency, and personality traits can influence job satisfaction and retention intention among spa therapists. Apparently, a spa therapist must have a certain kind of personality such as being associated with their job or having the “spa feeling”, such as the power and benefit of human touch, the connection of mind, body and spirit, instead of hard (job related) and soft (communication and interpersonal) skill (Global Spa & Wellness Summit, 2012). It is important to establish several competencies and personalities for spa therapists in meeting their work challenges, especially when their clients are people who are stressful, thus, seeking relaxation at the various wellness places. As a matter of fact, there are bad perceptions towards the image of spa therapists which were considered as a minimal profession (Canavari, 2011). This emphasizes some concerns in the way that the profession as a spa therapist should be developed. It is also vital to enhance the spa therapist’s profession since the industry has potential as well as a huge revenue earner for the country. This study also supports the government’s effort to enhance the spa industry in line with the ETP program.

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OUM International Journal of Business and Management
Volume 1, Number 2, 2015
eISSN: 2462-134X