

An Empirical Study on the Influence of Career Growth Opportunities on Employee Retention in Star Category Hotels of Delhi

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Abstract

The present study examines the influence of career growth opportunities on employee retention in star category hotels of Delhi. The hospitality industry faces high employee turnover, making retention an important concern for hotel management. The study aims to analyze how career advancement opportunities, promotion policies, and professional development initiatives affect employee retention. Primary data was collected from 385 employees working in star category hotels of Delhi using a structured questionnaire. Statistical analysis, including regression analysis, was used to examine the relationship between career growth opportunities and employee retention. The findings revealed a significant positive relationship between the variables, indicating that employees are more likely to remain with organizations that provide clear career paths and growth opportunities.

The study concludes that career growth opportunities play a vital role in improving employee satisfaction, commitment, and retention in the hospitality industry. Therefore, hotel organizations should focus on effective career development and promotion practices to retain skilled employees and improve organizational performance.

Keywords: Career Growth Opportunities, Employee Retention, Star Category Hotels, Hospitality Industry, Delhi

1.0 Introduction

The hospitality industry is one of the fastest-growing service sectors worldwide and plays a significant role in employment generation and economic development. In India, the hotel industry has witnessed remarkable expansion due to increasing tourism, globalization, business travel, and changing consumer preferences. Star category hotels, particularly in metropolitan cities like Delhi, operate in a highly competitive environment where service quality and customer satisfaction largely depend upon the efficiency and commitment of employees. Human resources, therefore, are considered one of the most valuable assets in the hospitality sector. However, the industry continues to face a major challenge in the form of high employee turnover and low retention rates (Kashyap & Rangnekar, 2016). Employee retention refers to an organization's ability to retain its employees for a prolonged period by creating a supportive and motivating work environment. Retaining skilled employees is particularly important in the hospitality industry because hotel operations are highly labor-intensive and service-oriented. Frequent employee turnover not only increases recruitment and training costs but also negatively affects service consistency, guest satisfaction, and organizational productivity (Cho et al., 2009). In star category hotels, where customer expectations are exceptionally high, retaining experienced and competent employees becomes essential for maintaining service standards and competitive advantage.

Among the various factors influencing employee retention, career growth opportunities have emerged as one of the most critical determinants. Career growth opportunities include promotion prospects, skill development programs, training initiatives, career advancement policies, mentoring, and opportunities for professional development within the organization. Employees are more likely to remain loyal to organizations that provide a clear career path and opportunities for personal and professional growth (Deery & Jago, 2015). When employees perceive limited growth opportunities, they often experience dissatisfaction, reduced motivation, and eventually seek employment elsewhere. The hospitality sector is characterized by demanding work schedules, long working hours, work pressure, and limited work-life balance, which often contribute to employee dissatisfaction and turnover intentions. In such circumstances, organizations that actively invest in employee career development are better positioned to improve retention and organizational commitment. Career growth opportunities create a sense of value and belongingness among employees, enhancing their motivation and encouraging them to contribute more effectively toward organizational goals (Agarwal & Ferratt, 2002). Employees who believe that their organization supports their career aspirations are likely to demonstrate greater job satisfaction and long-term commitment. Delhi, being the capital city of India and a major tourism and business hub, houses a large number of star category hotels catering to domestic and international travelers. These hotels operate in an intensely competitive market where attracting and retaining talented employees remains a significant concern. The demand for trained hospitality professionals has increased substantially, leading to greater employment mobility within the hotel industry. Employees frequently switch organizations in search of better career prospects, compensation, and professional development opportunities. Consequently, hotel management must focus on strategic human resource practices that encourage employee retention. Career growth opportunities are increasingly recognized as an essential human resource strategy for reducing turnover and enhancing employee engagement. Organizations that provide regular training, transparent promotion policies, leadership development programs, and career planning initiatives are more successful in retaining their workforce. According to Baum (2018), employee development practices not only improve workforce competency but also foster organizational loyalty and long-term retention. Employees who perceive growth opportunities within the organization are less likely to explore external job opportunities. Furthermore, Social Exchange Theory supports the relationship between career growth opportunities and employee retention. The theory suggests that employees tend to reciprocate organizational support and investment with loyalty, commitment, and continued service (Blau, 1964). When hotels invest in employee career progression and professional development, employees feel valued and are more likely to remain associated with the organization. Thus, career growth opportunities can act as a motivational factor that strengthens employee-employer relationships.

Previous studies conducted in the hospitality and service sectors have emphasized the positive relationship between career development and employee retention. Research indicates that opportunities for promotion, learning, and advancement significantly influence employees' decisions to stay within an organization (Nawaz & Pangil, 2016). However, limited research has specifically focused on star category hotels in Delhi, creating a gap in understanding the influence of career growth opportunities on employee retention within this regional context. Since employee expectations and organizational practices vary across regions and hotel categories, there is a need for empirical research to examine these factors in Delhi's hospitality sector.

This study, therefore, aims to empirically examine the influence of career growth opportunities on employee retention in star category hotels of Delhi. The research seeks to understand how career advancement initiatives impact employees' willingness to remain associated with their organizations. The findings of the study may help hotel management develop effective retention strategies and human resource policies that support employee career development and organizational sustainability. Additionally, the study may contribute to existing literature in the fields of hospitality management and human resource management by providing insights into employee retention practices in the Indian hotel industry.

2.0 Literature Review

Employee retention has become one of the most significant challenges in the hospitality industry due to increasing competition, changing workforce expectations, and high employee turnover rates. The hospitality sector is highly labor-intensive, and organizational success largely depends on the efficiency, commitment, and service quality provided by employees. Recent studies have emphasized that career growth opportunities play a vital role in improving employee retention and organizational commitment within hospitality organizations.

Ghani et al. (2022) explained that employee retention in the hospitality industry is strongly influenced by sustainable growth opportunities, effective communication, and supportive organizational practices. The authors highlighted that employees are more likely to remain with organizations that provide clear career advancement opportunities and professional development programs. Their review further suggested that career development initiatives positively affect employee satisfaction and long-term organizational loyalty.

Karatepe et al. (2020) demonstrated that employees who perceive strong career growth opportunities within their organizations tend to show higher career commitment and lower intention to leave. The researchers emphasized that career adaptability and organizational support are important predictors of employee retention in hospitality organizations.

Wang et al. (2024) examined the career commitment of hospitality employees across different career stages. The study revealed that employees who receive organizational support, career guidance, and opportunities for professional growth exhibit stronger commitment toward their careers and organizations. The findings indicated that career-related support systems positively influence employee engagement and retention in hotels and tourism organizations.

Bansal et al. (2025) argued that employee well-being and retention in hospitality organizations can be improved through effective human resource practices and job redesign strategies. Their research emphasized that employees are more likely to remain loyal to organizations that focus on employee development, supportive work environments, and growth-oriented career policies. The study further suggested that organizations must redesign work structures to provide employees with meaningful career progression opportunities.

Sousa et al. (2025) discussed the growing challenges of employee recruitment and retention among Millennials and Generation Z employees in the hospitality and tourism sector. According to the study, younger employees increasingly prefer organizations that provide career advancement, learning opportunities, and professional growth. The researchers observed that limited career progression opportunities often lead to dissatisfaction and higher turnover intentions among hospitality employees.

Sharma and Vyas (2025) analyzed employee turnover in the Rajasthan hospitality industry. The study identified lack of career growth opportunities, excessive workload, and limited professional advancement as major causes of employee turnover. The findings revealed that employees prefer organizations that offer structured career progression systems, transparent promotion policies, and professional development opportunities. The researchers concluded that career growth initiatives significantly contribute to employee motivation and retention in hotels.

Srivastava et al. (2025) reviewed employee retention strategies in five-star hotels and emphasized the importance of career development programs in retaining talented employees. Their study suggested that hospitality organizations should focus on leadership development, mentoring programs, training initiatives, and succession planning to improve employee retention and organizational performance. The authors also highlighted that employees working in luxury hotels expect long-term career opportunities and professional recognition from their organizations.

Dhondiyal et al. (2025) examined employee retention among Generation Z employees working in five-star hotels in Mumbai. The study revealed that younger hospitality professionals highly value career advancement opportunities, skill development, and organizational support. The researchers found that organizations providing learning opportunities and career growth pathways experience better employee retention rates compared to organizations with limited development initiatives.

The reviewed literature clearly indicates that career growth opportunities significantly influence employee retention in the hospitality industry. Recent studies consistently demonstrate that employees are more likely to remain with organizations that support their career aspirations through training, promotion opportunities, mentoring, and professional development initiatives. However, limited empirical studies have specifically focused on star category hotels in Delhi, creating a research gap in understanding the relationship between career growth opportunities and employee retention within this regional hospitality context. Therefore, the present study aims to examine the influence of career growth opportunities on employee retention in star category hotels of Delhi.

3.0 Research Methodology

The present study is empirical in nature and focuses on examining the influence of career growth opportunities on employee retention in star category hotels of Delhi. Primary data for the study has been collected from employees working in various star category hotels located in Delhi. A structured questionnaire was used as the primary tool for data collection to gather responses from hotel employees regarding career growth opportunities, professional development, promotion practices, and employee retention.

For the purpose of the study, a total of **385 employees** were selected as respondents through a suitable sampling technique. The sample size was determined considering the large population of employees working in star category hotels and to ensure reliability and accuracy in statistical analysis. The respondents included employees from different operational departments such as Front Office, Food and Beverage Service, Housekeeping, Kitchen, and Administration.

The questionnaire was designed using a five-point Likert scale ranging from strongly disagree to strongly agree. The collected data was analyzed using appropriate statistical tools to examine the relationship between career growth opportunities and employee retention among hotel employees. The study aims to provide practical insights for hotel management regarding effective employee retention strategies through career development initiatives.

3.1 Objective of the Study

- To examine the influence of career growth opportunities on employee retention in star category hotels of Delhi.

3.2 Research Hypotheses

Null Hypothesis (H₀)

H₀: Career growth opportunities have no significant influence on employee retention in star category hotels of Delhi.

Alternative Hypothesis (H₁)

H₁: Career growth opportunities have a significant positive influence on employee retention in star category hotels of Delhi.

4.0 Data Analysis

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.808 ^a	.652	.643	.610

- Predictors:** (Constant), ER10, ER5, ER3, ER6, ER2, ER9, ER8, ER1, ER4, ER7

Model Summary Interpretation

The Model Summary table shows a strong positive relationship between employee retention variables and career growth opportunities, with an R value of 0.808. The R Square value of 0.652 indicates that 65.2% of the variation in career growth opportunities is explained by the employee retention variables included in the model. The Adjusted R Square value of 0.643 confirms the strong explanatory power of the model, while the Standard Error of Estimate (0.610) indicates acceptable prediction accuracy.

ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	260.757	10	26.076	70.151	.000 ^b
Residual	139.020	374	.372		
Total	399.777	384			

- Dependent Variable:** CG1

- Predictors:** (Constant), ER10, ER5, ER3, ER6, ER2, ER9, ER8, ER1, ER4, ER7

ANOVA Interpretation

The ANOVA results show that the regression model is statistically significant, as the F-value is 70.151 with a significance level of $p = 0.000$, which is less than 0.05. This indicates that the employee retention variables collectively have a significant impact on career growth opportunities in star category hotels of Delhi.

Coefficients

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	.010	.138		.070	.944
ER1	.143	.055	.136	2.598	.010
ER2	.055	.055	.052	1.002	.317
ER3	.069	.051	.066	1.361	.174
ER4	.198	.052	.204	3.818	.000
ER5	.100	.050	.097	1.992	.047
ER6	.042	.050	.042	.846	.398
ER7	.023	.055	.023	.422	.673
ER8	.049	.054	.048	.923	.357
ER9	.091	.055	.085	1.649	.100
ER10	.218	.053	.202	4.096	.000

- Dependent Variable:** CG1

Coefficients Interpretation

The coefficients analysis indicates that ER1, ER4, ER5, and ER10 have a significant positive influence on career growth opportunities because their significance values are less than 0.05. Among these, ER4 and ER10 are the strongest influencing factors. However, ER2, ER3, ER6, ER7, ER8, and ER9 do not show a statistically significant influence, as their p-values are greater than 0.05.

5.0 Conclusion

The present study examined the influence of career growth opportunities on employee retention in star category hotels of Delhi. The findings of the regression analysis revealed a strong positive relationship between career growth opportunities and employee retention. The Model Summary showed an R value of 0.808, indicating a high level of correlation between the variables, while the R Square value of 0.652 revealed that 65.2% of the variation in career growth opportunities is explained by the selected employee retention factors. The ANOVA results further confirmed that the regression model was statistically significant with a significance value of $p = 0.000$, leading to the rejection of the null hypothesis and acceptance of the alternative hypothesis. The coefficient analysis indicated that variables ER1, ER4, ER5, and ER10 had a significant positive influence on career growth opportunities, with ER4 and ER10 emerging as the strongest predictors.

The study concluded that career growth opportunities play a crucial role in improving employee motivation, job satisfaction, organizational commitment, and long-term retention in the hospitality industry. Employees working in star category hotels are more likely to remain loyal and committed when organizations provide clear career paths, promotion opportunities, professional development programs, and supportive human resource practices. The findings suggest that hotel management should focus on training and development, mentoring, succession planning, transparent promotion systems, and fair performance appraisal practices to retain skilled employees. Overall, the study highlights that effective career development initiatives are essential for reducing employee turnover and achieving sustainable organizational growth in star category hotels of Delhi.

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