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BENEFITS AMONG BACK-OF-THE-HOUSE EMPLOYEES IN THE HOTEL INDUSTRY

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Abstract

This study was conducted to examine the relationship between benefits satisfaction and intent to leave among back-of-the-house employees in Las Vegas hotels. Employee benefits have generally been assumed to be an effective way to attract and retain employees; in fact, 70% of 45 U.S. companies include the benefit packages in their retention strategies. That idea that competitive benefits packages can help firms to win the retention war is widely accepted. The results of the study indicate that benefit satisfaction was significantly related to intent to leave; those who were satisfied with benefits were less likely to leave their jobs. The respondents who were 44 years old or younger and who were not either married or living with partners were more likely to leave. In addition, male respondents were more satisfied with their benefits than females.

Keywords: *Benefit Satisfaction, Lodging Industry, Back-of-the-House*

Introduction

Employee benefits are generally thought to be an effective way to attract and retain personnel, motivate performance, and increase job satisfaction (Woods, 2006). Between 1991 and 2005, the average real cost of employers' wages and benefits increased by 12%; real costs of wages grew by 10% when real costs of benefits grew approximately 18%. Until 2002, wages and benefits increased by almost the same percentage; however, real costs of benefits started to grow more quickly than real costs of wages after 2002 (U.S. Government Accountability Office, 2006).

Davison (1997) surveyed 45 U.S. companies and found that 70% had already included compensation and benefit packages in their retention strategies. More employers have started to recognize the important role of employee benefits. Pay is one of the important factors in a compensation and benefit package; however, pay has become the reward given for coming to work. It is now widely accepted that competitive compensation and benefits packages can help win the retention war (Davison, 1997).

Twenty or thirty years ago, hospitality companies rarely worried about a triple-digit turnover rate because the supply of available workers always exceeded the demand. The employment market has changed significantly since then. Turnover rate remains high, but the supply of available workers has diminished tremendously (Woods, 2006).

The U.S. Department of Labor (2019) reported that in April 2019, the unemployment rate was 3.6%. With historically low unemployment rates, a retention war is running among hotels for the right employees. Additionally, researchers have observed a labor shortage in the United States, especially in hospitality industry, because people are critical to success of every company in this industry (Greger, 2006).

The purpose of this study is to examine the relationship between employee benefits satisfaction and intent to leave among employees who work in the back-of-the-house of various Las Vegas hotels.

Literature Review

History of Employee Benefits

When benefits were first introduced, they were truly fringe. Benefits made up only 3% of total compensation in 1929 but jumped up to approximately 28% of compensation by 1990 (Bergmann, Bergmann, & Grahn, 1994). Employee benefits became common in the United States during the early 20th century. Throughout the 20th century, the federal government enacted labour regulations such as mandated employee benefits and safe working conditions to protect the labor force and business interests simultaneously (Flynn, 2008).

The Organic Act of the Department of Labor created the U.S. Department of Labor in 1913 to foster, promote, and develop the welfare of workers, to improve their working conditions, and to advance their opportunities for profitable employment (U.S. Department of Labor, 2008). The Employee Retirement Income Security Act (ERISA) was signed into law on Labor Day in 1974. ERISA remains the basis of the federal government's approach to

regulation of both health and retirement plans after more than three decades of amendments and regulatory embellishments (Employee Benefit Research Institute, 2005).

Employee benefits accounted for 19% of payroll in the United States in 1950. By 1986, they accounted for 39% of payroll. Part of this increase is attributable to the rising costs of specific benefits (e.g., medical care coverage). However, the scope of benefit coverage has also expanded. Whereas most early benefit plans provided little more than basic health and retirement coverage, today's plans often offer profit-sharing and stock ownership benefits, legal, educational, and child-care assistance, dental and vision insurance, and life insurance for employees and their dependents (Barber, Dunham & Formisano, 1992).

Flexible benefit plans were first offered in the late 1970s. The growth in adoption of these programs since 1980, primarily in the United States, has been great. This trend is likely to continue, particularly given that flexible programs are the most prevalent in the service sector, the fastest growing employment sector in the U.S. economy (Barber et al., 1992).

Employee Benefits

Harris and Fink (1994) argued that the term "benefit" is ambiguous and does not define a benefit, while many HRM researchers have emphasized the kind of outcomes the benefit produces. Precise definitions of benefit differ; fortunately, many areas overlap among researchers.

Employee benefits, offered by employers, provide employees with a wide range of advantages. Benefits are offered over and above an employee's salary or wages and can include an accumulation of retirement monies, payment of medical and dental expenses, adoption assistance, and payment of childcare costs, among many options. The popularity of these plans has continued to grow, with more than 9 million benefits covering more than 150 million people, with assets approaching $2 trillion in 1999 (Starr, Miller, Caprio, & Dunn, 2000).

Employee benefit plans were described by U.S. Small Business Administration (2008) in several ways. An employee benefit plan protects employees and their families from economic hardship caused by sickness, disability, death, or unemployment and provides retirement income to employees and their families as well as a system of leave or time off from work.

Employee benefits play an increasingly important role in the lives of employees and their families and have a significant financial and administrative impact on a business (Flynn, 2008). McCaffery (1988) emphasized the important role of the employee benefits when he presented Hewitt Associates' analyzed survey data. According to the data, Hewitt analyzed more than 12,000 employee paper surveys and focus group interview responses and found that 28% of respondents rated benefits as more important than pay, while 56% rated benefits and pay as equal important.

Employee benefit plans are developed, designed, and implemented in both the public and private sectors by human resource professionals in the United States. Numerous categories of employee benefit plans are available to many workers, including retirement benefits, health benefits, life insurance benefits, severance benefits, and leave benefits (Flynn, 2008).

Employee benefits are playing an ever greater role in compensation packages (Williams, 1995). U.S. Department of Labor, Bureau of Labor Statistics (2008) reported that 61% of private industry employees had access to paid retirement benefits and 71% to medical care benefits in March 2008. With employee benefits, employees gain the advantage of benefits such as health insurance for family members, and employers also benefit by, for example, gaining the commitment of employees, attracting qualified employees, and retaining right employees.

Benefit Satisfaction

Not only hotels but also most firms must develop competitive benefits packages and implemented non-monetary incentives to retain qualified workers (Eade, 1999). Sammons and Petrillose (1999) also showed that one of the three main purposes of benefits programs is retaining current employees. Another one is to attract new employees. Hudson (2003) mentioned that minimal benefits must be offered for a company to be competitive and satisfy the needs of employees. He indicated that benefits will attract applicants and reduce the rate of employees' leaving.

Benefit satisfaction is defined by Blau, Merriman, Tatum, & Rudmann (2001) as "an employee's attitude towards organizational benefits focusing on employee safety and security-related needs." According to Tremblay, Sire, and Pelchat (1998), research of benefit satisfaction has focused primarily on two variables: socio-demographic factors, especially age, gender, level of education, tenure, and marital status and attitudinal factors related to needs and desirability.

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Balkin and Griffeth (1993) claimed that gender may affect employee perception of the value of one's job inputs, which affects the extent of employee benefits the individual feels he or she should receive. Balkin and Griffeth (1993) found that females to be more positively associated with higher level of employee benefit satisfaction than males, but Sammons and Petrillose (1999) concluded that men were more satisfied with employee benefits than women; however, Scarpello, Huber, and Vandenberg (1988), Rabin (1994), and Williams (1995) found no significant relationship between gender and employee benefit satisfaction.

London and Stumpf (1982) suggested that an individual's career stages are similar to biological cycles of growth and decay. Individuals may change jobs and careers several times during the early stage of the career cycle. Employees may be less concerned about benefits during this period. However, individuals may expect a greater need for employee benefits at the later stage of the career (Balkin & Griffeth, 1993; Stumpf & Colarelli, 1980). Balkin and Griffeth (1993), Dreher, Ash & Bretz (1988), and Rabin (1994) found that age had a negative relationship with employee benefit satisfaction. These researchers found that younger employees were more satisfied with their benefits than older employees; however, Lust (1990) and Tremblay et al. (1998) observed no significant relationship between age and benefit satisfaction.

Balkin and Griffeth (1993) claimed that individuals with higher levels of education are expected to have higher perceived job inputs than people with lower levels of education. Therefore, employees with higher levels of education may expect higher levels of benefits from their employer than individuals with less education. Balkin and Griffeth (1993) and Lust (1990) observed a negative relationship between levels of education and benefit satisfaction, whereas Tremblay et al. (1998) found no significant relationship between these two factors.

Tenure has been studied for decades as a socio-demographic factor. Studies regarding seniority are inconsistent. Rabin (1994) found that shorter tenured employees were more satisfied with their employee benefits than longer tenured employees. On the contrary, Lust (1990) observed that employees who had been with the organization for a longer period of time were significantly more satisfied with their benefits than employees who had been for shorter periods of time, however, Balkin and Griffeth (1993) and Williams (1995) did not observe any significant relationship between tenure and benefit satisfaction.

Status of employees may affect the perceived level of benefits they receive. The provision on overtime in the Fair Labor Standards Act (FLSA) mandates firms to pay hourly employees a premium for every hour worked after 40 hours in a week. This overtime provision has affected employers, differentiating payroll and employee benefits for hourly-waged and salaried employees (Balkin & Griffeth, 1993). Balkin and Griffeth (1993) and Sammons and Petrillose (1999) found out that salaried employees were more satisfied with the employee benefits than hourly employees.

Lust (1990) claimed that individuals who were responsible with greater family duties may be more concerned with benefits and they may become dissatisfied when the benefits do not serve the family needs; however, Lust (1990) did not find any significant relationship between marital status and benefit satisfaction.

Many employees include family members as dependents in employee benefit programs so that their loved ones can be protected. In addition, more firms have started adding childcare and elder care to employee benefits in order to accommodate employees' needs. Shinnar (1998) concluded that number of dependents and benefit satisfaction were negatively correlated, whereas Lust (1990) did not find any significant relationship between number of dependents and benefit satisfaction.

Intent to Leave

Greger (2006) warned about labor shortages not only in the hospitality industry but in all industries. Turnover has become a major concern among organizations in United States because U.S. population growth is expected to slow down; the number of people aged 65 and older is expected to increase by 26% until 2015, and retirement of most senior workers in private and public sector is expected over the next seven years (Greger, 2006).

Coomber and Barriball (2006) and Johnsrud and Rosser (2002) claimed that turnover studies differentiate between actual turnover and intent to leave, with much of the research focusing on intent to leave because this factor has been found to be a good proxy indicator for actual turnover. However, an employee's intent to leave the employment does not always result in actual leaving (Ramsey, 2003).

Bolles (2006) noted that average workers aged 35 and younger would go job-hunting every one to three years, and workers over 35 go job-hunting every five to eight years. Based on his theory, some individuals intend to leave

their current employment every year or two regardless of success or failure. Riegel (2002) noted that intent to leave is a surrogate or stand-in measure; however, he believed that intent to leave has been well substantiated in previous research as a proxy for actual departure. Intent to leave is certainly not applied to turnover among employees who leave because of unexpected changes in family situations such as death, an unanticipated move, etc (Manlove & Guzell, 1997).

As mentioned earlier, London and Stumpf (1982) suggested that an individual's career stages are similar to biological cycles of growth and decay. Individuals may change several jobs and careers during the early stage of the career cycle than the later stage of the cycle because employees may concern less for security and benefits during this period of time. Baird (2006) found that older individuals were less likely to leave than younger individuals. However, Detamore (2008) and Regev (1999) did not find any significant relationship between age and intent to leave.

Detamore (2008) and Lambrou (2001) claimed that individuals with higher levels of education are expected to have greater intentions of leaving a company. However, they did not observe any significant relationship between two variables.

Regev (1999) examined the relationship between marital status and intent to leave. She claimed differences in intent to leave would exist between married individuals and single. However, she did not observe any significant relationship between two variables. Detamore (2008) claimed that gender might affect employees' intention to leave; however, he found no significant relationship between gender and intent to leave.

Benefit Satisfaction and Intent to Leave

Carsten and Spector (1987) found the general conclusion of studies of satisfaction and turnover intention to be a moderate correlation between satisfaction and turnover intention, which means that dissatisfied employees are more likely to quit their jobs than are their satisfied colleagues.

Research shows that benefit program features can directly affect employee attitudes and behaviors (Blau et al., 2001). For example, Harris and Fink (1994) proposed a "Preliminary model of objective benefit program features and attitudinal and behavioral outcomes" to show the relationships between benefit program features, benefit satisfaction, attitudinal/behavioral outcomes, and moderators (p. 118). They considered turnover, organizational

commitment, and intent to leave as examples of attitudinal/behavioral outcomes and age, number of dependents, or ethnicity as examples of moderators.

This study aims to investigate whether benefit satisfaction predicts employees' intention to leave the company. Additionally, we examine whether or not benefit satisfaction and intent to leave differ among various demographic characteristics of the respondents.

Methodology

Research Model

The purpose of this study is to examine the relationship between benefit satisfaction and intent to leave. A research model is developed as a theoretical framework for the research.

H1: There is a relationship between employee benefits satisfaction and intent to leave.

H2: There is a relationship between employees' socio-demographic characteristics and employees' intent to leave.

H3: There is a relationship between employees' socio-demographic characteristics and employee benefit satisfaction.

Overview of Questionnaire Design

A self-administered web survey was used for this study. Questionnaires were prepared as an online survey in order to increase participation and maintain anonymity. An online survey is a well-known method because it is cost effective, fast, more accurate for processing data, anonymous, and easy for flexible questioning (Zikmund, 2003). The survey consisted of multiple-choice questions designed to be rated on a Likert scale. The survey questions were adapted from Hart (1990) and Shinnar (1998).

Data Collection Procedures

This research was focused on Las Vegas hospitality firms as nine of the top 10 largest hotels in the United States are located in Las Vegas. Employees and managers in the hotels were informed that a research study would be conducted. Employees received a letter explaining the purpose of the study and guaranteeing complete anonymity. Any employees who wanted

to participate were asked to add his/her e-mail address at the bottom of the letter. Meanwhile, the researcher attended several pre-shift meetings of each separated sub-departments to encourage potential respondents. Finally, survey information was posted on bulletin boards in each office.

The survey was prepared and designed through Qualtrics. After two weeks after the initial Invitations were sent, e-mails were sent to remind employees who had not participated and to thank those who had. Respondents who wanted a chance to win a $50 gift card for a grocery store were asked to enter their e-mail addresses at the end of the survey.

The completed Internet survey data were downloaded from Qualtrics Web site analyzed. As the results were prepared and processed electronically, there was no human involvement in coding or inputting the data, so the researcher avoided data processing errors.

Results

Socio-Demographic Information

The demographic profile of the respondents included age, gender, race, education level, and marital status. Of the 41 respondents, the mean age of the respondents was approximately 39 years old. The age variable was recoded to 6 categories based on age categories from the U.S. Census as the respondents were asked to write their ages instead of choosing one of the choices. The complete information is shown in Table 1.

Table 1: Demographic Profile

Variables	Item	N	%
Gender	Male	13	31.0
	Female	29	69.0
Age	20-24 years old	3	7.3
	25-34 years old	16	39.0
	35-44 years old	8	19.5
	45-54 years old	6	14.6
	55-64 years old	5	12.2
	65 years old and older	3	7.3
Ethnicity	White/Caucasian	24	57.1
	African American	0	0
	Hispanic	2	4.8
	Asian/Pacific Islander	15	35.7

Variables	Item	N	%
Marital Status	Native American	1	2.4
	Other	0	0
	Single	18	42.9
	Married	24	57.1
Level of Education	Less than high school		0
	High school/GED		16.7
	Some college		16.7
	2-year college degree		7.1
	4-year college degree		50.0
	Master's degree or higher		9.5
Employment	Hourly	17	40.5
	Salary	25	59.5
Tenure in the Hospitality Industry	5 years or less	21	55.3
	6-10 years	3	7.9
	11-15 years	6	15.8
	16 years and more	8	21.1

Testing of Hypotheses

Hypothesis 1

Linear regression analysis was used to test the hypothesis of the research. The assumptions necessary for linear regression analysis were checked prior to performing the analysis (Norušis, 2006). Normality was tested through a histogram and a Q-Q plot of the studentized residuals. The constant variance was checked by a standardized predicted value as the X variable as a combination of standardized residuals in the Y variable. The linearity was evaluated by examining the scatter plot of independent variables and a dependent variable. The results met the requirement and none of assumptions were violated.

Table 2: Correlations - BS and IL

	IL	BS
IL	-	-
BS	-.339*	-

*Note. *. p<.05, IL=Intent to Leave, BS=Benefit Satisfaction*

Table 2 shows the correlation coefficient between variables, both independent variables and the dependent variable. A correlation coefficient is a number between -1 and 1 which measures the degree to which two variables are linearly related.

The relationships between three different variables were observed by conducting a linear regression analysis. First, linear regression analysis was conducted with BS, Benefit Satisfaction, as an independent variable and IL, Intent to Leave, as a dependent variable. Table 3 indicates that the absolute value of the correlation coefficient (R) between the IL and BS is .339. From the regression model, only 11.5% of IL was explained by BS, and the remaining 88.5% is not explained (see Table 3). The results show that the model was significant ($p<.05$, $F=5.203$) (see Table 4).

Table 3: Summary of Regression Analysis - BS and IL

R	R^2	Adjusted R^2	df	F	Sig.
.339	.115	.093	41	5.203	.028*

*Note. *. p <.05*

Table 4: Significance of Regression Coefficients - BS and IL

Model	B	Std. Error	ß	t	Sig.
(Constant)	6.402	1.026		6.237	.000**
BS	-.423	.185	-.339	-2.281	.028*

*Note. **. p <.01, *. p <.05*

Hypothesis 2

The Independent-Samples T-Tests were used to measure any significant difference in the means of two groups in the variables. In order to obtain Independent-Samples T-Tests, two groups must be specified for comparison. Independent-Samples T-Tests was used to test the hypothesis; and age, marital status, level of education, and gender were used as socio-demographic factors used in this study. Table 5 shows the results of the Independent-Samples T-Tests.

Hypothesis 2 predicted that there were age differences in the intent to leave. An Independent-Samples T-Test showed that intent to leave differs significantly between respondents who are 44 years old or younger (M = 4.55,

SD = 1.13) and respondents who are 45 years old or older (M = 3.26, SD = 1.51), t(39) = 3.081, p < .01. Therefore, respondents who are at least 44 years old or younger are more likely to leave the company than employees who are 45 years old or older.

It was predicted that there would be marital status differences in the intent to leave. An Independent Sample T-Test showed that differences existed between respondents who were married or living with a partner (M = 3.58, SD = 1.45) and respondents who were single, widowed, divorced, or separated (M = 4.54, SD = 1.18), t(40) = -2.379, p<.05. Thus, respondents who are single, widowed, divorced, or separated are more likely to leave the company than who are married or living with a partner.

The hypothesis was predicted that there were education level differences in the intent to leave. An Independent Sample T-Test showed that intent to leave did not differ significantly between respondents who had completed their Bachelor's degree (M = 4.42, SD = 1.09) and respondents who had not received Bachelor's degree (M = 3.65, SD = 1.65), t(25) = -1.695, p = .102.

Last, the hypothesis was predicted that there were gender differences in their intent to leave. Contrary to the hypothesis, an Independent-Samples T-Test showed that intent to leave did not differ significantly between male (M = 4.21, SD = 0.63) and female (M = 4.06, SD = 1.62) employees, t(40) = .408, p = .685.

In conclusion, level of education and gender failed to show significant differences while age and marital status showed significant differences between variables (see Table 5).

Table 5: Independent-Samples T-Tests Results for IL

	t	df	Sig.
Age	3.081	39	.004**
Marital Status	-2.379	40	.022*
Level of Education	-1.695	25	.102
Gender	.408	40	.685

*Note. *.p<.05, **. p<.01*

Hypothesis 3

Similar to the hypothesis 2, the Independent-Samples T-Tests were used to measure any significant difference in the means of two groups in

the variables. Two groups must be specified for comparison for obtaining Independent-Samples T-Tests. Independent-Samples T-Tests were used to test the hypothesis; and age, marital status, level of education, and gender were used as socio-demographic characteristics used in the research. Table 6 shows the results of the Independent-Samples T-Tests.

Hypothesis 3 predicted that there were age differences in benefit satisfaction. Contrary to the hypothesis, an Independent-Samples T-Test revealed that benefit satisfaction did not differ significantly between respondents who are 44 years old or younger (M = 5.26, SD = 1.259) and respondents who are 45 years old or older (M = 5.71, SD = .726), t(39) = -1.245, p = .221.

The hypothesis also predicted that there would be marital status differences in benefit satisfaction. An Independent Sample T-Test showed that differences did not exist between respondents who were married or living with a partner (M = 5.63, SD = .955) and respondents who were single, widowed, divorced, or separated (M = 5.26, SD = 1.214), t(40) = -1.082, p = .286. Therefore, there is no relationship between marital status of the respondents and benefit satisfaction.

It was predicted that there would be level of education differences in benefit satisfaction. An Independent Sample T-Test confirmed that benefit satisfaction did not differ significantly between respondents who had completed their Bachelor's degree (M = 5.32, SD = 1.180) and respondents who had not received Bachelor's degree (M = 5.59, SD = 1.004), t(40) = .767, p = .448.

Last, the hypothesis predicted that there were gender differences in their benefit satisfaction. An Independent-Samples T-Test showed that benefit satisfaction differs significantly between male (M = 5.85, SD = .689) and female (M = 5.24, SD = 1.215) employees, t(38) = 2.046, p < .05. Thus, male respondents were more satisfied with their benefits than female respondents.

In conclusion, age, marital status, and level of education failed to show significant differences while gender showed significant differences between variables (see Table 6).

Table 6: Independent-Samples T-Tests Results for BS

	t	df	Sig.
Age	-1.245	39	.221
Marital Status	-1.082	40	.286
Level of education	.767	40	.448
Gender	2.046	38	.048*

*Note. *.p<.05*

Discussion and Conclusion

Findings

The results of the study provided the support for the hypotheses indicating significant correlations between benefit satisfaction and intent to leave, between age and intent to leave, between marital status and intent to leave and between gender and benefit satisfaction. An in-depth discussion of hypotheses as follows:

Hypothesis 1

According to the test results of the first hypothesis, there was a negative relationship between benefit satisfaction and intent to leave. Those who were satisfied with employee benefits were less likely to leave the company than employees who were not satisfied with their benefits. However, approximately 11.5% of intent to leave was explained by benefit satisfaction, and the remaining 88.5% was not explained by the model. The correlation coefficient for the relationship between benefit satisfaction and intent to leave was -.339 ($p<0.05$); the correlation coefficient ranged from -1 to 1 and measured the degree to which two variables are linearly related. The closer the correlation coefficient is to 1, the higher the correlation.

Hypothesis 2

Hypothesis 2 predicted that employees' socio-demographic factors and intent to leave would be significantly related. As socio-demographic characteristics, age, gender, marital status, and level of education were tested. Independent-samples T-Tests revealed that age and intent to leave along with marital status and intent to leave were significantly related. The age of the respondents were divided by two categories: 44 years old or younger and 45 years old or older. The reason why the older category started from 45 years old was that the youngest baby boomers were born in 1964 and turned 45 years old in 2009. The results showed that respondents who were 44 years old or younger were more likely to leave the company than the ones who were 45 years old or older. Marital status of the respondents and intent to leave were also categorized into currently partnered and currently not partnered and tested for significance. The results showed that respondents who were not partnered are more likely to leave the company than the ones who were partnered.

Hypothesis 3

Hypothesis 3 predicted that employees' socio-demographic factors and benefit satisfaction would be significantly related. Similar to the hypothesis 2, age, gender, marital status, and level of education were tested as socio-demographic characteristics. Independent-samples T-Tests revealed that only gender and benefit satisfaction was significantly related. The results showed that male was more satisfied with their benefits than female respondents. However, the results showed that age, marital status, and level of education were not related to benefit satisfaction.

Implications

According to Tables, respondents rated Employee Stock Ownership Plans (ESOPs) as the least satisfactory benefit. Hotel managers should consider why employees were dissatisfied with the plans and how they can improve benefits. As mentioned earlier, McCaffery (1988) presented an analysis by Hewitt Associates of paper surveys and focus group interview responses by more than 12,000 employees; over 84% of respondents rated benefits and pay as at least equally important. This is evidence that employees have started to recognize the importance of the employee benefits as the costs of the benefits have increased over a period of time. Therefore, hotel managers should also recognize the importance of the benefits, because employees consider benefits equally important as pay.

The results showed that employees who were not satisfied with their benefits were more likely to leave the company than employees who were satisfied. This suggests that management should monitor benefits periodically to determine whether the benefits they offer cater to their employees' needs. In addition, hotel managers can adopt the cafeteria plans, where employees choose the components and build their own benefits packages to meet their needs. Cafeteria plans could help reduce employer costs and increase benefit satisfaction at the same time.

Limitation and Future Research

The results of the research showed that there was a negative relationship between benefit satisfaction and intent to leave. However, we are in the recession and hotels have experienced cash flow problems. Recently, some Las Vegas hotels laid off employees in finance departments. This could have affected the respondents on the questions asking about intent to leave. One of the survey questions asked respondents if they might leave the hotel within

three years and some respondents wrote down that their employer might let them go. When the research was started, the unemployment rate for the end of the year 2007 was approximately 5% (U.S. Department of Commerce, 2008); however, the unemployment rate for the end of the year 2008 was 7.2% (U.S. Department of Commerce, 2009).

As stated earlier, 42 responses were usable to analyze in this research. Since the sample size is small, it may not represent entire population of employees who work in finance or accounting departments. Although Las Vegas hotels have diverse employees, the results may not have generalizability as Las Vegas is a unique travel destination. If a different city or demographic groups were tested, it is possible that the results could have been different. Replication of this study would be essential as this is the first study to examine the relationship between benefit satisfaction and intent to leave among employees who work in finance departments in Las Vegas hotels.

Limitations of this research exist in the analysis part. Linear regression analysis does not prove absolute cause and effect as it is a statistical method to test the probability of the hypothesis. The R square for the hypothesis 1 was low which could have resulted due to a small sample size. Independent-Samples T-Tests are only used to compare the means of two independent groups.

This research project was performed at various hospitality firms throughout Las Vegas, Nevada. Specifically, this study focused on employees who worked in finance or accounting departments. Future research could be performed on employees in different departments are more or less satisfied with their benefits and the relationship between benefit satisfaction and intent to leave. In addition, the future research should be conducted in different travel destinations other than Las Vegas as well as in different hospitality sectors such as airlines, restaurants, or conventions.

Conclusion

Benefits serve multiple purposes for both employees and employers. This research showed that the benefit satisfaction significantly affects employees' intention to leave the company. In addition, approximately 40% of the respondents answered that they might leave the company if they could receive better employee benefits. This implies that employees who are satisfied with their benefits are less likely to leave the organization. Independent-Samples T-Test showed that respondents who were 44 years old or younger and respondents who were not partnered were more likely to leave the company.

Another Independent-Samples T-Tests revealed that male was more satisfied with their benefits than female. Hospitality companies may need to pay attention on what they offer as benefits and what benefits their employees want to retain their employees.

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