

A case study of welfare practices in Lemon Tree Hotels

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INTRODUCTION

The hospitality and tourism industry has changed drastically from the past decade, and it is predicted to be same as one of the high-growth industries. However, the availability of a skilled labor for this sector has not kept pace, and it seems to remain in short supply in the near future. As it results into the require to retain employees, and improve employee experience within the organization, has become important with increasing employee job satisfaction results in high level of guest satisfaction, increased employee productivity and, consequently, an increase in revenue and profits for the employer. It provides professional education and training to the employees which results into a serious role in attracting and retaining quality personnel in the industry. While the requirement to retain employees and reduce turnover within the industry is paramount to revenue generation and market expansion, short-term cost reduction pressures currently force many employers to offer benefits that are less competitive than other industries within this sector. As in hotel industries there are many opportunities for the employees to switch from one hotel to another. Employee welfare raises the company's expenditure but if it is done properly, it has huge benefits for both employer and employee. Under the principles of employee welfare, if an employee feels that the management or the organization is concerned and cares for him/her as a person and not just as another employee, he/she will be more committed to his/her work. Other types of welfare will aid the employee of financial burdens while welfare activities break the similarity of work. An employee who feels appreciated will be more fulfilled, satisfied and more productive. This will not only lead to higher productivity but also satisfied customers and it will result into the more profitability of the company. A satisfied employee will also not go looking for other job opportunities and hence an employer will get to keep the best talents and record lower employee turnover.

Human Resource Department (HRM) and Personnel department involves all management decisions and practices that which are directly influence the people-Human Resources, who work for the organization. In current years, increased attention has been devoted to how organizations manage human resources. This attention comes from the realization that an organization's employees enable an organization to achieve its goals, and the management of these human resources is critical to an organization's success. In other words, Human Resource Management can be defined as a management function that manages different phases of human resources such as planning, recruitment, selection, placement, training and development, performance appraisal and welfare of the employees in the organization. In any organization, the HR department has to monitor all the undergoing activities of the employees in various departments of the organization. The role of HRM in organizations has been evolving dramatically in recent times. The days of personnel department performing clerical duties such as record keeping, paper pushing and file maintenance is over. Human resource is increasingly receiving the attention as critical strategic partner, assuming stunningly different, far reaching transformational roles and responsibilities

During employment, the offered benefits will determine whether an employee commits to an organization or not. As such, good employee welfare enables a company to compete favorably with other employers for the recruitment and retention of quality personnel. But as Lemon Tree has started the below opportunities to retain the employee which is resulted in very positive manner.

LITERATURE REVIEW

High Performance Work Organizations (HPWOs) took root in the early 1990s but then faced an environment of organizational turmoil and restructuring. This paper, drawing on a second-round survey of employers that replicated and extended a 1992 survey, addresses two questions: whether HPWO practices continued to spread, and whether their productivity and quality gains redounded to employees' benefit. The results show that HPWO practices continued to diffuse at a rapid rate between the 1992 and 1997 survey dates, although more slowly for self-managed teams than for other practices. With regard to the second question, however, the author finds that adoption of HPWO practices in 1992 was associated with increased layoff rates in subsequent years and no compensation gains. In addition, HPWO practices are linked to employment reorganization, such as reductions in contingent and managerial employment. Recent studies in this area find that availability of employer-provided benefits, such as retirement and insurance plans, helped increase employee job satisfaction and reduce employee turnover in hospitality services companies. Satisfied employees engaged in better customer service, which turns into an increase in customer loyalty, corporate revenues and market share, and led to a reduction in long-term costs for the hospitality services provider. Revenue growth was higher in corporations that provided greater employee benefits and higher pay and involved employees in the decision-making processes of the company. Benefits-based on incentive structure increased motivation and commitment among employees. Employer profit-sharing and benefits were positively associated with higher revenue generation in firms. Providing greater employee benefits, sharing corporate profits with employees and involving employees in human resource decisions resulted in the retention and accumulation of greater industry-specific human capital in firms. Tanke (1990) recommends that firms in the hospitality industry develop employee compensation programs that helped in retaining employees and increasing employee commitment, especially because the hospitality industry experienced such high employee turnover rates. Shaw and Williams (1994) find that the degree of compensation in the hospitality industry differs by type of employment. The authors find a shortage of permanent employees in skilled positions, and employers try to retain these employees by offering higher salaries and various retirement benefits. Hoffman and Ingram (1992) underscore the importance of offering adequate compensation to retain these employees and increase their commitment to the organization, due to both shortage of skilled labor and the prevalence of competition among firms seeking strong employees, and due to the level of responsibility these employees have for making critical field-level decisions, which plays a role in the revenue generation process of their employers. In an early research on employee commitment, it is said that firms offering a greater array of employee compensation lost less revenue through employee absenteeism and turnover, a finding also confirmed in the Decotis and Summers (1987) study. In a very early study on employee benefits, Hrebiniak and Chatterjee, S., Lauderdale, M., Gilliam, J. Employee Benefits in the Hospitality Industry 23 Alutto (1972) find that employees, who were satisfied with employee benefits and compensation were more committed to their respective organizations and were less likely to leave their current employers, even when they expected marginal increases in pay or status. The unifying elements that emerge from a review of the past literature is that higher employee benefits and compensation increases employee commitment, helps retain skilled and valuable employees, and helps increase long-run corporate revenues as a result of increased employee productivity, lower employee turnover and higher corporate human capital.

Primary Data

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Lemon Tree Hotels believes that the brand should stand for more than 'just profit'. They have focused their efforts on creating a socially inclusive work environment which seeks to bring in people of different backgrounds, abilities and ethnicities and offer them work as a unified team with a common goal. Lemon tree believes that persons with disabilities (which can be physical, social or economic disabilities leading to an opportunity deprivation) must be provided the same opportunities as others to realize their full potential and live with dignity. By creating a supportive environment in the organization that allows them to deliver their best. Batt (2002) concludes that providing greater employee benefits, sharing corporate profits with employees and involving employees in human resource decisions resulted in the retention and accumulation of greater industry-specific human capital in firms
Lemon Tree has defined the goal as mainstreaming 'Opportunity Deprived Indians'.

1. Percentage of of male female : Lemon Tree hotels is very keen to increase number of female staff on board so they are promoting EOBO(Each One Bring One) referral program wherein they encourage employees to refer more female candidates for any job opening and they will be rewarded with additional referral payouts than that for referring male candidates. Now They are having 5 Female staff working with them out of total 83.

2. Ecosocial weaker : Chairman sir (Mr. Patu Keswani) himself personally look into the data each month that how many people from economically weaker sections are being hired in the respective month. Senior management all the time promote to provide employment to the candidates belongs to economically weaker section. They as a unit even have the specific number of target to hire these candidates.

3.EwD : As like Eco-Soc same is the case with EWD i.e. Employees with Disabilities. In this they hire people with speech, hearing impairment or candidate who are orthopedically disabled and even they hire candidates who are Transgender, Autistic etc.

4. Training to normal employees : They are having various training sessions designed for different department and roles. They named them as 101, 201, 301, TTT(Train the Trainer). They have special Learning & Development team who takes care of employee trainings. 101 certification is the mandatory for an employee to get confirmed in the company. They also give Indian Sign Languages(ISL) training to all the employees.

5.Indoor Outdoor activities : Lemon Tree management believes in Fun at work place so they arrange lots of Indoor & Outdoor activities for their staff. Like Cricket, Badminton tournaments, Tug of war, Quiz competition, Tik Tok Video Competition, Team outings, Trekking, Theme lunch(Different Indian State's food every month) and the list is endless.

6.Town hall : This is fun time for our team which they have organized every month. In this last month's unit's performance is being discussed and monthly rewards and recognition like Employee of the Month, Best Groomed Employee, Best Smiley, Rockstar employee rewards are being given to the deserving employees. They also provide the gifts to the employees whose names are being recommended by guests at any of the platforms.

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7. Festivals : Management encourages to celebrate each festival with lots of joy and happiness. So they celebrate Diwali, Dashehra, Ganpati Festival, Holi, Christmas, Eid, Makar Sankranti and all the festivals in the hotel.

8. GM –HOH : General Manager – Heart of the House is a unique concept which they run every month wherein HOD of any department being appointed as GM-HOH for the respective month and he takes care of all employee welfare activities, engagement activities for that month. At the end of the month he submits report in this respect to the GM sir.

9.ABCD : Above & Beyond Call of Duties is a recognition for an employee who took some special, extra ordinary efforts to serve the Guest. Like if someone is going beyond to serve what tasks being assigned to him or her, his or her such efforts being covered under ABCD story of that month and the same being shared to corporate and also the person will be rewarded in Town Hall meeting.

10. OUT OF BOX : Lemon tree always welcome suggestions so they keep suggestion box in back of the house area wherein any of our employee or trainee can share their ideas irrespective of their roles, departments to make the company better place to work and even they can share their innovative business ideas as well in that box.

11.Picnic : Every year they organize outdoor picnics for the staff to give them little relief from hectic work schedules. Recently they had a picnic at Kolad(Near Karjat), Mhaismal.

12.Salary Advance : Salary advance is being offered to an employee who has completed 1 year with us. And the maximum limit of the same in 2 times of his or her Gross salary which can be repaid in equal installments before end of the respective financial year. This helps many employees to meet Medical emergency expenses, to pay Fees of ward of staff etc.

13. Service Charge : Lemon Tree Company also shares the service charge amount share(earned by guests) with the employees. Amount of service charge being calculated on the basis of points being given to the employee at specific band. This is an additional monetary benefit which our employees enjoy.

14. Training after joining the property : New Hire Orientation program is for all the new joiners wherein HR and GM gives the brief about company policy, senior management & employee benefits at company. In this program details of hotels and hotel show round is also covered so as to make it easy for the new kid to get settle in the new atmosphere.

15. Preference given to college students : Lemon Tree now focusing on Apprentice hiring wherein fresh graduates or undergraduates being hired as apprentice and they are getting trained within the system for certain period of time. And if they perform well during their period with the hotel they even offer to few of them full time employment if have any suitable on roll vacancy with them.

16. Employees with Disability (EwD):

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Physical Disability

- • Speech and Hearing Impaired (SHI)
- • Orthopedically Handicapped (OH)
- • Acid Survivors (AS)
- • Going forward, also Visually Impaired (VI), Low Vision (LV)

Intellectual Disability

- • Down Syndrome
- • Autism

People who belong to marginalized sections of society or are from the Economically/ Socially (EcoSoc) weak segment:

- • Below Poverty Line (BPL) individuals
- • Widowed or abandoned/battered/destitute/divorced women
- • Orphans/abandoned girls
- • Individuals from economically weak families

In the early stages, Lemon Tree inducted EwD only in back-end roles like Kitchen Stewarding and Housekeeping, where direct guest interaction was minimal. Also the focus was only on SHI employees. This gave them an opportunity to develop standard operating procedures and training modules in an interactive manner. Subsequently they extended this initiative to guest contact areas such as their restaurants. In this case, interaction with guests is an integral part of the job role. This initiative was started in 2007. As on May, 2018, approximately 21% of their own employees are Indians who are opportunity deprived in same way. This case study will help to generate more & more employment not only to ordinary people but also for the people with disabilities.

DATA & METHODS

Primary Data-

From the official website of Lemon Tree Hotels, Books of employee welfare & Safety.
Adler, Paul . 1993. "The New Learning Bureaucracy." In Cummings, L.L. and Straw, Barry , eds.,
Research in Organizational Behavior. Greenwich, Conn.: JAI Press, pp. 111–94. Personal interview of
Mr. Bhushan Kumod General Manager , Lemon Tree Hotel Aurangabad.

CONCLUSION

The result of this paper is totally based on secondary data which has been collected. It more focuses on the employee welfare & satisfaction. If such type of different activities & facilities are provided in all the hotels definitely it is going to help hotelier to have more & more guest satisfaction. This paper also gives a clear idea about the relationship between hotel employee turnover. In this today's world hospitality is fastest growing industry & if it focuses on retaining of the employees it will be more beneficial to employee as well as to the employer.

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