

THE INFLUENCE OF EMPLOYEE VALUE PROPOSITION ON PERCEIVED ORGANIZATIONAL SUPPORT, EMPLOYEE ATTRACTION AND RETENTION IN STAR-RATED HOTELS IN TAMIL NADU

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This study examines the impact of Employee Value Proposition (EVP) dimensions on perceived organizational support (POS), employee attraction, and retention in star-rated hotels (3★, 4★, 5★) in Chennai, Madurai, Trichy, and Coimbatore, Tamil Nadu. A multi-stage stratified random sampling method produced 428 valid responses from a targeted sample of 450 hotel employees, encompassing various hotel categories, departments, and job levels. Multiple regression models show that EVP dimensions account for 79.6% of the variance in POS, 90.9% of the variance in employee retention, and 74.2% of the variance in retention when predicted only by POS. Economic Values, Comfort Values, Justice Values, Work–Life Balance, and Training and Development significantly enhance POS, whereas Career Values and Work Culture Values exhibit significant negative effects. Work–Life Balance, Justice Values, Comfort Values, and Economic Values are all strong positive predictors of retention. On the other hand, Career Values and Trust Values are all strong negative predictors. Perceived organizational support is a strong predictor of retention, with an effect that is almost one-to-one. These results show how important EVP design and organizational support are for making the hotel industry in Tamil Nadu more attractive and keeping employees.

Keywords: Employee Value Proposition, Perceived Organizational Support, Employee Retention, Hotel Industry, Work–Life Balance, Tamil Nadu.

INTRODUCTION

Tamil Nadu's hotel industry is a big part of the tourism and service economy, but it also has a lot of problems, like high labor intensity, irregular work hours, and strong competition for skilled workers. Research on Indian hotels indicates that extended working hours, weekend and holiday shifts, and emotional pressures generate significant stress and lead to ongoing turnover issues. High turnover makes it more expensive to hire and train new employees, and

it can hurt the quality of service and the hotel's reputation, so hotel management should make it a priority to attract and keep employees.

In light of these challenges, the Employee Value Proposition has emerged as a comprehensive framework for articulating an organization's offerings to its employees regarding rewards, development, work environment, and experience (Altizer, 2024; Mohammadi, 2025). In the hospitality sector, Näppä (2025) presented an employment value proposition framework, demonstrating that economic value, training and development value, diversity, and prosocial or social value collectively influence perceptions of industry reputation and attractiveness, subsequently affecting intentions to remain in the sector. Other research in hotels has shown that EVP has a positive effect on employee satisfaction and productivity, both directly and indirectly, especially during unstable times like the COVID-19 pandemic (Binus study, 2022; Mohammadi, 2025).

Perceived Organizational Support, initially developed by Eisenberger and associates, has been examined in the hospitality sector as a crucial mediator connecting HR practices with retention and performance outcomes. Acharya (2022) discovered that POS mediates the relationship between employee engagement and retention in Indian five-star hotels, whereas Asghar (2021) demonstrated that POS mitigates the impact of work demands on engagement and turnover intentions among hotel employees. A recent study conducted in Northern Cyprus by a team published in 2026 corroborates that POS diminishes turnover intentions and fosters positive behaviors such as organizational citizenship within hotel environments.

Another important issue in hotel work is work-life balance. An EPRA journal article from 2022 about work-life balance in Indian hotels says that when work and personal life are out of balance, it has a big negative effect on employee well-being and makes them more likely to leave their jobs. A study conducted in hotels in Uttar Pradesh also finds that flexible work arrangements and proper workload distribution are crucial for alleviating stress and fostering work-life balance (Chu, as cited in Impact of Work-Life Balance Practices and Employee..., 2023). Nagamani and colleagues in Coimbatore observe analogous trends among female hotel employees, underscoring that work-life balance significantly impacts their choice to continue in the hospitality sector.

These studies underscore the significance of Employee Value Proposition (EVP), Perceived Organizational Support (POS), and work-life balance for hotel employees. However, there remains a paucity of integrated evidence correlating specific EVP dimensions to perceived organizational support and employee retention within the Indian hotel sector, particularly in Tamil Nadu. This study fills that gap by looking at nine EVP dimensions economic, career, work culture, comfort, justice, trust, social value, work-life balance, and training and development as factors that affect POS and employee retention among workers at 3, 4, and 5-star hotels in Chennai, Madurai, Trichy, and Coimbatore.

REVIEW OF LITERATURE

Value Proposition for Employees in the Hospitality Industry

Recent literature identifies EVP as a pivotal instrument for employer branding and talent management. Näppä (2025) contends that the tourism and hospitality sector can present a

compelling value proposition to employees, provided that organizations proactively manage the combination of benefits and experiences they offer, ensuring alignment with current workforce requirements. Mohammadi (2025) suggests data-driven EVP mining, demonstrating that organizations can enhance EVP by scrutinizing employee-generated content to bolster employer reputation and retention intentions. Binus research in Jakarta hotels shows that EVP has both direct and indirect positive effects on employee productivity by making them happier during the pandemic.

Porcelain Publishing authors in 2025 stress the importance of the employee value proposition (EVP) as a way to boost commitment and lower the desire to leave. They show that EVP is strongly linked to organizational commitment and the desire to stay in service industries. Harri (2023) says that a clear EVP that focuses on meaningful work, flexibility, and growth can help hospitality employers stand out and improve their hiring results. These studies collectively indicate that EVP functions not merely as a communication instrument but as a significant framework of employment conditions influencing attraction and retention.

EVP, Reputation in the Industry, and Keeping Employees

Näppä (2025) demonstrates that in the tourism and hospitality sectors, economic value, training and development value, diversity, and prosocial value substantially affect employees' perceptions of industry reputation and attractiveness, which subsequently influences their intention to remain in the field. This research expands upon prior findings indicating that competitive salaries and benefits diminish turnover intentions in the hospitality sector (Huang et al., 2019) and that above-average compensation enhances job-seeking intentions among seasoned hospitality professionals (Jolly et al., 2020). The studies convey a unified message that EVP components—particularly compensation, professional growth, and social value—significantly influence employer reputation and individual choices regarding retention or departure from the industry.

Perceived Organizational Support in Hotel Research

Perceived Organizational Support has been thoroughly analyzed concerning engagement, performance, and retention. Acharya (2022) discovers that in the Indian hospitality sector, POS serves as a mediator in the relationship between employee engagement and retention among five-star hotel staff, highlighting that employees who perceive organizational support are more inclined to stay and sustain their engagement. Asghar (2021) states that POS mitigates and amplifies the positive impacts of work engagement on performance while diminishing turnover intentions in hotel environments. A 2024 study on POS and compassionate leadership in hotels finds that POS improves psychological well-being and job satisfaction. This study also connects POS to employee retention through mechanisms that improve employee well-being. A recent article in *Nature* (2026) about five-star hotels in Northern Cyprus also says that POS lowers turnover intentions and boosts citizenship behaviors. This shows how important organizational support is in tough hotel settings.

Work–Life Balance and Employees in Hotels

Work-life balance has garnered heightened scrutiny in hospitality research. The EPRA study "Work Life Balance in Indian Hotel Industry" (2022) shows that hotel workers often have long

and irregular hours that hurt their health and family life, which can lead to stress and even quitting. A critical examination of work–life balance in hotels reveals that extended shifts, monotonous tasks, performance evaluation methods, and communication challenges contribute to inadequate balance. It advocates for flexible scheduling and five-day work modules where applicable (Atlantis Press Paper, 2020). Further research on star-category hotels in Uttar Pradesh indicates that flexible work schedules, telecommuting options (where applicable), and family-friendly policies are essential for enhancing employee well-being and retention in the hospitality sector (Impact of Work-Life Balance Practices and Employee..., 2023). A study conducted in Coimbatore regarding female employees reveals that work-life balance significantly affects their desire to continue in the hotel sector, underscoring WLB as a crucial element of EVP for Indian hotels.

A Unified Perspective on EVP, POS, and Retention

These studies collectively demonstrate that well-structured EVP components—particularly compensation, development, prosocial value, fairness, and work–life balance—influence perceptions of employer attractiveness and industry reputation (Näppä, 2025; Mohammadi, 2025). Furthermore, perceived organizational support functions as a psychological mechanism through which HR practices and EVP impact engagement and retention (Acharya, 2022; Asghar, 2021; the 2026 Northern Cyprus POS study). Nevertheless, the majority of studies concentrate on singular EVP components, such as compensation or work-life balance, or investigate POS and retention without directly associating them with a multi-dimensional EVP framework within the Indian hotel sector. This study enhances the understanding of nine EVP dimensions as predictors of POS and retention in star-rated hotels in Tamil Nadu, thereby offering a more cohesive empirical model.

RESEARCH METHODOLOGY

Population and Sampling

The study population consisted of employees from 3★, 4★, and 5★ hotels situated in the four primary hotel hubs of Tamil Nadu: Chennai, Madurai, Trichy, and Coimbatore. A multi-stage stratified random sampling method was employed. First, the four cities were chosen on purpose because they are important places for tourists and hospitality. Second, hotels in each city were grouped by their star rating. Third, hotels were chosen from each stratum in a way that was close to the distribution of 5★, 4★, and 3★ hotels (15%, 35%, and 50% of the sample, respectively). Finally, employees at the chosen hotels were divided into groups based on their department (front office, housekeeping, food and beverage, kitchen, administration) and their job level (operational, supervisory, managerial). Then, simple random sampling was used to choose respondents from each group. We sent out 450 questionnaires, and 428 of them were returned fully and could be used. This gave us a 95.1% response rate and kept the planned distribution across hotel categories and cities.

Data Sources

A structured questionnaire was used to get primary data, and academic journals, hospitality industry reports, and relevant government and international publications were used to get

secondary data. This included recent work on EVP, POS, and work-life balance in hotels by Näppä (2025), Acharya (2022), the EPRA work-life balance study (2022), and others.

How to Gather Data

We used a mixed-mode approach to gather data. Printed questionnaires were given to frontline and operational staff in departments like housekeeping, food and beverage service, and the kitchen. This was done because these workers often don't have much access to digital devices while they are working. To avoid causing too much trouble, respondents filled out the questionnaires during their breaks. At the same time, a secure online survey link was sent to managers, supervisors, and administrative staff through official channels like internal email and WhatsApp groups. The same items and scales were in both formats. A pilot test with 30 employees from different departments was done to improve the wording and structure. The Cronbach's alpha values for the main constructs were higher than 0.78, which shows that they were reliable.

Steps

The Employee Value Proposition was developed as a multi-faceted framework consisting of nine dimensions: Economic Values, Career Values, Work Culture Values, Comfort Values, Justice Values, Trust Values, Social Value, Work-Life Balance, and Training and Development. Recent EVP frameworks and research on hospitality have shown that pay, development, culture, fairness, work-life balance, and social value are the most important parts of a modern EVP (Näppä, 2025; Mohammadi, 2025; Harri, 2023; iFeel Online, 2024). A five-point Likert scale (1 = strongly disagree, 5 = strongly agree) was used to measure each dimension with more than one item. Economic Values evaluated perceptions regarding salary competitiveness, benefit sufficiency, and performance incentives, consistent with research correlating economic value to diminished turnover in the hospitality sector (Huang et al., 2019; Jolly et al., 2020, as summarized by Näppä, 2025). Career Values gauged employees' views on chances for promotion, skill improvement, and clear career paths. This shows that development value is important for making an industry attractive, but it can backfire when promises aren't kept (Näppä, 2025; Enhancing Employer Brand study, 2025).

Work Culture Values measured how well people thought they fit in with the company's values, how well they worked together, and how welcoming the workplace was. Comfort Values looked at how good the physical space, facilities, and ergonomics were, based on research on how hotels can create supportive work environments (Supportive Work Environment in the Hotel Industry, 2024). Justice Values assessed equity in regulations, performance evaluation, advancement, and reward allocation, based on Acharya's (2022) research connecting perceived organizational support (POS) and fairness to employee retention. Trust Values looked at how much faith people had in management's honesty and how well they communicated. Social Value gauged perceptions of corporate social responsibility and community engagement, consistent with evidence that prosocial value improves perceptions of industry reputation and appeal (Näppä, 2025). Work-Life Balance assessed scheduling equity, workload feasibility, and adaptability, in accordance with EPRA and regional hotel research that recognizes WLB as a vital retention element (EPRA, 2022; Nagamani's Coimbatore study, 2024; Uttar Pradesh WLB practices, 2023). Training and

Development encompassed access to organized training and skill enhancement opportunities, aligning with the observation that the value of training and development affects perceived industry reputation and appeal in tourism and hospitality (Näppä, 2025).

We measured perceived organizational support using items from the Survey of Perceived Organizational Support, which was created by Eisenberger and his coworkers and is commonly used in hospitality research (Acharya, 2022; Asghar, 2021; the 2026 POS study in Northern Cyprus). Items measured how much employees thought the company cared about their well-being and valued their work. The intention to retain employees was evaluated through indicators reflecting the desire to remain, the willingness to advance one's career within the current hotel, and a diminished inclination to resign, in alignment with retention models in hospitality that employ intention to remain as a behavioral proxy (Acharya, 2022; Binus EVP impact study, 2022; Näppä, 2025).

Examination of Data

Descriptive statistics and three multiple regression models were used to look at the data. The first model calculated how nine EVP dimensions affected how much support people thought their organization gave them. The second model looked at how EVP dimensions directly affect employee retention. The third model looked at how perceived organizational support affects how long employees stay with the company. We tested for statistical significance at $p < .05$, and the diagnostics showed that the assumptions of linearity, normality, homoscedasticity, and multicollinearity were mostly met.

DATA ANALYSIS AND RESULTS

Model 1: Influence of EVP on Perceived Organizational Support

Model Summary – EVP → Perceived Organizational Support

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.892	0.796	0.791	0.15602

EVP dimensions collectively explain 79.6% of the variance in perceived organizational support.

ANOVA – EVP → Perceived Organizational Support

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	39.636	9	4.404	180.931	0.000
Residual	10.175	418	0.024		
Total	49.811	427			

The overall model is statistically significant ($F = 180.931$, $p < .001$).

Coefficients – EVP → Perceived Organizational Support

Predictor	B	Std. Error	Beta	t	Sig.
(Constant)	0.267	0.167	–	1.596	0.111
Economic Values	0.486	0.075	0.590	6.465	0.000
Career Values	-0.404	0.091	-0.426	-4.422	0.000
Work Culture Values	-0.340	0.113	-0.436	-3.018	0.003
Comfort Values	0.289	0.068	0.383	4.233	0.000
Justice Values	0.387	0.126	0.392	3.072	0.002
Trust Values	0.265	0.147	0.247	1.797	0.073
Social Value	-0.081	0.057	-0.100	-1.405	0.161
Work–Life Balance	0.140	0.066	0.172	2.139	0.033
Training and Development	0.157	0.057	0.095	2.734	0.007

Values related to economics, comfort, justice, work-life balance, and training and development all have a big and positive effect on how people see organizational support. On the other hand, values related to career and work culture have a big and negative effect on POS.

Regression Equation (POS):

Perceived Organizational Support

$$= 0.267 + 0.486(\text{Economic}) - 0.404(\text{Career}) - 0.340(\text{Work Culture}) + 0.289(\text{Comfort}) + 0.387(\text{Justice}) + 0.265(\text{Trust}) - 0.081(\text{Social}) + 0.140(\text{WLB}) + 0.157(\text{Training})$$

Model 2: Influence of EVP on Employee Retention

Model Summary – EVP → Employee Retention

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.954	0.909	0.907	0.11554

EVP dimensions explain 90.9% of the variance in employee retention.

ANOVA – EVP → Employee Retention

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	55.861	9	6.207	464.963	0.000
Residual	5.580	418	0.013		
Total	61.441	427			

Coefficients – EVP → Employee Retention

Predictor	B	Std. Error	Beta	t	Sig.
(Constant)	0.874	0.124	–	7.064	0.000
Economic Values	0.396	0.056	0.433	7.110	0.000
Career Values	-0.540	0.068	-0.513	-7.981	0.000
Work Culture Values	-0.089	0.083	-0.103	-1.072	0.284
Comfort Values	0.296	0.051	0.352	5.847	0.000
Justice Values	0.526	0.093	0.480	5.647	0.000
Trust Values	-0.284	0.109	-0.238	-2.600	0.010
Social Value	-0.026	0.042	-0.029	-0.605	0.546
Work–Life Balance	0.561	0.049	0.620	11.549	0.000
Training and Development	-0.083	0.042	-0.045	-1.952	0.052

The best things that keep people at a job are work-life balance, justice, comfort, and economic values. In this model, career and trust values have strong negative effects on retention, while work culture, social value, and training do not.

Regression Equation (Retention):

Employee Retention

$$= 0.874 + 0.396(\text{Economic}) - 0.540(\text{Career}) - 0.089(\text{Work Culture}) + 0.296(\text{Comfort}) + 0.526(\text{Justice}) - 0.284(\text{Trust}) - 0.026(\text{Social}) + 0.561(\text{WLB}) - 0.083(\text{Training})$$

Model 3: Influence of Perceived Organizational Support on Employee Retention**Model Summary – POS → Employee Retention**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.861	0.742	0.741	0.19287

ANOVA – POS → Employee Retention

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	45.595	1	45.595	1225.725	0.000
Residual	15.846	426	0.037		
Total	61.441	427			

Coefficients – POS → Employee Retention

Predictor	B	Std. Error	Beta	t	Sig.
(Constant)	0.337	0.099	–	3.410	0.001
Perceived Organizational Support	0.957	0.027	0.861	35.010	0.000

Perceived organizational support alone accounts for 74.2% of the variance in retention and exerts a robust positive influence.

Regression Equation (Retention via POS):

$$\text{Employee Retention} = 0.337 + 0.957(\text{Perceived Organizational Support})$$

DISCUSSION AND CONCLUSION

The findings indicate that EVP is a significant factor influencing both perceived organizational support and employee retention in the hotel sector of Tamil Nadu. Values like economic, comfort, justice, work-life balance, and training greatly improve POS. This backs up earlier research that found that fair pay, supportive work environments, fair procedures, and chances for growth are all important to employees' sense that the organization values them (Acharya, 2022; Supportive Work Environment, 2024). The strong positive effects of work-life balance and fairness also support the findings of the EPRA work-life balance study and regional studies in Coimbatore and Uttar Pradesh, which show that a bad balance and a sense of unfairness are big reasons why people leave hotel jobs.

The adverse impacts of career values and workplace culture values on both POS and retention indicate that exaggerated or unattainable assurances regarding career advancement and a “family-like culture” lacking sufficient structural support may lead to frustration and disillusionment. This aligns with Näppä's (2025) admonition that employment value propositions must be anchored in realistic organizational circumstances to maintain industry appeal and retention. Likewise, Binus's study of EVP in Jakarta hotels during COVID-19 shows that employees' views of EVP are based on real experiences of support and opportunity, not just on what is said formally.

The second model's very high R^2 (0.909) for the link between EVP and retention shows that EVP dimensions, especially work-life balance, justice, comfort, and economic value, give a full picture of why employees want to stay. This is in line with research by Acharya (2022) and Asghar (2021), which found that fairness, supportive practices, and workloads that are easy to handle lower turnover intentions in the hospitality industry. The prominence of work-life balance as a retention factor aligns with EPRA (2022), the Uttar Pradesh WLB study, and Nagamani's research in Coimbatore.

The third model substantiates perceived organizational support as a pivotal psychological mechanism connecting employee value proposition (EVP) to retention, emphasizing the notion that EVP initiatives must be converted into authentic experiences of support to effectively influence behavior (Acharya, 2022; Asghar, 2021; Northern Cyprus POS study, 2026). The almost one-to-one relationship between POS and retention shows how important organizational support is for keeping a stable and dedicated staff in hotels that are hard to work in.

The findings suggest that hotel practitioners in Tamil Nadu should focus on creating a credible and well-delivered EVP that focuses on fair pay, decent working conditions, justice, realistic development, and work-life balance. This is the best way to improve organizational support and keep employees. Subsequent research may examine comprehensive mediation models of $EVP \rightarrow POS \rightarrow \text{retention}$ through structural equation modeling, conduct longitudinal studies on EVP interventions, and analyze results across various Indian states and between chain and independent hotels to enhance these findings.

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