

# Human Resource Management Practices in Hospitality Sector

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**Abstract---** *Human Resource Management, an essential part of a company, also guarantees that the working partnership between workers and an organisation is effective by recognizing and meeting the needs of workers beginning from recruiting and progressing throughout their careers. This paper analyses the activities of human resources in hotels in the rugged state of Uttarakhand, India in the Himalayas. India's particular geographic position poses barriers to human resources that are special to this popular tourist destination. Reports from this survey shows that workers are happy with their remuneration packages but not with quality of employment, and the turnover rate of workers is comparatively high. Hoteliers do not often provide adequate training to develop the operational skills of employees. Recruitment is mainly through internal referrals that lead to high inbreeding and other human resource problems that follow.*

**Index Terms---** *Hospitality, Human Resource Management, Hotel, Tourism, Employee expectation, Turnover, Training programs.*

## I INTRODUCTION

Nowadays, Hospitality is to be considered as fast growing industry worldwide and is to be termed as a leading contributor to the global economy by developing preferred foreign reserves and creating job opportunities at the same time. Human resource development (HR) remains, regardless of the country, the most important and significant consideration for the growth of the hospitality industry. Implementing business-promoting HR strategies is a real challenge, because workers sometimes resist change and tend to comply with traditional values and procedures. For tourist attractions in underdeveloped mountainous regions, this is more frequently valid. Therefore, designing successful HR strategies that can bring change in India's mountain tourism destinations is difficult. Several companies have stepped forward and are performing exceptionally well to follow international standards in the hospitality industry in the development of human resource. However these changes do not reach the countries geographically challenged areas [1].

The hospitality sector comprising of a human resource management factor need not only a human touch and "service with a smile," but also a preference for employees who are cross-trained, multi-skilled, forward-looking in terms of experience and attitude, and who represent strategic imaginative and essential thinking ability. To attract visitors to choose a specific hotel, the hoteliers have to meet the required the quality of service standards of the customers. But in the hospitality industry, human resource professionals are undergoing rapid changes owing to the influx of information technology and growing globalization. Improvement in human resources through recruitment, preparation and workforce

growth at all levels is a key component in maintaining the success of the business on the international stage [2].

Tourism's popularity has resulted in increased demand for quality practitioners. A major challenge for the business is the rising demand for trained and well skilled human resources. The effective use of human resources provides the hotel a competitive advantage in the market place in this fascinating industry. As per the researchers hotels need to establish human resource strategies that allow them to hire, choose and maintain skilled employees who can help achieve the desired organizational goals. Until entering the field, the hospitality industry requires prospective employees to have specific professional qualifications, expertise, and trade skills. The launch of several modern hospitality institutes in India has greatly improved the quality of hospitality education, and students are becoming steadily more qualified and properly trained to work in this prestigious and rapidly growing sector. The organizations in the hospitality sector need to carry out training programs to develop skilled and educated practitioners to work effectively in the hospitality sector [3].

For the hospitality industry, educational institutions are developing model education programs to improve students' skills. Some of the introduced improvements cover oral and written communications; computer literacy and interpersonal skills as part of ability development, however, students fail to learn how to use these capabilities in a manner that the company requires. Most educational institutions do not have the infrastructure necessary to teach such skills and need investment to build educational and training infrastructure to meet future challenges and big opportunities in India's hospitality sector [4].

The main objective of the study is to identify hospitality employers' expectations as per the different employee skills; to assess hotel employees' attitude towards financial benefits in the hospitality sector; to identify the causes of discontent among hospitality employers; to determine the degree of intention of hotel employees to leave; to comprehend the views of staff and managers about the need for training [5].

For several factors, human resource management (HRM) is becoming increasingly important for the hospitality and tourism sector, including growing demand for high-quality workers, rising customer demand for high-end facilities, etc. It's not unusual that one of the major challenges facing the industry is a lack of skilled and willing workers. Researchers had given a thorough review of "Human resource management practices" in the hospitality sector, comprising of job instability, higher levels of staff turnover, perception and/or prevalence of non-qualified and semi-qualified jobs, poor internal markets restricting opportunities for promotion, training opportunities, pay differentials, employee performance assessments and the nature of job openings [6].

Different studies have managed to identify the cause and effect of the relationship between physical working conditions (e.g. working hours, wage incentives, rest periods, social factors and supervision) and performance of employees. Furthermore, researchers believe that the behaviour of an individual at work is strongly influenced by the situation of one which is exposed to. Latest research on tourism and hospitality shows that the approach to recruitment and hospitality training is characterized by informality as well as a relatively unsophisticated style of management [6].

Throughout their analysis of recruitment and training throughout small firms, researchers found that the trend for small firms is an informal and unsophisticated approaches to human resource management. Researchers found a strong association between the scale of an institution and employment practices, and a clear connection between the size and degree to which institutions had adopted HR strategies, processes, or other management practices. Recruitment practices

are obviously related to the level of training which has been provided [7]. Experts indicated that there is a lack of qualified workers in many industrialized countries and imbalances occur on the labour market [8]. They also acknowledged recruiting problems and scarcity of employee skills can adversely affect both small and large firms' competitiveness. They say that there is an increasing awareness that training and education programs will affect a location's supply of professional workers and work mix and the region's subsequent economic well-being. Generally, in hospitality and tourism sector, with their redundant reliance on secondary labour markets and traditionally high labour turnover rates, there is a greater tendency among the companies associated with the hospitality or tourism services to have high recruitment levels but low training levels [9].

Earlier research in hospitality and tourism sector shows that HR practices contain mostly unsystematic and informal methods of recruitment. Certain work on small-scale recruiting has also shown stronger focus on informal approaches. Researchers found that larger companies rely heavily on structured processes and systematic protocols by professionals in human resource agencies, whereas small business managers are more likely to handle recruiting and personnel problems without delegating to others, and often have very few management expertise or techniques [10].

## II METHODOLOGY

Data for this study were gathered from Uttarakhand's mountainous state situated in India's northern part. This state shares east and north borders with Nepal and China, and tends to attract both west and east international tourists. This state is wedged in the majestic Himalayan foot hills in most of India's northern part, surrounding the great river basins (Yamuna, Ganga and others). This state is still home to several famous tourist attractions which include famous temples like Badrinath and Kedarnath, and popular outdoor activities like hiking, camping, kayaking, white water rafting, wildlife parks, and mountaineering. As this state is primarily mountainous, the hospitality industry is experiencing various infrastructure problems. A structured questionnaire was used to collect information from hotel staff and managers of the hotels in the primarily mountainous regions of tourism in the State of Uttarakhand. The organized questionnaire comprises of two parts: Part A has been performed by non-management, lower-level staff of the hotel; and Part B has been addressed by the participating hotel general managers. Information was gathered from the cities of Uttarakhand State's Kesardevi, Almora, Ranikhet and Binsar. Such cities are typically considered as the main places where visitors live before dispersing into the mountains or woods in different outdoor activities, according to state government tourism records. Generally, these 4 cities constitute the unofficial entrance to the state's popular tourist attractions, so they have been selected for this analysis.

Questionnaire is conducted with close-ended queries and an open-ended query provided to hotel staff (lower level) in the four mentioned cities. Involvement in this survey was voluntary and no incentive resources were available. The hotel managers were asked for prior permission to contact the hotel staff. Tables 1–6 evaluated and summarized the results. Part A associated with the questionnaire discusses the workers' concerns, their desires and happiness with financial benefits, and their plan to exit the company. Part B consists of questions for general managers includes 14 dimensions of skills. 50 general managers who may have been participated in this analysis were asked to rate their

employees ' views of the value of this aspect on a scale of 1–5.

**TABLE 1: Satisfaction of Employees with the Salaries**

Sr.no.	Satisfaction with salaries	Frequency	Percentage
1	Extremely satisfied	5	15
2	satisfied	30	60
3	Dissatisfied	15	25
	Total	50	100

A five-point Likert-type scale grounded the questions where 1= Not Significant, 2= Less Important, 3= Positive, 4= Important 5= Really Important. The topics discussed in the research survey contained career experience, communication skills, problem-solving skills, disposition, work ethics, marketing skills, cognitive skills, commitment, decision-making, empathy, leadership skills, desire to leave, job satisfaction, inspiration, and computer skills to test participant's preferences. It is a convenient sample because, for fear of confidentiality, many hotel managers in this part of India are often less willing to take part in surveys.

Education has always been an important aspect in increasingly challenging job markets for job creation. Hotels always look for skilled employees with skills related to good education and work. To evaluate the educational qualifications of employees working in hotels in this area, data were collected. From the information received, it is quite clear that a lot of employees (50 percent) working in hotels have just finished high school, followed by 30 percent intermediate coursework (2 years of post-secondary education before entering college) and only 20 percent have earned a college degree.

#### *Employees Income:*

As in many other service sectors, the employees and the hotel jobs they hold generally expect a steady and sustainable income. As tourism is the primary source of economic development in the study area, hotel staff are expected to earn a fair and decent income to support their families. Because hotel staff are expected to receive compensation based on skills and educational qualifications, data were collected on the monthly income of hotel staff. In India, in contrast to Western countries ' hourly wages, all hotel employees, including low-level employees, are typically paid monthly wages. As a consequence, details on monthly wages is obtained. This data only reflects the employees ' salaries, not the management. From the data gathered, it is apparent that 36 out of 50 respondents (about 71%) gain less than US\$ 101 per month as a salary and 20% of respondents receive salaries ranging from US\$ 101–141 and only 11% of respondents receive more than US\$ 141 per month as a salary. The U.S. dollar was approximately equal to 52 Rupees (Indian currency) at the time of collection of data.

#### *Employee satisfaction:*

Employee satisfaction in all human resource practices is an important attribute. It becomes a major challenge for HR executives to fulfil the workers ' budgetary needs. At the same period, hotel companies have to insure that a hotel's productivity is maintained. It is anticipated that a happier employee will provide better service, ultimately creating higher revenues and increasing the organization's image. Many hotels, both domestic and multinational, strive to meet the needs of their workforce to help them deliver services efficiently. To keep employees happier, hotels often offer incentives and

frequent motivational gifts.

Table 1 shows clearly that most of the hotel staff are satisfied with the wages they receive. For the hotel industry, it is a significant positive note. A majority of employees are either extremely satisfied with the compensation they receive or satisfied with it.

*Problems faced by employees:*

Challenges in the workforce are the main concern that hotel owners have to address. In the hotel industry, employee-related issues are common to most service industries. Hotels need to fix work-related issues quickly, and inability to do so can contribute to simple issues being big unsolvable issues. Therefore, details on the major challenges faced by hotel managers is gathered. The data collected shows that employee turnover (30 percent) appears to be the main concern of hotel managers (Table 2). When workers are happy with the pay, it can be concluded that the loss of staff must be induced by extrinsic causes. Ironically, the anecdotal data gathered showed that working conditions in the hotel industry are the main cause of employee turnover. Another surprising finding is the lack of interest of hotel employees to advance careers. Yet further study shows that, beyond a high school diploma, career advancement in the hotel industry includes a college education. For most low-level employees in this part of the country, obtaining a college education while working full time would be a major financial and logistical challenge.

**TABLE 2: Employee Problems Encountered by Employers**

Sr.no.	Type of problem	Frequency	Percentage
1	High employee turnover	16	30
2	High expectation	12	26
3	No responsibility	7	24
4	Communication problem	5	10
5	Not interested in career advancement	10	20
		50	100

*Employees view on training:*

In any sector and more so in the service industries, preparation is an important part of human resource development. Many companies are gradually investing more time on supplying their workers with preparation irrespective of the longevity of staff with the company. However most hotel staff frequently join training programs without any major commitment, and hardly any efforts are made in learning and improving their skills. Hotels sometimes send workers to various training programs to improve their skills so that on completion of the training they can offer greater service. Therefore, an effort was made to describe the approach towards training of the employees and their role in their overall growth. Table 3 clearly shows that most workers are involved in their current jobs and want to undergo further instruction. Ironically, 37 percent of staff see no need for more preparation, which reflects the managers' lack of desire to step forward

in profession.

**TABLE 3: Employees' View on Training**

Sr.no.	View on training	Frequency	Percentage
1	Need training	31	64
2	No need training	19	36
	Total	50	100

*Opinion of Hotel Manager:*

Education is deemed the basic responsibility of all organisations, and many hotel companies are investing substantial resources on providing training to their employees. But some companies may or may not provide their staff with any ongoing training. Continuous training is vital for hotels to ensure quality service, unlike other industries. Unfortunately,

**TABLE 4: Hotel Managers' Opinion on Providing Training**

Sr.no.	View on training	Frequency	Percentage
1	Yes	16	30
2	No	34	70
	Total	50	100

this factor may not worry some of the hotels. Table 4 shows that a significant percentage (70%) of managers do not understand there is a need for training and education for their employees. It's an amazing find. The fact that most low-level employees are not interested in participating in ongoing training programs can be explained. Only 30% of managers believe in providing their employees with some form of ongoing training.

*Intentions to leave:*

The end result of an employee's discontent with the present job is to quit a job. But hotel staff tend to quit jobs without giving hotels a chance to rectify the situation to express their discontent with working conditions. Typically, low-end employees here in the hotel industry tend to leave jobs for personal and social reasons, but for financial reasons they may or may not. Often hotel staff leave a property to enter another hotel without taking into account the interests of the current employer that educated them and their current duties. From Table 5, 56 percent of employees are always looking for other opportunities relative to the hotel industry's current jobs. It's an unsettling and upsetting discovery. Such high percentages of employee willingness to quit reflect the poor physical working conditions in the hotels involved. Some of this area's hotels are well-known for long hours and extremely poor working conditions.

**TABLE 5: Employees' Intentions to Leave**

Sr.no.	Frequency of quitting job	Frequency	Percentage
1	Always	27	56
2	Sometimes	13	24
3	Not at all	10	20
	Total	50	100

### III CONCLUSION

An effort was made in the present paper to comprehend the HR activities in the hospitality sector (Hotels) in a mountainous region of India where tourism is the primary industry. The analysis shows that the expectations of employers were very high and that the current employees did not meet the expectations at different levels. Ultimate responsibility rests with managers because they don't spend enough in the recruitment of workers. It is clear that hotel businesses should do better job hiring high-quality employees and better grooming them for jobs to reduce their turnover rates for workers. It was found that hotels located in this region often hire high school employees only who are not interested in learning new things, participating in the training of employees, developing their careers or achieving higher education. Furthermore, hotels in this region do not recruit high-quality, better-educated employees so they can be trained for better jobs. In the long run, undue dependence on low-skilled high school students is considered to be harmful to the hotel industry.

Many workers are satisfied with their current wages, but while these wages may be sufficient to support a single individual, they may not be enough to support a complete family. This means that most high school students who are probably single may use hotel job opportunities as temporary jobs to gain the experience and move on to new jobs or better quality of life elsewhere, which leads to high incidence of hospitality industry (Hotel) staff turnover. Hotels should therefore offer better wages in order to attract well-skilled employees and eliminate the attitude of employees to leave the job as this is a major issue encountered by the hotels.

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