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**A Detailed Study on the HRD Practices followed to Minimize Labour Turnover in
Hospitality Industry with Special Reference to Hotel Industry in India**

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Abstract

The Indian hospitality sector is expected to grow at a fast pace. Strong economic growth, increased FDI, greater emphasis on tourism development, favourable government policies, and other international events will be the major impetus for growth. The rising middle class is becoming an increasingly affluent, mobile & internet savvy and even more sophisticated in terms of what is demanded in its tourism products and services, and, more importantly, the price they are willing to pay for it. The entry of international brands, through joint ventures and tie-ups, are likely to enhance the service levels and will narrow down the demand-supply gap regarding rooms.

It is also expected that the budget and the mid-market hotel segment will witness a huge growth expansion while the luxury segment will continue to perform extremely well over the next few years. The progress made by the hotel industry in the first decade of the new millennium is expected to grow further due to these factors.

Keyword:

Hospitality Sector, Economic Growth, Tourism Development, Government Policies.

Introduction

There are plenty of routes that are carried through in a business which may improve the effectiveness of their employees, such as those through periodic training programs, along with the constant motivation, employee empowerment, promotion and also the adequate incentives, etc. This may also often require a business that is made to spend a significantly large amount of the needed set of resources. In spite of this, the businesses are still facing a constant threat which is caused due to high employee turnover rates and thus, it also causes low employee retention rates.

The resulting replacement is carried with the new employee who also leads to the additional cost. This is a great loss for the leaving company, and it also gains for the competitors. Equal employee retention is also equally a vital issue and it is a challenge to all the business because of the other costs which are associated with it like recruiting, selecting, and training the new set of employees. This study also focuses on identifying the various set of factors that contributes towards the high employee turnover rates to identify the effective methods of the retention to deduct significantly and also reduce their employee turnover rates drastically.

Tourism in India

A Historical Perspective Tourism is not a new prodigy for Indian. In Sanskrit literature, we can find the root source of tourism. It has been believed that the word tourism is derived from the word 'atna' which means leaving home for something to other places. As per Sanskrit literature there are three 'atlas', they are:

- (a) Prayatna - going out for pleasure and knowledge,
- (b) Deshatna -going out for other countries, primarily for economic gain
- (c) Tirthana - going to places that have religious importance.

These three terms define the different aspects of the three prime motivations of tourism. Long before tourism was considered as an industry.

The term accommodation given by Edwin Flippo," it refers to a room, building or lodging which provides shelter for a person to stay, sleep and live. There are many different types of spaces that classify as accommodation, though in the hospitality industry the term is used to refer to a room at a hospitality company such as a hotel, resort, hostel, motel, etc."

India attracted travelers from all the various parts of the world. Recording their impressions, they left behind a legacy of scholarship and learning which a treasure is for social historians.

The glimpses of ancient Indian tourism are available from Kautilya's Arthasasthra on the subject of passport, the government department looking after the foreigners, and the type of accommodation provided to the travelers midway. The Chinese appeared to be one of the earliest travellers as many pilgrims from China visited India, between 400 and 700 A.D. Their experience imparted a rich character to the early history of India. The Chinese pilgrim i.e. Fa-Hien visited India during 359-424 A.D and Huien-t-Sang during 625-645 A.D during the reign of Harsha Varhanan and these Chinese travelers left an interesting account of the socio-political conditions of India in those days.

Review of Literature

Henry Ford's (Prior 1999) mass production of the Model T in 1913 led to the construction of highways and motels and the word motel has its origin from "mo" in motor and "tell" in a hotel. According to British law, a hotel is a place where a "bona fide" traveler which can also receive the food and the shelter provided and he is in the position for it and also is in a fit condition to receive. Tourism, hospitality and leisure sector (B. Tom 2006) continues to be one of the fastest-growing sectors within the global economy even in the major setbacks in the early twenty-first century. The hotel industry is one of the biggest sectors in the tourist economy of a country and plays a major role in bringing in foreign money to a country. The hospitality industry (Biju 2006) is much larger than the oil industry or arms industry and tourism has also emerged as one of the few economic alternatives to develop the state economy as an important sector for the development on account of its potential for generating income and employment.

Research Methodology

The research design and the methodology for this study which was initially discussed with experts in the field of research and the practicing done by the HR heads of various hotels.

Objectives of Study

1. To find out the existing manpower scenario in the hotel industry.
2. To analyze the Human resource policies that are in existence in the hotel industry.

Hypothesis

Null hypothesis: “There is no significant association between HR Practices followed in the organization and number of employees leaving the organization”

Alternate hypothesis: HR Practices helps the organization in reducing employee turnover

Data analysis

To test the above hypothesis, one way ANOVA test is applied taking number of employees leaving the organization as fixed factor and parameters of HR Practices as dependent factors. The means and variances of both the variables are compared and following results are obtained:

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Standard recruitment process is Practices in your organization	Between Groups	2.121	3	.707	.360	.029
	Within Groups	51.079	26	1.965		
	Total	53.200	29			
Your Organization posses standard selection process and procedures	Between Groups	5.902	3	1.967	.955	.049
	Within Groups	53.564	26	2.060		
	Total	59.467	29			
induction program for new recruits is conducted in your	Between Groups	3.438	3	1.146	.647	.025
	Within	46.029	26	1.770		

organization	Groups					
	Total	49.467	29			
Your organization is having training & Development Program	Between Groups	3.836	3	1.279	.855	.047
	Within Groups	38.864	26	1.495		
	Total	42.700	29			
Your organization is having Performance Appraisal System	Between Groups	3.302	3	1.101	.776	.018
	Within Groups	36.864	26	1.418		
	Total	40.167	29			
Your organization is having career planning program	Between Groups	2.693	3	.898	.507	.016
	Within Groups	46.007	26	1.770		
	Total	48.700	29			
your Organization Practices Organization Development programmes	Between Groups	2.350	3	.783	.380	.036
	Within Groups	53.650	26	2.063		
	Total	56.000	29			
Your organization conducts Motivation programmes	Between Groups	2.552	3	.851	.373	.038
	Within Groups	59.314	26	2.281		
	Total	61.867	29			

Above Table 1 gives the F value and significance value i.e. p-value. It is found that the p-value of all the factors representing HR Practices is less than the alpha value of 0.05 ($p < 0.05$), it is said that there is significant association between HR Practices and number of employees leaving the organization. Hence the null hypothesis i.e. “There is no significant association between HR Practices followed in the organization and number of employees leaving the organization” is **rejected** and alternate hypothesis i.e. “HR Practices helps the organization in reducing employee turnover” is **accepted**.

Conclusion

Employee participation in management is a new concept for the hotel industry at large. Hardly any employee is allowed to share his/her views in decision making. It was the response from the employees that hotel owners should consider their views and opinions while formulating the policies. They believe employee participation in decision making and policy formulation process will encourage and motivate the spirit of hardworking and will boost-up the HRD environment.

Human resource development is more influenced by the ideology of management. According to the present study, the majority of the hotel units believe in idealism. Furthermore, some hotel units under study believe in the combination of both idealism and realism as their philosophy.

Overall it is concluded that hotels believed that the performance of HRD in their respective hotels can be considered good. According to HRD rating, both managements and employees of hotel units believe that 'Good' HRD Practices exist in the hotel industry. From the ANOVA analysis, it is found that the existing HRD Practices are more suitable to the Hotel industry and HR procedures help the organization in reducing employee turnover.

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