

# HRM PRACTICES AND THEIR IMPACT ON EMPLOYEE TURNOVER IN THE HOTEL INDUSTRY

<sup>#1</sup>**Ms. L. SARASWATHI**, *Assistant Professor, Department of MBA,*

<sup>#2</sup>**Mrs. P. SHOBA RANI**, *Assistant Professor, Department of MBA,*

<sup>#3</sup>**Mrs. T. SUBBALAKSHAMAMMA**, *Assistant Professor, Department of CSE,*

**VISWAM ENGINEERING COLLEGE (AUTONOMOUS), ANGALLU, MADANAPALLI, AP.**

**ABSTRACT:** This investigation, which delves more deeply into the subject, reveals that the hotel industry has suffered as a result of human resource management strategies. In the Indian hotel sector, human resource administrators are assigned significant responsibilities for reducing staff turnover. Secondary data is employed in this paper. The data for the study was obtained from a variety of sources, including books, papers, websites, and periodicals. The primary topics of these publications were employee discontent and human resources policies. The objective of the data analysis was to determine whether there is a correlation between HR changes and employee intentions to quit their current positions in the hotel industry. The primary objective of the investigation is to decrease the number of destitute individuals who are departing Indian hotels. It provides valuable information for future HR professionals and academics to understand not only the sector's knowledge deficits but also the present and future trends. This paper will examine a variety of aspects of HRM, such as competency, education, compensation, recognition, and performance review. In order to offer guidance, the authors have incorporated historical quotations from researchers. The findings of the investigation will serve as a valuable resource for professionals in formulating policies regarding staff retention. It is somewhat deficient in research on this subject in India.

**Keywords:** human resource practices, turnover intention, hotel industry.

## 1. INTRODUCTION

The hotel industry has received numerous accolades as a consequence of its substantial contribution to the nation's gross domestic product. The overwhelming majority of individuals generally concur that it has a significant impact on the quantity of money and the level of productivity. This economic sector is responsible for the production of approximately 47 billion USD annually, which is a substantial contribution to the Gross Domestic Product (GDP), as per the study's findings. The study's results suggest that the hospitality industry is confronted with a substantial challenge in the form of a high employee attrition rate, which can vary from forty percent to fifty percent.

The lodging industry in India is experiencing difficulty in filling vacant positions due to a scarcity of individuals with the requisite qualifications. This is a result of the scarcity of

individuals with the requisite qualifications. This issue is frequently the result of a variety of factors, including, but not limited to, the following: inadequate opportunities for professional development, a hostile work environment, limited opportunities for promotion, a substantial amount of staff turnover due to personal reasons, and inadequate performance evaluations. This is a result of the fact that the firms and the employees have varying expectations of one another, which is the explanation for the continued high rates.

Given this, it is imperative to thoroughly investigate the persistently critical issues that the hospitality industry is currently confronting. One of these, it would seem, is a high rate of personnel turnover within the organization. The process of selecting qualified personnel to occupy open positions is one of the challenges that are encountered and falls under the jurisdiction of

human resource management. It is essential to emphasize this fact in order to emphasize that human resource managers face challenges that are not present in other disciplines.

One of the most critical factors to evaluate when evaluating the performance of managers is their capacity to pay attention to their staff and consider the factors that impact employee retention. It is probable that the hotel will encounter challenges in accomplishing its objectives if a critical employee is absent from their place of employment. This is due to the fact that the hotel is contingent upon the individual's presence. There are two critical factors that individuals consider when deciding whether or not to resign from their positions: The initial factor considered is their "perceived ease of movement," a term that pertains to the significance individuals attribute to favorable circumstances or alternative decisions. The degree to which they are satisfied with their current endeavor is an additional factor that influences their "perceived desirability of movement," which is the second component. Furthermore, these incentives are available to the entire industry and to each individual member of the workforce.

Among the measures that are emphasized in this article are those that ensure the structure's efficacy and provide financial incentives. An employee is significantly less likely to contemplate the idea of leaving their current organization if they believe that their employer is providing them with increased motivation and inspiration.

Human resource professionals are accountable for conducting thorough investigations into employee complaints to ascertain whether the employee's resignation from the company constitutes a violation of any laws. It is imperative to adhere to this procedure in order to guarantee that the sector's rules and regulations are adhered to. It is imperative to have easy access to this information in order to facilitate future planning for employee engagement. For this reason, it may be more precise to implement this modification, provided that it is necessary, rather than relying on precautions that are predicated on assumptions. This is due to the fact that this is the case.

The importance of critical personnel who are essential for fostering innovative behavior within an organization is increasing over time. The reason for this is that these individuals are indispensable for the cultivation of innovative behavior.

## 2. ISSUES

In the service sector, it is particularly important to have a thorough understanding of the factors that led an employee to resign from their position. This is due to the fact that the service industry is distinguished by a high turnover rate. However, the employees are experiencing a greater sense of disquiet as they endeavor to understand the rights, responsibilities, and roles that they play in specific interactions. This remains the case, even if individuals who are highly intelligent and competent are able to hold onto their current employment.

The hospitality industry presents a persistent challenge to its employees in the form of personnel management challenges. These challenges may become even more severe if employees are not putting forth their best effort, if they have not received adequate training, if they have not received appropriate benefits, or if they do not possess the requisite competencies. The hotel organization's strategy for managing its human resources was centered on the following principles: ensuring that staff members received the necessary training, improving personnel management, and sustaining successful personnel management over time.

The method encompassed the following three primary concepts. The term "human resource management" is used to describe the activities that are implemented to recruit, develop, and sustain a workforce that is both qualified and committed to the organization, in accordance with HR policy and practice. This collection is an exhaustive compilation of the most recent and pertinent papers that have been published in this field.

## 3. HUMAN RESOURCE MANAGEMENT PRACTICES

The success of a hotel company's retention initiatives will be contingent upon the efficacy of

its human resource management systems. It is the responsibility of human resources professionals to ensure that critical corporate procedures are executed in a systematic and organized manner. This includes the following responsibilities: personnel recognition, performance evaluation, building competencies, information exchange, training and development, and the application of pay rules and processes.

### **Compensation practices**

In particular, the expectation theory enables us to ascertain that incentives significantly motivate individuals to achieve the market objective of high output. This is particularly true when the aforementioned theory is taken into account. While certain organizations encounter challenges in retaining their employees due to their managers' inability to attract a sufficient number of qualified candidates, employees are in search of a compensation plan that is consistent with their abilities and the organization's objectives. These characteristics have the potential to adversely affect a company's human resource management strategies. One of the factors contributing to the situation is the company's inability to offer its employees a compensation that is sufficient to enable them to maintain a comfortable lifestyle. The findings of their investigation suggest that there is a correlation between the professional accomplishments of university professors and the availability of incentive programs. The quantity of money that an individual receives from their employer is a source of information that reveals a substantial amount of information about the organization's operations.

Additionally, the compensation serves as a legitimate incentive for tasks such as public recognition and subsistence, both of which are crucial to the organization. There is a prevalent expectation among companies that the level of compensation will be determined by the level of experience, education, and confidence of the workforce. Companies frequently make this supposition.

Researchers have discovered a correlation between a higher level of job satisfaction and the capacity to acquire new skills and increase one's income. This connection has been proven to be

accurate through research. Nevertheless, the decrease in staff attrition is a result of the implementation of these strategies as a means of ensuring that employees feel secure. Additionally, respondents reported that incentives affected the level of employee satisfaction and the number of employees who remained with the organization. Companies may encounter severe complications if they disregard this factor.

### **Performance evaluation practices**

The guiding ideology, objectives, and performance evaluation methods of an organization or group are the fundamental components that determine both its advantages and disadvantages. Informal evaluation methods are utilized extensively in the hospitality sector, and they are not only advantageous for maintaining high performance standards, but they are also quite prevalent.

The scale of the company is a critical factor that should be considered when it comes to the frequency with which employees are informed about their performance reviews. In order to satisfy the field's requirements, it is imperative that these requirements be met. The majority of academicians believe that performance evaluations are most effectively interpreted as fundamental, ongoing procedures that facilitate consistent and reciprocal communication between managers and their employees.

It is widely acknowledged that this is the most effective approach to understanding performance assessments. The study's results suggest that it is essential to prioritize cross-departmental collaboration in personnel management when it comes to performance rating systems. This is true independent of the rating system in use. Conversely, disregarding these regulations may induce a decline in morale and an increase in the number of employees who resign from their employment. Their research demonstrated that the degree of performance awareness that an employee possesses is directly correlated with their decision to leave a company. This was one of the discoveries of their investigation. The problem can be resolved by implementing a performance management system that is both effective and efficient.

The results of this study indicate that there is a consistent correlation between the quality of performance evaluations that employees submit and the likelihood that they will resign from their current positions or employment in the future.

### **Training practices**

Employees are perceived as assets to their organizations due to their inherent productivity. High-quality training programs and organizational flexibility are indispensable for the growth and prosperity of businesses and sectors. Many organizations appear to emulate staff development strategies that are not effective. In order to remain competitive in the contemporary market, the hotel industry must establish a comprehensive, precise, and organized information strategy. This can be achieved by instituting well-planned training programs that build upon and enhance the industry-specific competency of workers, as demonstrated below. Training strategies are the foundation upon which policies are implemented. For instance, the security department is responsible for the recruitment and training of security personnel.

Among the numerous responsibilities they manage are the management of troop size, the management of area monitoring, the managing of crises, the cancellation of events, and the enforcement of rules and laws. The corporation evaluated the "turnover intents" of its employees when they missed deadlines for their assignments.

### **Recognition practices**

A formal award program that encompasses pay increases and other incentives for employees is purportedly managed by recognition techniques. In addition, the "Subconscious" turnover effect approach is addressed, which emphasizes the absorption of staff vernacular and the lack of training in the use of established practices by new recruits.

As a gesture of gratitude, certain organizations offer their exceptionally talented personnel either monetary or non-monetary incentives. These are methods of identification. This perspective supports the theory that recognition policies significantly influence employee behavior and reduce attrition.

### **Information sharing practices**

In order to address personnel concerns, the enterprises united. Employees are more engaged in decision-making when they are motivated to perform at their best and learn from one another. The research demonstrates that knowledge-sharing strategies enhance staff output, foster confidence, and complement leadership objectives. Workers are less inclined to take vacations than they were in the past. assisted them in establishing the most effective methods for information sharing as a modern and practical approach to increasing employee engagement with the organization. Additionally, it was noted that additional research is required to investigate the processes of information transmission within human resource activities.

### **Competence development practices**

The competencies of employees are enhanced through the implementation of training, development plans, job rotation, and strategies that foster long-term relationships with them. We refer to these methodologies as organizational competency development strategies. Certain individuals assert that these procedures enhance employees' competencies.

The competency development operations of human resources are responsible for the enhancement of employees' problem-solving, flexibility, and initiative in order to achieve greater efficiency and quality. Human resource strategies were primarily initiated from these sources. According to an additional source, competency-based practices facilitate the enhancement of employee performance and the establishment of confidence within highly productive organizations.

## **4. CONCLUSION**

Given the most recent research, it is unsurprising that HRM practices have a substantial impact on the likelihood of employees leaving their positions; this is particularly true. Consequently, the implementation of various HRM methodologies facilitates the success of the hotel industry. It is evident that these actions increase the likelihood of employees departing for a variety of reasons, as has been previously stated. In conclusion, the hotel industry must prioritize the

implementation of effective HRM strategies to maintain the current performance levels of its employees.

The primary finding of the study, as previously mentioned, reveals the development of patterns and skill shortages in the human resources sector. This information is of significant significance to academicians and professionals in the future. It is possible to circumvent Indian hotel proprietors who are interested in selling by comprehending this concept.

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