



HR CHALLENGES AND EMPLOYEE RETENTION IN HOTEL INDUSTRY

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ABSTRACT

The research deals with “A STUDY ON HR CHALLENGES AND EMPLOYEE RETENTION IN HOTEL INDUSTRY”. The main objective of this study is to analysis the HR challenges and employee retention in hotel industry. This research study is Descriptive & Hypothesis research in nature. The size of the sample is 100 and the sampling technique used is convenience sampling (Probability sampling), through the questionnaire method. Both the sources of data collection viz. primary and secondary have been used in this report. The questionnaire has been conducted with many questions concerning the improvement of quality at Hotel Industry. The tools which used are chi-square, one way ANOVA, spearman’s rank correlation, one sample T-test, forecasting. A thorough analysis has also been done on the responses given by the respondents based upon which conclusions have been drawn.

INTRODUCTION

Organizations that do not put their emphasis on attracting and retaining talents may find themselves in dire consequences, as their competitors may be outplaying them in the strategic employment of their human resources. With the increase in competition, locally or globally, organizations must become more adaptable, resilient, agile, and customer-focused to succeed. And within this change in environment, the HR professional has to evolve to become a strategic partner, an employee sponsor or advocate, and a change mentor within the organization. In order to succeed, HR must be a business driven function with a thorough understanding of the organizations big picture and be able to influence key decisions and policies. In general, the focus of today’s HR

Manager is on strategic personnel retention and talents development. HR professionals will be coaches, counselors, mentors, and succession planners to help motivate organizations members and their loyalty. The HR manager will also promote and fight for values, ethics, beliefs, and spirituality within their organizations, especially in the management of workplace diversity. This paper will highlight on how a HR manager can meet the challenges of workplace diversity, how to motivate employees through gain-sharing and executive information system through proper planning, organizing, leading and controlling their human resources.

Employee Retention involves taking measures to encourage employees to remain in the organization for the maximum period of time. It is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. Employee retention is beneficial for the organization as well as the employee. Effective employee retention is a systematic effort by employers to create and foster an environment that encourages current employees to remain employed, by having policies and practices in place that address their diverse needs. Retention of key employees is critical to the long-term health and success of any organization. It is a known fact that retaining the best employees ensures customer satisfaction, increased product sales, satisfied colleagues and reporting staff, effective succession planning, and deeply embedded organizational knowledge and learning.

Primary Objective:-

1. A study on challenges of HR and Employee retention at hotel industry

Secondary Objective:-

1. To study effective manpower management at workplace.
2. To study effective implementation of HR processes and policies.
3. To find out the challenges faced by HR in the organization.
4. To study the employees overall satisfaction with organization.
5. To study about the employee retention of towards the organization.
6. To study current areas of concern and identifies opportunity for improvement.
7. To provide suggestions for retaining the employees in the organization and overcoming HR problems.

RESEARCH METHODOLOGY

S.NO	KEY ISSUES	OPTIONS SELECTED
1	Data sources	Primary & Secondary data
2	Research Approach	Descriptive Research & Hypothesis Research
3	Instrument Used	Questionnaire
4	Area of Interest	Hotel industry
5	Sampling Plan	
	a) Population Size	100 Respondents
	b) Sampling Methods	Probability sampling
	c) Method Used To Collect Question	Direct Contact Method
	d) Type Of Questionnaire Design	1. Open-ended questions. 2. Closed -ended questions <input type="checkbox"/> Dichotomous Scale (Yes / No) <input type="checkbox"/> Likert 5 Point scale (S.A, A, N, D.A, S.D.A) <input type="checkbox"/> Likert 5 point scale (H.S, S, N, D.S, H.D.S) <input type="checkbox"/> Category scales (Multiple Item)
	e) Method Of Analysis	* Chi-Square Method * One Sample t-Test * One Way Anova * Spearman’s Rank correlation * Forecasting

RESEARCH REVIEW

Dr. Simran Kaur on Monday July 13, 2015 :

“It is really a huge challenge to understand the psychology of workforce, retain the best talents of the industry, motivate them to perform better and handle diversity while maintaining unity simultaneously. Globalization has resulted in many positive developments but it has left many concerns for HR managers. In today’s business environment, it’s not enough for HR professionals to simply react to change. HR must be quick enough to lead the change. The study is about the challenges and trends that the HR profession currently faces and might face in the future and the resulting changing roles and competencies required of HR practitioners”

Hema Gulati Dr.Sunita Bishnoi (2000) :

“According to the study conducted by NASSCOM and Everest India, the service sector has been growing at more than 35 percent over the past three years and currently estimated at US\$ 26-29 billion and could grow nearly five-fold to reach US\$50billion in size by 2012.The industry is being looked upon as the next big employment generator. It is, no doubt, one of the toughest task for an HR manager in this sector, to bridge the ever increasing demand and supply gap of professionals. He has to find the right kind of people who can keep pace with the unique work patterns in this industry. Adding to this is the challenge of maintaining consistency in performance and keeping the motivation levels high, despite the monotonous

work. The toughest concern for an HR manager in India is, however, the high attrition rate which is approximately 30-35 percent at present. In this regard an earnest attempt has been made by taking 120 respondents from to study the various challenges. The statistical tools like factor analysis, means are being used. It concluded that attrition is the most challenging factor for all HR managers”.

M. V. Nappinnai 1 & N. Premavathy 2 (2008)

“In the global competitive scenario as there is no dearth of opportunities for talented persons in this world, given a chance, employees are prone to move from one organization to another. Corporates are facing the problem of attrition at this time of economic revival. Organisations spend a lot of effort, time and money on employees retention because losing a valued employee proves to be costly in the form of lost knowledge, worried co-workers and lost money. Retention is more economic than going for fresh recruitment. Organisations should have an effective retention plan to keep the current employees. This article presents a holistic view of attrition and retention of employees in this competitive scenario”.

Mak and Sockel (2001)

This paper critically analyzes the work culture for a mainstream financial organization operating within Pakistan, while drawing a specific example to elucidate certain dilemmas that impede the potential growth for the financial sector and its constituent workforce, besides hampering the performance of the organizations. The case study is related to an

organization in financial sector which conducts a Management Trainee Program with the purpose to select, train and develop a high-potential pool of talent into future leaders and fore-runners of the organization. This paper critically analyzes several inherent problems that face the successful implementation of the trainee program under the frameworks of various theories of organizational management. To solve these problems, this article presents a detailed diagnosis of the management shortcomings to improve the firm’s corporate culture, work ethics and employee handling strategy and mechanism. Recommendations are also made to minimize the problems and maximize the success of the Management Trainee Program in the case study organization.

Hinkin & Tracey (2000)

This paper analysis the various challenges which are emerging in the field of HR. The managers today face a whole new array of changes like globalization, technological advances and changes in political and legal environment changes in Information technology. This has lead to a paradigm shift in the of roles professional personnel. The great challenge of HRM is to attract, retain and nurture talented employees. This paper also analysis how to overcome with these challenges. These challenges can overcome through cross cultural training, technological and informational training of HR people and motivation of employees through various techniques.

ANALYSIS

CHI-SQUARE TEST

H₀ = There is no clear policy regarding employee benefit.

H₁= There is clear policy regarding employee benefit.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Employees * ClearPolicy	100	100.0%	0	0.0%	100	100.0%

Employees * ClearPolicy Crosstabulation

		ClearPolicy			Total
		Agree	Neutral	Disagree	
Employees	Employees	73	7	20	100
Total		73	7	20	100

Chi-Square Tests

	Value
Pearson Chi-Square	12.67 ^a
N of Valid Cases	100

Table value > Calculated value.

H_0 is accepted, H_1 is rejected.

INTERPRETATION: Since calculate value is less than table value. Hence null Hypothesis is rejected, alternative Hypothesis is accepted. Hence, There is a clear policy regarding employee benefit.

ONE SAMPLE t-TEST

Let H_0 be Null Hypothesis & H_1 be Alternative Hypothesis.

H_0 = There is no satisfaction with the working hours.

H_1 = There is satisfaction with the working hours.

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Satisfaction Level in Working hours	100	2.22	.416	.042

One-Sample Test

	Test Value = 0					
	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Satisfaction Level in Working hours	53.323	99	.000	2.220	2.14	2.30

Table value > Calculated value.

H_0 is accepted, H_1 is rejected.

INTERPRETATION:

Since calculate value is greater than table value. Hence null Hypothesis is accepted, alternative Hypothesis is rejected. Hence, There is no satisfaction with their working hours.

ONE WAY ANOVA

H_0 = There is no significance difference between participation in holidays.

H_1 = There is a significance difference between participation in holidays.

Test of Homogeneity of Variances

Participation In Holidays

Levene Statistic	df1	df2	Sig.
801.694	1	98	.006

ANOVA

Participation In Holidays

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	3.610	1	3.610	30.032	.006
Within Groups	11.780	98	.120		
Total	15.390	99			

INTERPRETATION:

Since the calculated value is less than the level of significance. H_1 is accepted. Hence the alternative hypothesis is accepted, it is interpreted that there is significance difference between participation and holidays.

SPEARMAN’S RANK CORRELATION ANALYSIS

H_0 = There is no increase in employee performance through training and development.

H_1 = There is an increase in employee performance through training and development.

Correlations

		EmployeePer formance	Employees
Spearman's rho	EmployeePerforman ce	1.000	.663**
			.000
		100	100
Employees	Correlation Coefficient	.663**	1.000
			.000
		100	100

** . Correlation is significant at the 0.01 level (2-tailed).

INTERPRETATION:

Since calculate value is greater than table value. Hence null Hypothesis is accepted, alternative Hypothesis is rejected. Hence, There is no increase in employee performance through training and development.

FORCASTING

H_0 = Employees does not understand the company policies, procedures and processes.

H_1 = Employees understand the company policies, procedures and processes.

Model Description

Model Name	MOD_1
Series or Sequence	1
Transformation	EffectiveandEffici entUtilizationofEm ployees
Non-Seasonal Differencing	0
Seasonal Differencing	0
Length of Seasonal Period	No periodicity
Horizontal Axis Labels	Sequence numbers
Intervention Onsets	None
Reference Lines	None
Area Below the Curve	Not filled

Applying the model specifications from MOD_1

Case Processing Summary

	Effective and Efficient Utilization of Employees
Series or Sequence Length	100
Number of Missing Values in the Plot	0
User-Missing	0
System-Missing	0

INTERPRETATION

Thus it is forecasted that, most of the employees in an organization are well known about their organization's policies, procedures and processes.

FINDING:

- It was observed that 65% of employees agreed that the training provided by the organization increases their performance and 5% of employees were neutral.
- It was known that 50% of employees agreed that the organization utilize the services effectively and efficiently, 10% of employees were neutral.
- It was found that 70% of employees understand our company policies, procedures and processes at work place, and 3% of employees were neutral
- It was observed that 73% of employees the organization have a clear policy regarding employee benefit, and 20% of employees were neutral.
- It was observed that 60% of employee feels that they hiring right candidates within short deadlines and 13% of employees feel moderate.
- It was found that 80% of were strongly agreed, and 20% of employees have agreed that it was quite difficult to dismiss a permanent employee from the organization.
- It was observed that 70% of employees have strongly agreed and 12% of employees feel that retaining the employee is biggest challenges.
- It was known that 40% of employees were neutral, 30% of employees have strongly agreed that the management provide opportunities for growth and promotion .
- It was found that 80% of were satisfied and 20% of employees were highly satisfied with the information shared by the

management on what is going in your department.

- It was found that 72 % of were satisfied and 20% of employees were highly satisfied and 8% of employees were neutral in the level of challenge and responsibility in your current role.
- It was observed that 81% of employees were satisfied 7% of employees were dissatisfied with the salary.
- It was known that 72% of employees were satisfied and 1% of employees were dissatisfied with motivation and encouragement from management.

SUGGESTION:

- ❖ Should conduct frequent meeting with the employees to know their concerns, thereby revamping the company's policy to overcome the problems.
- ❖ Provide opportunities for people to share their knowledge via training sessions, present actions, mentioning others & flexible house Retention tips
- ❖ Involve employees in decision making process.
- ❖ Recognize excellent performance, and especially link pay to performance.
- ❖ Provide opportunity for career and personal growth through training and educations challenging assignments.
- ❖ Selecting right people based on the requirements.
- ❖ Should make a hierarchy for various positions.
- ❖ Offer an attractive, Competitive, Benefits package.
- ❖ Company should follow standard SDLC process.
- ❖ Implement good employment practices and Grant leave facilities, holidays as per the HR norms.

- ❖ Maintain safe and healthy organizational climate.
- ❖ Provide medical and insurance policies to all its employees

CONCLUSION

The role of the HR manager must parallel the needs of the changing organization. Successful organizations are becoming more adaptable, resilient, quick to change directions, and customer-centered. Within this environment, the HR professional must learn how to manage effectively through planning, organizing, leading and controlling the human resource and be knowledgeable of emerging trends in training and employee development.

Employee retention is not solely a concept or apply, it's a live taken to speculate within the was forward for the corporate for a corporation is additionally well-known by the workers it employs and also the ways in which it retains them. Holding a crucial worker would demand the leader to reap the sensation of job security and job satisfaction into the mind of the workers. Efficacious communication helps worker to spot with the organisation and produce in openness and religion. Impelled workers don't seem to be solely committed to a lot of output however conjointly influence a much better work culture for a protracted run. This helps in developing a way of loyalty and evolves a lot of economical and effective work force operating towards a much better productivity for the organisation, on balance human resource is additionally one in all the foremost valuable assets

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