

A STUDY ON VARIOUS EMPLOYEE ENGAGEMENT PROGRAMS FOR NEWLY INDUCTED HOTELIERS#

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ABSTRACT

Background: *Hotels alone are set to generate 2.3 million jobs both in terms of skilled and non-skilled manpower. One of the most labour intensive industries in the country where human touch makes a difference and this crucial factor of human touch cannot be automated. But this human touch comes with a price which is taking a toll on the employees who work in this stressful industry where service with a smile defines a brands success in the market.* **Objective:** *To explore the various employee engagement programmes those are being undertaken by hotels to prevent high rate of attrition among the newly inducted hoteliers.* **Methodology:** *Explorative design was followed for the work. Data from the employees of the hotel industry was collected through questionnaire and telephonic interviews.* **Results:** *The age of the subjects ranged from 21-25 years and was working in the various industries with the majority (19%) of hoteliers who migrated to Quick Service Restaurants or restaurants, followed by Information Technology/Information Technology Enabled Services and then followed by the Retail Industry. Among the other were Banking, Teaching, Reality and Entrepreneurship. The attrition trends are more alarming because 75% of the people who dropped out of hotels were recruited as management trainees in various departments.* **Conclusion:** *Employee engagement is a means of improving working lives and organisational performance. Employee engagement is a win-win initiative if done properly.*

Key Words: *Hotels, Employee Engagement, Attrition, Stress, Labour intensive*

INTRODUCTION

The Indian hospitality industry is one of the key players in the growth story of this country. It has contributed nearly US\$ 187.9 billion or 12.5 per cent to the Gross Domestic Product (GDP) in 2014-15, while growing the fastest at 11.7 per cent Compound Annual Growth Rate (CAGR) over the period 2011-12 to 2014-15 (WTTC, 2017). Hotels have played a very important role in the uplift of the Tourism industry in India with major players entering the competitive 5-star hotel business. The Hotels alone are set to generate 2.3 million jobs both in terms of skilled and non-skilled manpower (IBEF). It is one of the most labour intensive industries in the country where human touch makes a difference

Paper presented in "Internation Conference on Development of Economies through Innovation and Sustainable Growth: Vision 2020"

and this crucial factor of human touch cannot be automated. But this human touch comes with a price which is taking a toll on the employees who work in this stressful industry where service with a smile defines a brand's success in the market. Long working hours, work pressure, no social life is a major concern which this welcoming and friendly industry faces day in and day out. With the availability of quality manpower trained across India by leading hospitality institutes the fresh graduates are the ones who are not able to settle in for job in hotels. These students are recruited by leading hotels across the country and are being offered positions as per skills, knowledge and most importantly the attitude. Once recruited these students are given a week's induction and are offered pay scales at par with the industry, But the challenge most of the hotels face is to retain this talent pool of ignited minds. With the growth of hospitality allied industries which offer a higher pay package and fixed working hours most of the newly inducted hoteliers are opting out of the hotels and are pursuing a career in other industries where a freshly baked hospitality graduate is welcomed with open arms and is offered a better pay, perks and a work life balance.

Hotels have always been a part of the growth story in the tourism sector and with a large number of hotels and hotel brands setting up their operations in India. The competition is becoming very fierce and is no doubt a good sign for the guests. But what isn't good a sign for the hotels, the high rate of attrition among the newly inducted hoteliers who are believed to be the *crème al crème* of the hospitality institutes and cut their way to be the corporate trainees, management trainees in leading hotels across the country who are inducted only after a grueling rounds of interviews and cut throat competition with salaries at par with the industry and a promising career in the hotel industry. And the another lot of students is of those who join the hotels at operational trainee level and at the associate level for them the story is almost the same but they need to put in more of efforts to be compete with their counterparts. Once all of these students are recruited they are put through the induction programme where they go through the hotels past, present and the future. This enables them to be familiarized with the operations, job profile and their path towards being a Supervisor, Assistant Manager and Manager in the Hotels across the country. Some of the newly inducted hoteliers stick with the hotels and some others leave the hotel industry just under 6 months of joining the hotels this is common across hotel brands and across programmes.

With the work force which is more customer centric and has undergone necessary training are welcomed with open arms in other allied industries in the service sector and these industries are able to retain this talent for a long time. It's a win for both the employee and the employer. Some of the leading industries where there is a demand for hospitality graduates are Airlines, Cruise liners, Business Process Outsourcing, E-Commerce, Retail, Information Technology (IT), Information Technology Enabled Services (ITES), Banking & Finance and Real Estate. The present rate of attrition in the industry is as high as 50% and the Food and Beverage service department itself totals about 20% of the overall attrition in the hotels (NSD, 2013-17). Job roles with younger and less experienced

employees see a higher churn rate which is higher than the industry average. The hotel industry is no doubt growing and with the growing expectation among the newly recruits to become Managers within a span of 2-3 years. The hotels generally believe that a new recruit has to gain experience at the entry-level jobs and profiles to make sure he knows his skills and knowledge to be an able manager and is able to lead his/her team. But the time and efforts it takes to be a manager is very long and with a relatively lower remuneration is perfect tragedy for the hotel industry. The industry is generally known to be a poor paymaster and all this is leading to a rivalry within the service sector (Deloitte, 2015). A talent war is being fought between the industries to get the best of the service professionals by offering a better monetary packages and career opportunities. This has no doubt affected the employee churn rate with an average newly inducted employee leaving the industry within 6 months of induction, this is affecting the industry's overall balance sheet as the return on training investment is going high with every passing day (PWC, 2012). Generally, it takes 36 months to recover the training cost but with alarming trends of attrition the hotels are losing enough in terms of training cost. Thus the objective of this explorative research is to study the various employee engagement programmes for newly inducted hoteliers to prevent attrition in the hotels.

Employee engagement is the measure of how involved and committed the workers are towards their organisation and values. A well engaged employee is well aware of the day to day happenings of the organisation and work with his or her fellow colleagues to improve the performance of the individual and work towards the betterment of the organisation. It is an optimistic attitude that the employees hold towards their organisation. Employee engagement is how the employee feels about his workplace and whether he or she is satisfied with the work or not.

Levels of engagement have been defined by International organization named Gallup where engaged means that the employees are also known as builders. They are impatient and willing to do the best of their ability. In *not engaged* category employees are more concerned about the short-term task, they are quite away from the goal of the organisations. They work for the sake of doing it and want to get over with every task they perform as soon as possible. *Actively disengaged* category of workers is also known as cave dwellers. They are highly negative regarding their work. They are highly unsatisfied with their work and they often show their unhappiness. They are pessimist and often create tensed atmosphere in the workplace. They transfer their negativity all around. Thus employee engagement is an important aspect of any organisation.

Engagement assessment: This HR practice plays a crucial role in every organization. Employees who are engaged perform to their full potential, they are motivated and can also improve their skills as they progress. Employee engagement plays a vital role in the hotel because it affects everything from retention and productivity to profitability and safety.

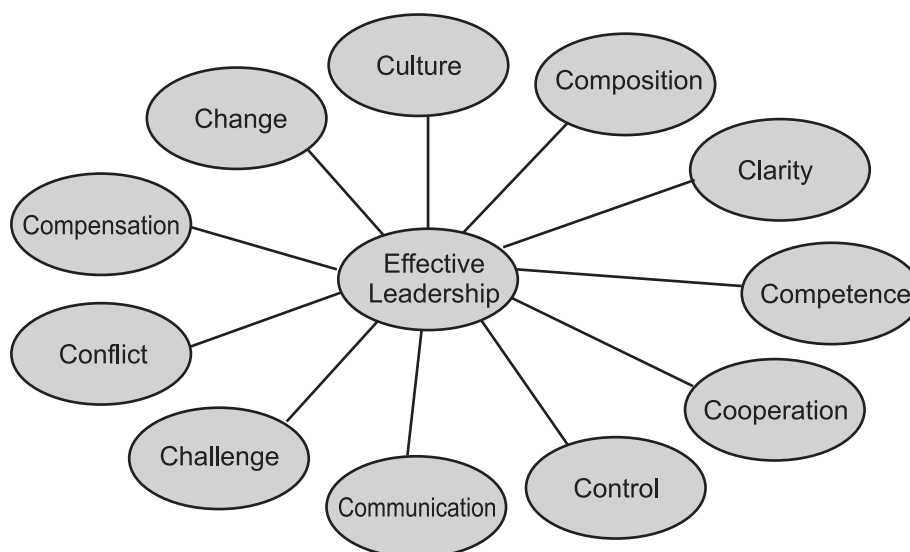


Fig.1: Key Drivers of employee engagement

The above diagram (Larkin, 2009) depicts the various aspects that need to be considered while engaging the employees which would result in less employee dissatisfaction and employee attrition.

Hotels in India are now focussing more on retaining the newly inducted talent and to keep them engaged the following are few of the measures that the hotels have adopted. The hotel gazette this is an internal newsletter which is made on monthly basis. This newsletter entails about the day to day happenings of the hotel. It also showcases department of the month. The employees those who are awarded as the employees of the month also narrate their experience that is also shown in this gazette. Digital Bulletin Boards in the service area, these boards high light the birthdays and lunch menu of the day. Some of the other activities are: Instant recognition, GM’s tea, Retirement ceremony, Yoga and meditation camps, Health camps, Diwali celebrations, Annual day, New year celebration, Open forums and Long service awards. Performance appraisals a very important tool in any workplace. It helps in evaluating the behaviour of the employees in the workplace. It includes both the qualitative and quantitative aspects of the job performance (Anand, 2011). It evaluates a person systematically including his on the job performance and his potential for development. It is a continuous process and its responsibility is totally on the supervisor.

Creating the right work-life balance, one of the major concern and one of the leading causes for attrition, hotels now have a strict work hour policy and few of the brands are also offering a 5 day week for all the employee and compensatory offs for all public holidays and national holidays.

Hotels in order to retain the newly recruits have even gone a step further to place them at their preferred locations and in some cases have also extended 3 months of leave as soon as the induction ends. Encouraging employees to participate in internal activities, most of the hotels now are employing

tactics like interdepartmental sports day, Teams day out, creativity days and some hotels even celebrate a “People's week” a weeklong events which brings out the best in each of the employee of the organisation.

With this the study focussed on finding the causes of attrition among newly inducted hoteliers and steps that hotels take to actively engage the employees.

METHODOLOGY

For the present work survey design was adopted wherein the causes of attrition among the newly inducted hoteliers were identified. An online sampling was done where the responses were recorded from working professionals residing in major cities namely Delhi, Hyderabad and Mumbai. Sample comprised of working professionals in the age range of 21- 25 years, who have migrated from hotels to other allied industries in the last 5 years. Data was collected from 40 subjects out of which male (n=20) and female (n=20).

The subjects were approached using E-Mail services with an online questionnaire attached to it and a few (n=10) were interviewed telephonically. Only completely filled questionnaires were considered for data analysis.

RESULTS AND DISCUSSION

The age of the subjects ranged from 21-25 years and were working in the various industries with the majority of hoteliers migrated to QSR's or restaurants which is almost 19%, followed by IT/ITEs and then followed by the Retail industry. Among the other was Banking, Teaching, Reality and Entrepreneurship. All the respondents left the hotel job within few months of joining. The attrition trends are more alarming because 75% of the people who dropped out of hotels were recruited as management trainees in various departments and the recruiting and training costs are much higher for management trainees, who has been recruited through a campus placement when compared to an associate recruited directly and this is one of the probable reason which is leading to higher training costs in hotels. These management trainees are not able to stick to industry for even an year and are not able to complete the trainee programme which is creating a gap at the lower levels of operations in the hotels. This is leading to a dearth of skilled manpower in the industry.

From the survey conducted it was found that as much as 50% of the respondents were not able to cope up with long working hours and majority of them responded that they were not able work in the graveyard shift which ultimately took a toll on the their physical health and with the increase work pressure they were not able to perform well because the high stress levels affected them emotionally. Also the hotels do not have a fixed leave policy which makes them work even on a national holiday as an unprecedented crowd is expected during the holidays and weekends and all this lead to a no work

life balance thus in turn becomes a major decision making factor for them to choose a career in other allied industries.

Majority (80%) of them were unhappy with the remuneration that the hotels offered, with long working hours and no overtime pay, hotels are not good paymasters. Thus this is another major factor that is responsible for the high attrition in the hotels.

Most (60%) of the respondents said that they were not very happy with the Training and Development programmes that these hotels offered as it had no scope of learning. This leads to a major gap in the expectation among the employees who feel they are not able to learn anything new and it would take them much longer time to be a manager with the career growth being slow and no learning taking places this becomes a major determinant for them to leave and seek a job in other industries. Respondents also mentioned the lack of motivational levels in the departments which leads to job dissatisfaction among the employees and over this there were not performance linked incentives for the employees this just kills the joy of working in the hotels. From the survey it was found that the attrition is very high (33%) in the culinary department followed by Food and Beverage service (25%) then Front office (23%) and Housekeeping (13%) in the least.

CONCLUSION

Employee engagement is a means of improving working lives and organisational performance. Employee engagement is a win-win initiative if done properly. The result is better employee well being as well as the overall achievement of organisational goals. Sparrow et al (2014) have woven into their model three connected levels of engagement. Firstly, work engagement which involves the vigour that employees invest in doing the job, the level of attachment to their work. Work engagement leads to lower job turnover, higher levels of individual performance and positive evaluation of the organisation. Secondly, engagement with each other, positive relationships at a group or team level lead to effective organisational performance. Thirdly, organisational engagement has sought to define organisational engagement in terms of emotions and attitudes and behaviour engagement.

Gittel et al (2010) have developed a theory of relational coordination which involves groups engaging in frequent and high quality communications, sharing goals and knowledge and showing mutual respect for each other.

The idea of employee identification with the organisation has been developed by Edwards (2009) who refers to an employee's sense of attachment and belonging to the organisation often relating to how long they have worked in it and the extent to which the employees share the goals and values of the organisation and incorporate them into their own goals, values and beliefs. High levels of organisational identification were shown to predict all categories of workers helping behaviours, retention levels and feelings of being involved in the organisation. The workers and managers in the three hotels identified

very closely with their organisation. The importance of employee engagement cannot be exaggerated cannot be in the twenty first century. Employees are looking for meaning from their work, better career path and most importantly a work life balance.

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