

Training and retention of skilled Manpower in Hospitality Industry as a Meaningful Employment.

Mr. Mahesh Randhave,

Asst. Professor, TMV's Institute of Hotel Management & Catering
Technology, Gultekdi, Pune.

Abstract:

Designing integrated human-resources systems is one of the most powerful ways to ensure the creation of value for customers and profitability for owners. In today's competitive environment, high-performing organizations have learned how to deploy human resources (HR) practices to enhance competitive advantage. The most successful firms create a bundle of employee practices that are cus-

tomers focused, are aligned with each other, and reinforce the organization's strategic position. Innovative hotel companies are developing their human-resources practices to help build and sustain organizational effectiveness.

As per the article published in "The Scholarly Commons" of Cornell University by Cathy A. Enz and Judy A. Siguaw, there are five categories of HR best practices,

- (1) Leader development,
- (2) Training and knowledge building,
- (3) Employee empowerment,
- (4) Employee recognition, and
- (5) Cost management.

This paper is focusing on meaningful employment through training and retention of skilled manpower in Hospitality industry incorporating above mentioned HR best practices. Hospitality sector is growing at a very fast rate in India. The sector is growing at a rate of approximately 8%. This sector can be classified into hotel industry, travel and tourism, restaurants, pubs, clubs and bars, contract catering, and aviation. Other than that, opportunities also exist in universities, sporting venues, exhibition centres and smaller events management companies etc.

The major challenge of this sector is shortage of skilled employees along with the challenge of attrition rate. Retention of the workforce through training and development in the hotel industry is a problem. One of the reasons for this is unattractive wage packages. Though there is boom in the service sector, most of the hotel management graduates are joining other sectors like retail and aviation. Skilled chefs and managers are in great demand. Managers require huge range of competencies such as, management skills, business insights, analytic skills, succession planning, and resource development in order to get success in this sector. In addition to

that, employees are not enough trained on Business Etiquettes, Courtesy, and Business Communication. So an employee must have right attitude, tolerance, and listening skills in order to move up the hierarchy.

Managers and team leaders play an active and vital role in employee retention. It is seen that managers who respect and value employees competency, pay attention to their aspirations, assure challenging work, value the quality of work life and provided chances for learning have loyal and engaged employees.

Data Collection: As this paper will be treated as a thematic paper all the data will be collected from previously printed and Internet based information.

Keywords: Meaningful Employment, Hospitality Industry, Employees training and skills, Retention of employees, Managers role.

Introduction:

The hotel industry in India is facing a severe manpower shortage. With more and more hotel projects being announced and the room inventory expected to almost double in the next five years, the demand for trained manpower will shoot up.

With increasing globalization, career opportunities in this field are not only limited within the country but there are chains of hotels which operate internationally providing scope of a

career abroad. It is a glamorous profession which has a bright future. With the growth of hotel industry due to increase in foreign and domestic tourism and business travel, the demand for well trained quality personnel too has grown impressively. Mr T. Natarajan, Secretary, South India Hotels and Restaurants Association and also CEO of the Chennai-headquartered GRT Hotels and Resorts, says more than getting skilled manpower, employee retention has become a bigger challenge now. "People are prepared to hop to another hotel just for a couple of thousands of rupees more, without considering their career growth prospects and opportunities the current employer offers in the long run."

Manpower shortage and attrition is "the single largest problem the hospitality industry is trying to address today," says Mr Rajeev Menon, Vice-President, Marriott International.

ATTRITION WOES

Attrition in the hotel industry currently is as high as 25-30 per cent - across different levels. To check attrition, hotel companies announced considerable salary hikes in recent years, resulting in up to 30 per cent growth in employee cost and denting the profitability of the company in many cases.

RISING EMPLOYEE COST

Industry big players such as Indian Hotels Company (that owns the Taj brand of hotels), EIH Ltd (part of the

Oberoi group) and Hotel Leela Venture have reported 17 to 29 per cent increase in employee cost. While India's government-run and private sector hotel management schools turn out a little over 10,000 graduates a year, the yearly requirement is at least three times this number.

"To top it all, IT-service, retail and aviation industries too nibble at the available talent pool, leaving only a fraction of this for the hotel industry," says Mr Menon of Marriott.

Mushrooming stand-alone restaurants too poach trained hands from hotels, leading to attrition, says Mr Natarajan.

IN-HOUSE TRAINING

To ensure availability of enough talent, ITC Hotels, for example, has increased the number of candidates for management training "The idea is to have enough number of people in pipeline to meet our future requirement as we are expanding fast," says Mr Virendar Razdan, General Manager, Sheraton Park, Chennai.

"This is not enough," says Mr Menon adding, "The industry must come together to create enough talent and groom them to be industry-ready, preferably through public private partnerships."

Outcome of attrition on organization
1. The Cost of Turnover: The cost of employee turnover adds hundreds of thousands of money to a company's expenses. While it is difficult to fully calculate the cost of turnover (includ-

ing hiring costs, training costs and productivity loss).

2. Loss of Company Knowledge:

When an employee leaves, he takes with him valuable knowledge about the company, customers, current projects and past history (sometimes to competitors). Often much time and money has been spent on the employee in expectation of a future return. When the employee leaves, the investment is not realized.

3. Interruption of Customer Service:

Customers and clients do business with a company in part because of the people. Relationships are developed that encourage continued sponsorship of the business. When an employee leaves, the relationships that employee built for the company are severed, which could lead to potential customer loss.

4. Turnover leads to more turnovers:

When an employee terminates, the effect is felt throughout the organization. Co-workers are often required to pick up the slack. The unspoken negativity often intensifies for the remaining staff.

5. Goodwill of the company: The goodwill of a company is maintained when the attrition rates are low.

Higher retention rates motivate potential employees to join the organization.

6. Regaining efficiency: If an employee resigns, then good amount of time is lost in hiring a new employee and then training him/her and this goes to the loss of the company directly

which many a times goes unnoticed. And even after this you cannot assure us of the same efficiency from the new employee

Problems of manpower in hotel industry

1. Shortage of skilled employees: One of the greatest challenges hospitality industry facing is the unavailability of quality workforce in different skill levels. The hospitality industry has failed to retain good professionals.

2. Retaining quality workforce:

Retention of the workforce through training and development in the hotel industry is a problem and attrition levels are too high. One of the reasons for this is unattractive wage packages.

3. Intense competition and image of India: The industry is witnessing heightened competition with the arrival of new players, new products and new systems. The competition from neighboring countries and negative perceptions about Indian tourism product constrains the growth of tourism. The image of India as a country overrun by poverty, political instability, safety concerns and diseases also harms the tourism industry.

4. Customer expectations: As India is emerging as a destination on the global travel map, expectations of customers are rising. The companies have to focus on customer loyalty and repeat customers.

5. Manual back-end: Though most reputed chains have IT enabled systems for property management, reser-

vations, etc., almost all the data which actually make the company work are filled in manual log books or are simply not tracked.

6. Human resource development:

Some of the services required in the tourism and hotel industries are highly personalized, and no amount of automation can substitute for personal service providers. India is focusing more on white collar jobs than blue collar jobs. The shortage of blue collar employees will pose various threats to the industry.

Techniques for employee engagement in hotel industry

Provide variety: Tedious, repetitive tasks can cause burn out and boredom over time. If the job requires repetitive tasks, look for ways to introduce variety by rotating duties, areas of responsibility, delivery of service etc.

Conduct periodic meetings: with employees to communicate good news, challenges and easy-to-understand company financial information. Managers and supervisors should be comfortable communicating with their staff, and able to give and receive constructive feedback.

Employee Scheduling: Poor scheduling of work may result in employees who either are overloaded with work or don't have any work at all. For the purpose of engaging employees effectively, managers follow the workforce scheduling process

Employee scheduling refers to the assignment of tasks between the employees. It is a difficult and a time

consuming process. It involves producing detailed daily (or monthly) schedules for individual employees while taking the organization's goal into consideration.

Employee Empowerment: Employees' previous assignments so as to ensure that maximum work duration does not exceed in the current month or quarter., Skill and proficiency level required for each activity type, Company skills to develop, employees designated for training in these skills, Companies have now realized the importance of retaining their quality workforce. Retaining quality performers contributes to productivity of the organization and increases morale among employees.

Role of HR Manager in Retention

When asked about why employees leave, low salary comes out to be a common excuse. However, research has shown that people join companies, but leave because of what their managers' do or don't do. It is seen that managers who respect and value employees' competency, pay attention to their aspirations, assure challenging work, value the quality of work life and provided chances for learning have loyal and engaged employees. Therefore, managers and team leaders play an active and vital role in employee retention.

This can be done in a following way:

"Creating a Motivating Environment:

Team leaders who create motivating environments are likely to keep their team members together for a longer period of time. Motivation does not necessarily have to come through fun events such as parties, celebrations, team outings etc. They can also come through serious events e.g. arranging a talk by the VP of Quality on career opportunities in the field of quality. Employees who look forward to these events and are likely to remain more engaged.

" **Standing up for the Team:** Team leaders are closest to their team members. While they need to ensure smooth functioning of their teams by implementing management decisions, they also need to educate their managers about the realities on the ground. When agents see the team leader standing up for them, they will have one more reason to stay in the team.

" **Providing coaching:** Everyone wants to be successful in his or her current job. However, not everyone knows how. Therefore, one of the key responsibilities will be providing coaching that is intended to improve the performance of employees. Managers often tend to escape this role by just coaching their employees. However, coaching is followed by monitoring performance and providing feedback on the same.

" **Delegation:** Many team leaders and managers feel that they are the only people who can do a particular task or job. Therefore, they do not

delegate their jobs as much as they should. Delegation is a great way to develop competencies.

" **Extra Responsibility:** Giving extra responsibility to employees is another way to get them engaged with the company. However, just giving the extra responsibility does not help. The manager must spend good time teaching the employees of how to manage responsibilities given to them so that they don't feel over burdened.

" **Focus on future career:** Employees are always concerned about their future career. A manager should focus on showing employees his career ladder. If an employee sees that his current job offers a path towards their future career aspirations, then they are likely to stay longer in the company. Therefore, managers should play the role of career counselors as well.

Talent management integrates traditional talent-related functions that were considered as "administrative" functions into routine business processes. By "embedding" people management processes into standard business processes one can force line managers to think of recruiting, retention, development, etc. as essential activities that make a significant contribution to any manager's business results and success.

Conclusion -

Hospitality industry in India is in a great need of manpower due to its growing rate and globalization.

However, retention of a skilled manpower is a big challenge faced by hospitality industry due to various reasons such as low salary, heavy work load and pressure too, slow growth in career etc.

If managers will do focuses on things like, motivating, leading, training, showing employees his career ladder, then they are likely to stay longer in the company. Following the said practices above by Human Resource can lead to the meaningful Employment in Hospitality industry in a true manner.

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