Factors Affecting the Turnover Intention of Bangladeshi Migrants in the United Arab Emirates: An Empirical Study on the Hotel Industry

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Human resource management is an essential factor after capital management for organisational success. This study investigates the factors affecting the earning potential, organisational commitment, and job satisfaction of Bangladeshi migrant workers in the United Arab Emirates. The main purpose of this study is to address the Bangladeshi migrant workers turnover intention in the UAE hotel industry through reviewing earning potential, organisational commitment, and job satisfaction. A questionnaire-based survey of a sample of 220 migrated Bangladeshi workers in the UAE was used to collect data regarding their turnover intent and the factors affecting it, in order to identify the factors that predict turnover intention in the hotel industry. The findings show that job satisfaction has a significantly positive correlation with turnover intention. Research also revealed that the organisational commitment of Bangladeshi workers has a significant relationship with turnover intention. At the same time, the earning potential of Bangladeshi employees in the UAE hotel industry has a significant positive relationship with turnover intention. The significant result in this study finds that three selected independent variables reviewed are positively affected regarding employee turnover intention.

Key words: Hotel Industry, Turnover Intension, UAE, Bangladeshi Expats.
Introduction

The hotel industry strongly depends on tourism and is affected by the various political issues that affect many expatriates. A large portion of expatriates are working in the service industries, and those who specifically work in the hotel industry face a variety of challenges such as organisational commitment, job satisfaction, and potential earning sources by medium-scale employees. According to the United Arab Emirates Population Statistics (2019), the shortage of inbound manpower in the United Arab Emirates has facilitated the employment of more than 8 million expatriates from around the world. This workforce is identified as being made up of self-initiated expatriates (SIEs), who are different to the organisational-hired expatriates (OHEs). SIEs are randomly hired by foreign corporations on a contractual basis, and OHEs are sent to foreign countries by parent or sister companies (Richardson & Mallon, 2005). SIEs are employed on a short-term or long-term contractual basis. Therefore, the SIE’s job extension period is normally not guaranteed by recruiting foreign corporations. Nevertheless, once the contract expires, the expatriate employee can usually sign a contractual agreement with the same corporation, or another (Al-Meer, 1989).

The SIEs face a unique work environment situation in the Middle East. The duration of the job contract agreement is very short for less skilled expatriates. Although, job contracts are renewed in many cases, there are no assurances that contracts will be renewed. SIEs have no hope of expressing any complaints about their employment because such instances may result in termination and deportation. In other words, labour laws regarding employee rights are not enforceable (Aloisi, 2015). Most of the studies to date that have surveyed the SIEs have reported that they are (1) uncertain about whether they are dedicated to or satisfied with their jobs (2) indifferent regarding identity, opinion, autonomy, and variety of job responsibility related to their work (3) being committed to their job responsibility once they are satisfied with their work (Bhuian et al., 1996; Aloisi, 2015; and Al-Meer, 1989).

Overseas job opportunity is a vital source of employment for Bangladeshis. According to the Refugee and Migratory Movements Research Unit (RMMRU), the Bangladeshi migrant worker population is about 12.2 million (RMMRU, 2018). The steady upsurge in foreign employment over the past several years contributed significantly to foreign exchange earnings, while decreasing the burden on the unemployment difficulty in the country. However, overseas job employment is a vital and stable source of foreign currency inflow to Bangladesh. In 2019, it has become the number two foreign exchange earner. Total foreign remittances received in 2019 decreased by 0.072% to USD 1482.84 million compared to USD 1597.69 million received during the previous year (Trading Economics, 2019). Therefore, the foreign employment sector plays a prominent role in the source of employment as well as foreign exchange. According to the Rahim & Alam (2015), the three factors that affect the amount of foreign exchange generated from labor migration are the number of departures, earning capacity of the employees and the duration of the assignment. The ending
of the decades-long conflict, the efforts to explore new market opportunities, attempts to simplify processes and implementation of national training programs would lead to expansion in overseas job opportunities and foreign exchange remittances to the country.

Taking up a job in a foreign country is a challenge. Unless adequate planning and preparation is undertaken, the expatriate assignment is likely to fail. Expatriate failure is well defined as the premature return of the migrant worker from the performance or assignment while on assignment. Studies have specified that the failure percentage rate for migrant employee jobs ought to be 25 to 40% (Foster, 2007). The variables related to the success of migrant recruitment cluster into three main areas: environmental problems, individual adjustment, and job-connected complications (Varma et al., 2016).

The study focuses on office employees in professional, middle level and clerical categories due to the convenience of collecting data. The majority of labor migrations in Bangladesh are for housemaid and semi and unskilled worker categories. However, these categories have a lower earning capacity compared to professional, middle level and clerical categories. An improvement in these categories of employment would have a higher impact on the economy. Therefore, the selection of professional, middle level and clerical categories for the research can be justified.

UAE is selected as the representative sample due to the convenience of collecting data. This selection can be justified for several reasons. In 2018, 0.71 million Bangladeshis migrated to UAE for employment, which stands in the fourth place behind the UAE, Kuwait and Qatar in the country-wise departures and accounts for 2.39% of the total departures. This makes the UAE a very important labor migration destination for Bangladeshis, with a potential for further increase in departures in the future. The distribution of departures to the UAE by manpower category (excluding housemaids) is given in Table 1.

| Table 1.1: Departures for foreign employment by manpower category (excluding housemaids) |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|
| County | Professional level | Skilled | Semi-skilled | Unskilled |
| UAE | 417 (2.9%) | 1,636 (33.4%) | 624 (5.7%) | 2,725 (42.0%) |
| Total | 220 (1.80%) | 3640 (43.25%) | 1875 (16.04%) | 5295 (38.55%) |

Source: Bangladesh Overseas Employment & Services Limited (BOESL), 2018
Compared to other destinations, the UAE offers more employment opportunities for professionals, middle level and clerical level jobs. These are higher earning categories compared to lower skilled worker categories. With the BOESL’s efforts to tap into the higher end of labour migration, the UAE offers more opportunities for generating higher income to the country. This study aims to address the Bangladeshi migrant workers turnover intention in the UAE hotel industry through earning potential, organisational commitment and job satisfaction.

**Literature Reviews and Hypothesis Development**

**Literature Review**

The study aims to identify the facets that influence Bangladeshi migrant employee job turnover intention in the UAE hotel industry, in terms of influence proposed variables such as earning potential, organisational commitment, and job satisfaction. According to Ben-Bakr, et al. (1994), the high level of migrant employee’s turnover intention is connected with organisational commitment, job satisfaction, continuance commitment, and value commitment. This study surveyed 442 employees in Saudi Arabian organisations, finding that employee turnover was accurately forecasted by each of these independent variables. The authors specified that organisational commitment was significantly more connected with turnover, followed by continuance commitment, job satisfaction, and value commitment. When compared, each of these variables was consistent with previous research findings (Koch & Steers, 1978 and Porter et al., 1976).

Aydogdu and Asikgil (2011), using correlation and regression analysis, evaluated the practical relationship between job satisfaction and organisational commitment and turnover intentions in the manufacturing and service provider sectors. The results of their study found that job satisfaction was statistically positive and evidenced significant correlations with the three factors of organisational commitment, whereas, employee turnover intention was a significant negative correlation between organisational commitment and job satisfaction. On the same issue, Bhuian et al. (1996) explore organisational commitment, job characteristics and job satisfaction, and the interrelationship between these variables regarding migrant employees in the Saudi Arabia. Examining a sample of 504 migrant employees, surveys were used to investigate these interrelationships using the concepts of organisational commitment, job characteristics and job satisfaction. The results for migrant employees were - (1) job satisfaction levels influenced by their organisational commitment, (2) the impact of the variety of jobs on commitment, and (3) the job identity, autonomy, and feedback effects on job satisfaction (Bhuian et al. 1996 and Bosetti et al., 2015).

Job satisfaction can be described as behaviour, attitudes or feelings that an individual has towards his or her job. Chatzoglou et at. (2011), defines job satisfaction as a feeling of an
employee towards his or her job. Most studies to date conducted in the areas of construction, manufacturing, and services provider sectors have found that salary relationship with co-workers, working relationship with superiors, promotion, responsibility and empowerment at work, nature of work, recognition, personal growth and development, feedback structures, feeling personal satisfaction regarding work, completed job variety, team contribution, working periods and ideal incentive packages were used to measure level of job satisfaction (Yirenkyi-Fianko & Chileshe, 2012; Puvada and Gudivada, 2012; Ayub & Rafif, 2011; Mahmood et al., Mahmood et al., 2016).

Lum et al. (1998) stated that there is an insignificant relationship between the factors job satisfaction, organisational commitment and earning potential, and employee turnover intention. Analysing data with the Pearson correlation coefficient and the multiple regression, Azeem (2010) surveyed the nature of the relationship between demographic variables (age and job period) and job satisfaction with organisational agreement or commitment of 128 employees. He identified a moderate positive relationship between demographic variables and job satisfaction with organisational commitment. He further observed that supervision, age and job period, payment and overall satisfaction were significant predictors of organisational commitment. In a meta-analysis examining intent to leave, job satisfaction and organisational commitment, Hellman (1997) concluded that there was an insignificant correlation between job satisfaction and organisational commitment, and turnover intention.

When the employee is pleased or satisfied with his/her work and is committed to the organisation, the likelihood of him/her leaving the organisation is significantly lower. This association is found to be stronger in expatriate employees compared to local employees (Baruch & Altman, 2002). Organisational commitment is defined as “a psychological state that (a) characterizes the association of employees with the organisational employers, and (b) has implications for the decision to discontinue or continue employee membership in the organisation (Meyer, Allen and Smith, 1993). Many different variables have been examined as potential determinants of organisational commitment, ranging from personal, organisational and contextual factors.

**Conceptual Model**

Figure 1 gives the conceptual model developed for this research, based on the literature review.
Hypothesis Development

**Determinants of Turnover Intention**

Most researchers have found that job satisfaction and organisational commitment are the main factors influencing an employee's turnover intention in an organisation. According to Mbah and Ikemefuna (2012), employee job satisfaction is significantly negatively interrelated to employee turnover on the environment of the job, management and salary payment; it indicated that the higher employees’ satisfaction depends on the nature of the job responsibility that reduces employee turnover tendency from the job. On the other hand, Saeed et al. (2014) stated that there is a significant and positive correlation between employee job satisfaction and turnover intention on promotion and increment salary, employee empowerment, and workplace environment. There can be both internal and external determinants of earning potential. Internal factors comprise three categories of variables: the employee's labour pool; the level of management of the employee in the corporation; and the family-life-cycle stage. The corporation's external three forecasted variables also determine employee’s earning potential: the level of economic development of the host country; the level of internal / organisational cultural multiplicity of the host country relative to its domestic culture and the facing environmental risks by employees / family members. Deriving from these concepts, the three hypotheses are formulated as follows:

**H1:** There is a positive relationship between earning potential and turnover intention of Bangladeshi employees in the UAE hotel industry.

**H2:** There is a positive relationship between organisational commitment and turnover intention of Bangladeshi employees in the UAE hotel industry.
H3: *There is a positive relationship between job satisfaction and turnover intention of Bangladeshi employees in the UAE hotel industry.*

**Research Methodology**

A questionnaire-based survey of a sample of 220 migrated Bangladeshi workers in the UAE was used to gather data regarding their turnover intention and the factors affecting it, in order to identify the factors that predict turnover intention in the hotel industry. The sample of Bangladeshi expatriates from hotel jobs was selected from foreign-owned, medium to large scale hotels in UAE. Hotels were selected based on convenience sampling, location and contacts, for the ease of gathering data. Employees were selected through random sampling from those Bangladeshis who had arrived in the UAE through a foreign employment agency (for the ease of standardisation) and those who have been in the UAE for at least three months (for better assessment of cultural adaptability). The selection of the individual employees was carried out on a random basis, using their employee number as the identification number. Data was collected via a confidential, anonymous questionnaire. Once the participants were identified, the questionnaires were distributed through the HR/Personnel Department. The completed questionnaires were collected personally from a correspondent person in the hotel. A reminder was sent after one week, and two weeks for non-respondents, data analysis commenced after about five weeks. The total data collection period was January to February 2019. A total of four items were used to measure earning potential, five items to measure organisational commitment, three items to measure job satisfaction and four items to measure turnover intention. The items of the measurements were adopted from Pattie, Benson and Bauch (2006). For conducting the analysis, Statistical Packages for Social Sciences (SPSS) and Partial Linear Square of Structural Equation Modelling were used.
Data Analysis and Findings

Descriptive Statistics of the Variables

Table 1: Descriptive statistics of the demographic variables

<table>
<thead>
<tr>
<th>No</th>
<th>Characteristic</th>
<th>Variable</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender</td>
<td>Male</td>
<td>131</td>
<td>59.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>89</td>
<td>40.5</td>
</tr>
<tr>
<td>2</td>
<td>Marital status</td>
<td>Single</td>
<td>69</td>
<td>31.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Married</td>
<td>151</td>
<td>68.6</td>
</tr>
<tr>
<td>3</td>
<td>Religion</td>
<td>Muslim</td>
<td>120</td>
<td>54.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hindu</td>
<td>57</td>
<td>25.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Buddhist</td>
<td>27</td>
<td>12.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Christian</td>
<td>16</td>
<td>7.3</td>
</tr>
</tbody>
</table>

Source: Research data

As shown in Table 1, most of the respondents are male (59.5%), female (40.5%). The gender proportion is representative of the expatriates in professional jobs in the Middle East, where a much higher male contingent is employed. In terms of marital status, single (31.4%) and married (68.6%) are represented. For religion, the majority of the employees are Muslim which is 120 (54.5%), followed by Hindu (25.9%), Buddhist (12.3%) and Christian (7.3%).

Independent Variables

Table 2: Descriptive statistics of the independent variables

<table>
<thead>
<tr>
<th>No</th>
<th>Variable</th>
<th>Items</th>
<th>Mean</th>
<th>SD</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Earning potential</td>
<td>4</td>
<td>4.30</td>
<td>1.64</td>
<td>0.80</td>
</tr>
<tr>
<td>2</td>
<td>Organisational commitment</td>
<td>5</td>
<td>3.51</td>
<td>1.15</td>
<td>0.72</td>
</tr>
<tr>
<td>3</td>
<td>Job satisfaction</td>
<td>3</td>
<td>4.22</td>
<td>1.29</td>
<td>0.83</td>
</tr>
</tbody>
</table>

Source: Research data

The sample is high on all three variables, i.e. job satisfaction (mean score 4.22), earning potential (mean score 4.30) and organisational commitment (mean score 3.51). Almost two-thirds of the respondents show that high earning potential, organisational commitment and job satisfaction are contributory factors to them.
**Dependent Variable**

**Table 3**: Descriptive statistics of the dependent variables

<table>
<thead>
<tr>
<th>No</th>
<th>Variable</th>
<th>Items</th>
<th>Mean</th>
<th>SD</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Turnover intention</td>
<td>4</td>
<td>4.13</td>
<td>2.38</td>
<td>0.77</td>
</tr>
</tbody>
</table>

Source: Research data

The mean score for turnover intention is 4.13 which is high, indicating that, even though they are happy with the employment, respondents want to get back to Bangladesh or switch to another company for whatever reason.

**Structural Equation Modelling**

**Assessment of Measurement Model**

In the measurement model of the study, the outer loadings are good enough to fit into the construct (Figure 1). Outer loadings of the study for job satisfaction are 0.827, 0.780, and 0.783 respectively (Muneer et al., 2019; Hmaeed et al., 2018; Zahra et al., 2019; Hameed et al., 2019). For organizational commitment are 0.781, 0.813, 0.842, 0.504 and 0.851 respectively. Loadings for earning potential are 0.793, 0.823 and 0.862. On the other hand, outer loading for turnover intention are 0.891, 0.885 and 0.854 respectively.

**Figure 2.** Diagram for Measurement Model of the Study
As shown in Table 4, Cronbach’s Alpha values for latent variables are above 0.7 which indicates good internal consistency of the measurement items. Average Variance Extracted for the variables is above 0.5 which shows a good measurement model (Basheer et al., 2019).

**Table 4: Result of Measurement Model for the Study**

<table>
<thead>
<tr>
<th>Latent Variables</th>
<th>Cronbach’s Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Satisfaction</td>
<td>0.768</td>
<td>0.772</td>
<td>0.866</td>
<td>0.683</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>0.716</td>
<td>0.729</td>
<td>0.839</td>
<td>0.635</td>
</tr>
<tr>
<td>Earning Potential</td>
<td>0.822</td>
<td>0.878</td>
<td>0.875</td>
<td>0.591</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>0.850</td>
<td>0.852</td>
<td>0.909</td>
<td>0.769</td>
</tr>
</tbody>
</table>

**Assessment of Structural Model**

The diagram in figure 3 demonstrates a structural model of the study. T-values of the model are showing high efficiency in the construct (Basheer et al., 2018). The influence of the independent variable to dependent variable is positively significant.

**Figure 3. Diagram for Structural Model of the Study**
As shown in Table 5, direct effects of independent variables towards dependent variable are showing a positive and significant relationship as job satisfaction (p value=0.026), organisational commitment (p value= 0.000) and earning potential (0.000) indicating a fitted structural model in this study.

<table>
<thead>
<tr>
<th>Relationships</th>
<th>Direct/indirect Effect</th>
<th>t-value</th>
<th>p value</th>
<th>Effect Size ($f^2$)</th>
<th>Supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Satisfaction→Turnover Intention</td>
<td>0.119</td>
<td>2.227</td>
<td>0.026</td>
<td>0.014</td>
<td>Yes</td>
</tr>
<tr>
<td>Organisational Commitment→Turnover Intention</td>
<td>0.216</td>
<td>4.450</td>
<td>0.000</td>
<td>0.053</td>
<td>Yes</td>
</tr>
<tr>
<td>Earning Potential→Turnover Intention</td>
<td>0.265</td>
<td>5.294</td>
<td>0.000</td>
<td>0.073</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Discussion and Conclusion

This study attempts to find out the relationship between job satisfaction, organisational commitment and earning potential and turnover intention of Bangladeshi expatriates in the hotel industry of the UAE. The findings show that job satisfaction has a positive and significant relationship with turnover intention. Research also reveals that the organisational commitment of Bangladeshi workers has a significant relationship with turnover intention. At the same time, earning potential of Bangladeshi employees in the UAE hotel industry has a significant positive relationship with turnover intention.

The research concludes that failure in international expatriation adjustment increases personal and organisational expenses. Specifically, deficient information prior to international assignments may preclude setting employee and employer expectations. The increased numbers of self-initiated expatriates maintain the need as to how this sub-category of expatriates are adjusted. Therefore, this study sought more information about adjustment levels of expatriates and the role of previous experience to address such problems. In addition, married expatriates with and without accompanying spouses were compared to single expatriates during expatriation (Alshammari, 2012 and Richardson &Mallon, 2005).

While there is still much to be learned about expatriate adjustment and its antecedents and outcomes, this study has made valuable contributions. The study confirms and expands on previous international research on the role of work-related attitudes in the intention to quit and to return prematurely from foreign assignments. The findings of the study confirm the role of work-related attitudes in the holistic expatriate adjustment model. In terms of the
Bangladeshi research arena, the study is one of the first to identify job-related attitudes as an antecedent to Bangladeshi professional expatriates labour turnover intention. Furthermore, the conceptual framework of the study can guide future further research into expatriate separation intention and adjustment processes. The findings also provide empirical evidence that expatriate failure rates could reach unacceptable levels, and job-related attitudes are identified as critical to the adjustment process (Aydogdu & Asikgil, 2011).

In conclusion, it can be stated that the migrant Bangladeshi ‘professional’ labour force in the UAE is not intending to either stay there for long or come back after they return to Bangladesh. There are several action points that were derived from the findings that could improve the situation. Potential job seekers need to obtain as much information as possible about the job, organisation, remuneration package and country before taking up the assignment. It is also advisable to seek information and training about the culture of the country before departure.

If they need to retain the expatriates, the organisations need to provide as much information as possible for the prospective employees and ensure that only accurate and valid information is provided. They also need to provide information and training about the culture of the country before departure. The selection process becomes critically important and they need to do a personality assessment of the prospective employees. They also need to focus on the job design and supervision of the expatriates. In order to enhance commitment and satisfaction, the organisations need to provide equitable pay to the Bangladeshi expatriates and provide them with other opportunities to get involved with the organisation.

For the industry, especially the hotel sector as the monitoring agency, there is a need to establish stronger control mechanisms to improve the information, training and cultural awareness received by the expatriates and to ensure that they are well prepared for the assignment. Based on the findings, three sets of recommendations could be made. One set is for the employees seeking employment in the Middle East, especially the UAE, to enhance their likelihood of gaining maximum benefit from the foreign employment. The second is for the organisations employing Bangladeshi expatriates to look for ways to enhance the commitment and retention of such employees. The third is for the foreign employment industry of Bangladesh to improve the quality of foreign employment assignments undertaken by the Bangladeshis, both in terms of job satisfaction and earnings.

The research population of Bangladeshi expatriates in the UAE limits the research scope in two ways. Future research could look at a comparison between different geographic locations, for example, between Europe, East Asia and other Middle Eastern regions. This would give a better understanding of the problem when considering the differing nature of business management in different world regions. Future research could also look at including
expatriates of other nationalities, which would provide comparisons between the psychological characteristics of expatriates of different nationalities. Since organisational commitment and job satisfaction are, to a large extent, dependent on specific organisational factors, opinions of local employees could also be considered.
REFERENCES


