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Factors Affecting Job Pursuit Intention in Hotel Industry in Ho Chi Minh, Viet Nam

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Abstract

Given the rise in international tourism and the rapid growth of the Vietnamese economy, the hospitality industry in Ho Chi Minh City, Vietnam's commercial hub, has been facing severe labor shortages due to competition with other fast-growing parts of the economy. These struggles to acquire high-quality employees is strangling future growth and placing new importance on the role of recruitment. To better understand the effectiveness of an organization's recruitment strategy, recruiters need to ascertain the Job Pursuit Intention (JPI) of job seekers to efficiently align an applicant's work notions with the organization's goals. This study aims to investigate the factors impacting on JPI among employees working in the hotel sector in Ho Chi Minh City. Secondary data are from previous studies and primary data are from consultation with 10 experts, group discussions and five in-depths structured interviews with 15 random employees and 302 survey questionnaires with employees working in three five-star hotels. Cronbach's Alpha, EFA, T-Test, ANOVA are used for statistical analysis. The findings show that compensation, career advancement, and work-life balance affect JPI of job seekers, in which compensation is the most influential factor. Furthermore, recommendations for recruiters, further research and limitations of this study have been laid out.

Keywords: Career Advancement, Compensation, Corporate Social Responsibility, Hospitality Industry, Job Pursuit Intention (JPI), Work-Life Balance

JEL Classification Code: M10, I20, I23, Z30

1. Introduction

Hospitality industry in Ho Chi Minh City has been facing with fierce competition for human capital to meet the demand of the significantly increasing tourist numbers annually and the aggressive expansion of international hotel groups. In order to create and achieve a sustainable competitive advantage, economic profit, and long live in the increasingly globalized and competitive marketplace, human

resource management (HRM) becomes extremely important, especially in a service-oriented, human-intensive sector that is the hospitality industry by its service industry nature.

Recruitment is the first major function of HRM and is the cornerstone of successful business in the hospitality industry (Chang & Tanford, 2018). However, recruitment in the hotel industry becomes more challenging than in other sectors because this industry is well-known for its unwarranted use of high levels of casual workers, long and unsocial working hours, and especially low pay (George et al., 2020). For instance, Ul Islam et al. (2016) indicate that most employees working in the hotel industry in Pakistan are not satisfied with their employers due to the low remuneration. Therefore, in order to improve recruitment strategy, recruiters need to better understand job pursuit intention (JPI) of job seekers, which is defined as applicant's desire to apply for a vacant position (Williamson et al., 2003). The more candidates apply for a vacancy, the larger number of qualified applicants the organization can select from, which results in achieving more effective recruiting strategies and stronger competitive advantages over its rivals (Williamson et al., 2003). However, hospitality organizations in Ho Chi

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