"A study on the importance of Human Resource in hotel industry with special reference to Talent Retention strategies implemented in star hotels in and around Pune city"

Authors
Mr. Kiran Shende
Research Scholar, Tilak Maharashtra Vidyapeeth, Pune

Dr. Sanjaykumar M. Gaikwad
HOD Research, Dr. D. Y. Patil Institute of Management Studies, Pune

ABSTRACT
The research paper describes the importance of human resource with regard to hotel industry in Pune. It also highlights various HR strategies implemented by the hotel industry for better retention of their talented employees. In the current scenario the hotel industry is suffering with shortage of employees. Like in the other sectors the hotel industry also has a good amount of talented employees working in the organization and as the attrition rate is higher in the hospitality sector the HRD of the hotel has to implement certain strategies so that the potential talent is retained. It has become the need of the hour for the hotel industry to adopt various strategies pertaining to talent retention. Effective employee retention strategies will enable in retaining the employee and continue working with the organization for a longer tenure.

The various Talent Retention Strategies adopted by the hotels in the Pune region have been compiled by carrying out a rigorous survey across Pune Region. This survey was specifically carried out to evaluate the mind-set of the employee working in the Hotels and understand their preferences for continuation of their service for a longer period of time in the organization. Thus the basic objective of this study was to analyse the importance of effective talent retention strategies implemented in the hotel industry.

Keywords – Hospitality Industry, Talent Retention, Talent Management
INTRODUCTION

The hospitality industry in the Pune region has flourished extensively in the last couple of decade. This has generated a phenomenal investment by the various national and multinational star brands of the hospitality sector. They have further converted the local hospitality arcade to an international hospitality center and led to the complete transformation of the Pune city. This unpredictable growth has bought in a number of changes and set certain challenges for the hotel industry. The outcome of this change has resulted in a great demand for skilled and talented workforce. However, this increasing business and extensive job opportunities have also led to an increasing attrition rate in the Hotel Industry. This has become one of the biggest concerns for the hospitality industry. The hotels in the city are facing a tough time in finding out the ways and means to hold their staff to continue with the organization. A need for setting up of a dedicated Human Resource Management department was hence felt and adopted by most of the hotels. This department is working towards framing policies and strategies in consideration of the employee requirement and needs. They also try to bridge the gap between the Management and the Employees and implement these policies and strategies for the well being of the employees and organization as a whole. The various policies on the lines of talent management are framed and adopted in order to keep the staff motivated and retain them for a longer tenure with the organization.

Talent Retention is one of the major challenges which the Hotel Industry is trying to cope up since approximately a decade. The talent in the industry is facing instability due to movement of work force from one hotel to another. This is mainly due to the vast opportunities in the market and development of industry at a faster rate. The situation becomes alarming when the level of attrition surpasses acceptable levels and a major reduction in number of staff members including highly qualified or / and talented employees quit the organization. This prominently affects the attrition rate and also has a significant impact on the hotel business. An imbalance of work culture is also seen in the hotel due to desertion of employees in a period of couple of years. Moreover, with continuous movement of employees it becomes difficult to search new replacement and a major time is spent on recruitment and training of new employees. Hence, the need for retention of this talent is felt on a large scale so that the hotel work culture could be preserved and also, efforts in training the new employees could be avoided. The retention of Human Resource is actually measured in terms of retention of their talent and loyalty which is considered as a major asset of any organization. Thus, the need to nurture and caress the Human Resource is the sole motto of Hotel Industry.

In order to overcome the above scenario, the Hotel Industry has understood the importance of creation of the Human Resource Department which undertakes this crucial task of procurement, training and retention of employees. This department is focused towards framing of various policies for the betterment of employees. The policies are framed in such a manner that they appeal to the human psychology and further lead them to a sense of satisfaction and develop long term loyalty. It also aims at refreshing the minds of the employees and arouses a sense of belongingness to the organization.
Need of the study
The professionals qualified for the hospitality industry portray good personality, extensively groomed, excellent communication skills and power packed with professional etiquettes. This attracts multiple career options for e.g. retails chains, BPO’s, multi-national companies, banks etc. for the hospitality professionals. They are highly preferred and are in a great demand in many sectors. These increasing career opportunities make it even more difficult in retaining the talented professionals of the industry. The HR department has to work extensively towards forming employee centric practices to have better talent retention and have a grip over the increasing attrition rate and curb it to a greater extent. The hotel has to carefully formulate long-term strategies that need to be worked out to prevent and retain the talented assets who hold the key to business survival and growth in the hospitality industry.

Significance of the study
It was observed that HR practices formulated for the betterment of employees seemed to be interrupted by lack of management initiatives or by setting up of inappropriate talent retention strategies etc. A comprehensive study of various employee retention strategies were required to be conducted with the help of Human Resource Managers. The need for framing up of policies on the basis of a psychological study of human needs was felt. Policies which could benefit, attract and bring out the best in an employee were required to be framed. To accomplish this, a positive and healthy work environment was felt essential in the hospitality industry. This study is targets to achieve an outcome through the feedback received through the various employees in the hotel industry and were rated on a scale from Strongly Agree to strongly disagree in order to find out the most effective practice that should be adopted for retention of working groups.

Scope of the study
It is almost impossible to retain an employee who has decided to quit the organization. Hence it becomes important and obvious to offer an effective strategy to avoid such a decision by an employee. It is necessary that strategies which could help in holding the talent through various benefits either personal or family oriented could be effective. Therefore an effective talent retention strategy is the major requirement of the hotel industry to curb the attrition rate and increase the retention of employees. The hotel industry does is being proactive in formulation of strategies and methods for increasing the scope of employee interests in the existing organization and diverting them continuously from looking for a change. This is usually done by proving an opportunity for a career growth in existing position and hinting them that they elevated within the organization ensuring a possible retention. The increasing number of hotels generates an incredible scope for the hospitality professional to shift in search of betterment and change. Retaining such employees is a bigger challenge as a fresh avenue always seems to be appealing to the experienced and talented employee and is looked forwards for career gains. It thus becomes a need for the hotel to put their best foot forward for creating internal attractions and in turn retaining the talented employees. Some of the key attractions identified and implemented by the hotels could be better pay packages, employee friendly work culture, staff training and development, insurances, bonus etc. This has allowed a wider scope for the study and has to understand creative methods parallely with the psychological study for formulating the various benefits in the form of talent retention practices to be followed in the hotel industry for talent retention.
Statement of the Problem
Desertion of employees leads to an increase in the attrition rate of work force in Hotel Industry. It is an alarming challenge which is presently faced by the hotels in and around Pune. The HR department is extensively working towards framing of various policies and adoption of certain strategies with a target to curb the attrition rate in the Hotel Industry. Thus the study aims at understanding the psychology by way of ingeniously conducted survey and collectively analyzing the feedback. The study is in a category of descriptive research which had to study various existing practices of Talent retention management followed in the hotels in and around Pune and includes surveys, fact finding enquiries of different kinds etc.

Limitations of the Study
- The study was purely based on the information received through the limited scope and purview of survey
- The study was relevant to the existing market scenario and the information, judgment and predictions of the respondents may differ accordingly with time, status, mindset and geographical zone.
- The study also relates to the boom and demands of the hospitality industry professional in the current hour and would differ in case of the shift in a demand supply trend.

Definitions
Hospitality Industry: It is a broad category of fields within service industry that includes lodging, event planning, theme parks, transportation, cruise line, and additional fields within the tourism industry. https://en.wikipedia.org/wiki/Hospitality_industry

Talent Retention: A function of the HR department tasked with reducing the number of employees leaving the company by improving key processes and conditions. The ultimate aim is happier, loyal employees that actively want to remain with the company. http://www.hrzone.com/hr-glossary/what-is-employee-retention

Talent Management: Talent management refers to the anticipation of required human capital for an organization and the planning to meet those needs. Talent management is the science of using strategic human resource planning to improve business value and to make it possible for companies and organizations to reach their goals. https://en.wikipedia.org/wiki/Talent_management.
LITERATURE REVIEW

The research had reviewed a number of relevant literatures to identify the important elements of HR strategies that have been influencing talent retention in the hotel industry. An efficient HR strategies pertaining to Talent retention has been a powerful tool for offering quality service, maximum customer and employee satisfaction. There are a number of researches, seminars and articles on the subject are a testimony to the importance of HR strategies on talent retention.

Hospitality journals like Express Hospitality, Travel World etc. carry regular articles on the above subject. Apart from that below mentioned will also provide the valuable information.

- Books / Journals / Magazines / Newsletters
- Internet / Websites – Citation

McGinley, Hanks & Line (2017) the study had discovered that Indian tourism and hospitality industry is not only loaded with high turnover rates but also may soon be in a situation of labor shortage. A better understanding of industry employment perceptions had become a critical issue for hospitality industry professionals. A particular concern was the perceptions of those potential employees who do not have prior work experience in the industry. The research had considered perceptions of hotel employment among the segment of the potential employee population that has no current or past experience working in hotels. Factors like payment, promotion opportunities, work-to-life conflict, and workplace-induced isolation are proposed to significantly affect potential employees’ attitudes toward hotel employment. In turn, these attitudes are proposed to affect both intention to apply for hotel work and the intention to recommend applying for hotel work to others.

Becker Frederick & Tews Michael (2016): The study had examined the impact of fun activities among entry-level employees in the hospitality industry. Specifically the research had examined the impact of various fun activities on employee engagement, constituent attachment, and employee turnover. The outcome of the study had demonstrated that the fun activities overall were significantly related to both engagement and constituent attachment, but not with the turnover of employees. However, a closer investigation of the research had revealed that there are specific activities which had a direct impact on retention of employees. The key implication of the study revealed that not all fun activities are equal, and they may impact workplace outcomes differently.

Hanif & Yunfei (2013) the research was conducted to highlight the role of talent management with HR generic strategies to retain talent and reduce employee turnover. The study had also achieved perceived HR outcomes of a firm by implementing succession planning, branding, motivation and development of effective employee centric policies. The study also had explored HR practices like training and development, recruitment and selection, resources and skills building of employees also play vital role for organizational success. The results of the study had showed that talent management techniques are integral part of HR generic strategies.

Sandra Watson (2008) the study explored the range of research that had been published in the field of hospitality management and had also discussed the implications of the same in the field of talent management. The major findings of the study had revealed that there are four key areas i.e. 1. Research which focuses on factors influencing management development; 2. Focus on hospitality management skills and capabilities; 3. Work upon building a career in the industry and 4. Work on hospitality management development practices. The study had highlighted the relationship between characteristics and approaches traditionally associated
with talent management. The research had determined the presentation of a framework to articulate key characteristics and also influence on management development pertaining to talent management in the hospitality industry.

DiPietro, Robin & Condly, Steven (2007): the study had examined that employee turnover is reaching crisis proportions for many organizations those are struggling to maintain proper staffing levels. Staff turnover had been a measure of performance in organizations those are expensive in terms of financial and operational effectiveness. The research is important to the hotel industry not only for the practitioners but also academics to help predict and lower turnover in various segments of the hospitality industry.

Vinnie Jauhari, (2006): In his study related to Indian Hospitality industry, mentioned about the core competencies required to make a career in the hotel Industry. The purpose of the research was to examine the link between the current competency requirements of Hotel industry and based on that the latest provisions made by the Indian educational institutes towards the hotel management aspirants. The data was collected from the academicians and the hospitality professionals to identify the key issues related to it. The findings of the study showed that, there definitely exists a gap between the needs of hotel industry and the skill development of the existing workforce. Due to this mismatch, the hotel industry has to take extra efforts to groom the recruited staff as per their organizations’ requirement. It has further implications in identifying and bringing the gap between the hotel organization demands and the supply of the skilled staff.

Chris Ashton & Lynne Morton (2005) the research focuses on the key element of Getting the right people in pivotal roles at the right time, but at the same point in time should be done effectively because proper talent management of employees can create long-term organizational success. The research had also shown how to align talent management strategies to business goals, integrate all related processes, systems and create a talent mind set in the organization.

Hanqin Qiu Zhang, Ellen Wu, (2004) the research had studied various human resource challenges faced by the Chinese hotel and tourism industry. The key issues were the lack of qualified staff at both operational and managerial levels, high staff turnover rates, the unwillingness of fresher’s to enter the industry, and more specifically the gap between college education and the realities of the industry. The aim were to explore the issues by interviewing experts form the industry and academia. The study suggests that the issues should be noted by the government and by industry leaders, and academics, as it will take a collaborative effort to address them.

Van Dyke, Tom and Strick, Sandra (1990): The major procedures of HR, which includes recruitment, selection, training and retention of the employees has been the foundation stone of any upcoming organization. Intricate efforts are involved in successfully completing this objective. An employee who is freshly recruited, and who is new to the working environment, especially in hotels, requires lot of training and development to groom him in a successful manager. This is because Hospitality industry demands for great human and competitive skills, this task becomes even more difficult. Concerning this issue, leaders in hospitality industry are surveyed to determine the current status of hotel industry with regards to the managerial skills.
OBJECTIVES OF THE STUDY

1. To study various factors influencing Talent Retention in the hospitality industry.
2. To identify various HR strategies adopted by hotels for effective Talent Retention.
3. To understand and determine the impact of HR strategies on Talent Retention in the hotel industry.

RESEARCH METHODOLOGY
The various strategies adopted by the hotels in the Pune region have been compiled by carrying out a rigorous survey across Pune Region. These strategies were floated in the form of questionnaires and the feedback was collected on the basis of this survey. This questionnaire was circulated amongst mixed samples from all work areas of the hotel. The sample types included managerial and other staff members which will cover almost all group of employees working in the hotels. This survey was specifically carried out to evaluate the mind-set of the employee working in the Hotel Industry and understand their preferences for continuation of their service for a longer period of time in the organization.

Type of Research: A descriptive research was used to study the various existing practices of Talent Retention followed by the hotels in and around Pune city and will include surveys and fact finding enquiries of different kinds.

Methods of Data Collection
Primary data - was collected from the Managers working in various hotels in and around Pune city. Primary data was collected through survey in the following ways:

1. **Personal Interviews:** The answer was sought to a set of pre-conceived questions through personal interviews and the data was collected in a structured way.
2. **Questionnaires:** Considering the Reviews, and the additional inputs, one schedule was prepared it was a questionnaire designed for the Management of the hotel to collect the official information regarding the hotel from its establishment.
3. **By observation:** The data collection was done by conducting visits to sample hotels. This is a primary technique for collection of data on non verbal behavior observation to understand dynamic behavioral process.

Secondary data – was collected from published / unpublished literature on employee talent retention in the hotel industry, advancements in the techniques of retention, latest references available from the journals, newspapers, research publications and magazines, past records and training reports of the hotel, and other relevant sources like internet.

Questionnaire – Design and implementation: The questionnaire design was done with the aid of experts in statistical techniques and taking into account the measurement needs & objectives of the study. The questionnaire was administered to the sample population and sample size.

Sampling Techniques: For this study different employee from various star hotels in and around Pune city who are working at a Managerial level was taken into consideration. This involves a total of 100 samples from the manager level respondents from hotels of Pune city.
DATA ANALYSIS & INTERPRETATION

The data collected was analyzed using basic and advanced analytical tools. This also includes the detailed analysis of the data which was conducted with the purpose of attaining the set objectives of the research. Mentioned below is the analysis which be presented graphically and in tabulated form for better interpretation. The Interpretation of the collected data was done by drawing inferences from the collected facts after the analysis of the study.

Table – 1 Frequency Analysis

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Variables</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Agree</td>
<td>Neutral</td>
</tr>
<tr>
<td>1</td>
<td>Provision of a Handsome Salary</td>
<td>88</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>Provision of Good Overtime Reimbursement</td>
<td>72</td>
<td>14</td>
</tr>
<tr>
<td>3</td>
<td>Provision of Accommodation &amp; Transportation Facilities</td>
<td>76</td>
<td>20</td>
</tr>
<tr>
<td>4</td>
<td>Conducting Indoor Activities</td>
<td>75</td>
<td>23</td>
</tr>
<tr>
<td>5</td>
<td>Practicing an Friendly Employment culture</td>
<td>89</td>
<td>9</td>
</tr>
<tr>
<td>6</td>
<td>Efficient Grievance Handling System</td>
<td>85</td>
<td>14</td>
</tr>
<tr>
<td>7</td>
<td>Provision of Life Insurances</td>
<td>86</td>
<td>12</td>
</tr>
<tr>
<td>8</td>
<td>Provision of Medical Insurance</td>
<td>89</td>
<td>9</td>
</tr>
<tr>
<td>9</td>
<td>Provision of Performance Incentives</td>
<td>92</td>
<td>8</td>
</tr>
</tbody>
</table>

Figure – 1

Observation – 1
Most of the respondents are of the opinion that, Provision of Handsome Pay package will be a great talent retention strategy; the level of disagreement amongst the respondents is comparatively very low.
Observation – 2
Most of the respondents are of the opinion that, Provision of Overtime Reimbursements will be a great talent retention strategy; the level of disagreement amongst the respondents is comparatively very low.

Observation – 3
Most of the respondents are of the opinion that, Provision of Accommodation and Transport Facilities will be a great talent retention strategy, the level of disagreement amongst the respondents is comparatively very low.
Observation – 4
Most of the respondents are of the opinion that, Conducting Indoor Activities will be a great talent retention strategy; the level of disagreement amongst the respondents is comparatively very low.

Observation – 5
Most of the respondents are of the opinion that, practicing a Friendly Employment Culture will be a great talent retention strategy; the level of disagreement amongst the respondents is comparatively very low.
Observation – 6
Most of the respondents are of the opinion that, having an efficient grievance handling mechanism will be a great talent retention strategy; the level of disagreement amongst the respondents is comparatively very low.

Observation – 7
Most of the respondents are of the opinion that, Conducting Indoor Activities will be a great talent retention strategy; the level of disagreement amongst the respondents is comparatively very low.
Figure – 8

Observation – 8
Most of the respondents are of the opinion that, Providing Medical Insurance will be a great talent retention strategy; the level of disagreement amongst the respondents is comparatively very low.

Figure – 9

Observation – 9
Most of the respondents are of the opinion that, providing performance incentives will be a great talent retention strategy, the level of disagreement amongst the respondents is comparatively very low.
OBSERVATIONS AND DISCUSSIONS

The first and the foremost general observation was most of the hotels was making a sincere effort towards implementing strategies towards talent retention in their organization. The human resource department was putting their best foot forward in implementing strategies pertaining to talent retention management system. The hotels had formulated a number of techniques towards the effective implementation talent retention system observed and discussed below:

1. Most of the hotels were offering a competitive payment packages to their employees. The hotel industry was somehow trying to hold the talented employees by offering them a handsome salary to which most of the respondents had responded positively.
2. The hotels should also provide their employees with a good compensation for working overtime, because working for extended hours is a very common phenomenon in the hotel industry and the respondents had strongly agreed upon the provision of the same.
3. Hotels should also provide their employees with Accommodation & Transportation Facilities because that is the first thing any employee will look at. As the meals on duty are taken care by the organization, similarly transport and accommodation should be take care by the hotel. As per the analysis most of the respondents had responded positively for the provision of these fringe benefits.
4. The HR department of the hotel should conduct some in-house activities for better staff bonding and give them an experience of having fun while working. It will not only keep the employee motivated but also offer something new apart from the regular schedule. As per the analysis most of the employees were wanting some other activities like in other MNC’s.
5. The work culture of any hotel plays a vital role in keeping the employees retained with the organization. The standard operating procedures and work patterns of any organization will keep an employee motivated and will have better retention. It is also been strongly agreed by most of the respondents that hotels should practice a strategy of having employee friendly and transparent work culture which in turn will benefit the organization in having better talent retention.
6. The top management of the hotel industry should have an efficient grievance handling system in place for dealing with staff grievance by implementing an efficient employee grievance handling mechanism makes the employees feel safe and secure with the organization. As per the analysis most of the respondents had agreed to have such a system in place which in turn will have a great impact on talent retention.
7. Hotels should work upon the provision of staff insurance schemes so as to give the employees a feeling of concern and also make them aware that how much the management cares and thinks about them. By providing such schemes the hotel may some impact on talent retention, it is also liked by most of the respondents and they would like to avail such facilities.
8. Hotels should also provide their staff members with medical insurance like any other corporate firm. By providing this the hotel will make employees aware about how much the employee and their family is important for the hotel which in-turn will have some impact on talent retention.
9. The hotels should also provide their staff members with performance based incentives which will give top performers an opportunity to earn extra payoffs and on the other hand will make a non-performer to aim and achieve the targets. As per the data
analysis it is been strongly agreed by most of the respondents that provision of performance based incentives will have better talent retention.

FINDINGS
According to the graphical representation shown in the above graphs about the talent retention management for hotel industry, below mentioned were some of the interpretations that were drawn from the analysis:

1. Majority of the respondents were agreeing upon the provision of a better pay package and overtime compensation as it will motivate an employee to stay back in the organization for a longer tenure. It will also benefit an employee for living a better lifestyle and on the other hand it will benefit the hotel in retaining the talented employee with the organization.

2. The provision of Food, Accommodation and Transport will enable an employee to concentrate on the given job because the basic necessities are taken care by the organization by providing these facilities the hotels would make the employee satisfied on the job which in-turn will lead to a customer satisfaction.

3. The HRD should conduct several in-house activities for the staff members so as to offer them something different from the regular working pattern, these activities will also create better staff bonding.

4. Hotels should offer comfortable working conditions for their employees as having friendly work culture will lead to a satisfied employee. The system should be employee centric and transparent which would have a great impact on retaining talented employees.

5. The hotels should have a strong mechanism to handle the grievances’ of employees correctly because these are very sensitive issues, critical issues should be handles delicately.

6. There should be a provision of life insurance and medical insurance for the staff members as this will give them a feeling of care and safety, this would help in retaining talented employees to some extent.

7. The key findings for the study is that hotels should have a clear strategy for having a performance based appraisal system; it should be transparent and clearly communicated to the employees. This strategy would certainly benefit both employer and employee.

RECOMMENDATIONS AND SUGGESTIONS

1. It is suggested that the HRD of hotels could implement efficient talent retention strategies so as to increase employee tenure in the organization. This will benefit the organization in increasing employee productivity and also helps in early recognizing the talented bunch of employees.

2. It is further suggested that the HRD could thoughtfully formulate transparent employee centric strategies’ for the existing talented bunch of employees so as to make them feel special and perform better.

3. The hotel industry could offer better monetary payouts both in cash and in incentives, also having a performance based appraisal system which could have a two folded benefit for the organization in attracting new talent and also retaining the existing talented employees for a successful future.
CONCLUSION

1. The Hotel Industry would get a larger benefit by adopting appropriate Strategies for Talent Retention as it would not only enable in retaining the existing talented employees for a longer tenure but also help in attracting new and fresh talent for a successful future with the organization.

2. The hotel industry could adopt strategies like performance based incentive schemes, comfortable and friendly working conditions with a decent pay package would have a great impact on talent retention, which would benefit the organization in establishing a good reputation in the market.

3. The implementation of effective HR strategies would play a crucial role in the current scenario as far as talent retention is concerned which will enable an organization in retaining potential talented employees. Also more importantly the efficiency of those practices could be measured on a regular interval for upgradation.

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