



STUDY TO IDENTIFY PEOPLE PRACTICES TO BUILD COMPETITIVE ABILITY OF HOSPITALITY INDUSTRY, GOA

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Abstract

One of the rapidly emerging sectors not only in India, but worldwide is the Hospitality industry. The increasing traffic of tourists in the state of Goa has led to an increase in the emergence of hotels in North Goa, thereby increasing competition. Hence a conscious effort needs to be done by every hotel to distinguish itself from its rivals by ensuring the best service to its customers. Hospitality industry is labour intensive industry, and hence well trained and skilled human resource is a prerequisite to satisfied customer service. The average age of employees in Hospitality industry is around 30 years. The employees are young and ambitious. Adding to this aspect are growth opportunities for talented employees both in the country and abroad. It is this context, this study assumes importance the the study has covered 350 employees across 35 properties located in North Goa. The objective of the study is to evaluate the impact of training & development practices on the employee attrition. The research study proves that Training & Development can help in building/nurturing employee commitment and thus reduce the employee attrition.

Keywords: *Employee Training, Types of Training, Employee Ability, Employee Capability, Competitive Ability, People Practices, Employee Feedback*

Scope of the Study

Training employees is an important component for the success of every competitive business. Employees feel it easy to face competition if they are trained adequately hence this study tries to explore the importance of training experienced in the hotels in North Goa District. It also tries to analyze the impact of training on employee's commitment and turnover. This research also tried to identify the barriers faced in exercising effective training and also strives to provide suggestions to improve training programs for the better service delivery to the clients/customers.

The universe of the present study consists of 35 hotels, in the North Goa District.

Literature Review

(Chand & Ambardar, 2010) The study conducted in 435 hotels in India contributed to the knowledge of 31 practices regarding training and development to find if these practices were dependent on any 5 characteristics of hotels and studied the factors that affect the choice of best training practices. The findings of the study shows fragmented and low priority to development and training practices in hotel organizations in India thus research proved among the hotels a significant difference in the usage of training practices. It also indicates that human resource development is influenced by training and development practices. Thus employee development is highly dependent on adoption of training and development practices.

Hospitality and Tourism are the major lifestyle components and hence every hotel must know the importance of skills, abilities and knowledge development of an employee (Morgan,1991). To achieve this serious importance should be given to HRD. Generally HRD includes activities of education, learning, training and development. This study reveals problems and challenges faced by the employees with regards to training practices. The hotel industry likes to train part time employees, link training programs with business plans and strategies. Since there is an increase in sophisticated and experienced tourists, this paper tells that training professionals should tackle these challenges so that right skills are provided to the employees and they in turn provide quality service which in turn will achieve hotel goals and objectives. **(Jassel)**

(Afaq, Khan, Md. Yusoff, Azam, & Thukiman, 2011) Training has significant relationship with the employees' performance. This paper proves that the employees who have undergone training courses are more capable in performing task efficiently. Training is behavior modification in a formal & systematic way achieved by education, instruction & planned experience. Employee training is crucial to achieve cost effective performance. Good performance has greater impact on quality, increase and improvement in quality leads to lower cost and high market share. In modern businesses, managers should be aware of the relationship of training of employees and their performance as current businesses expect accuracy with efficiency.

(BRUM, 2007) Committed employees remain in the organization and express less desire to leave the organization. They are happy working with positive attitude and desire to work. Steers (1977: 54) concluded that "Employee turnover and employee



commitment are inversely related. Hotels adopt training practices to use it as an advantage over the competitors. The study concludes that organization involved in training have higher employee commitment. Organization should develop and participate in human resource activities which increase the commitment of employees. This is the reason hotels adopt for specific training as they can recover their investment through employee commitment. Employees think that they are part of the organization and insiders into the company thus training is one kind of investment considered as 'gift'. Thus Training helps organizations to build a more committed and high productive workforce.

(Yang, 2010) Humans are the most important Resources in the hotel industry, they should be handled with proper care and management should maintain good relationship with the employees. Thus Human Resource Management is a must in hotels, because smaller the gap between the actual standard of business and actual performance, higher is the success in achieving high organizational effectiveness. Training shortens the study time, helps to deal with dynamic environment, leads to more work effectiveness, less wastages and reduce damages thus it motivate employees to increase their knowledge, improve their skills and leads them to self development.

(Iftikhar Ahmed 2012) In any industry, customer is the king. Thus, hotel industry too is customer oriented and equals success in the hotel industry. 'Moment of truth' is a necessary ingredient for fellow service and personalized service to the guest. For any hotel to achieve its goals and objectives and in turn to be successful need to satisfy their customers with quality goods and services for which train employees and manpower is a must. Customer satisfaction and delight should be achieved by training tool. Not all hotels in the industry use six sigma as a method of training however those hotel using have achieved good and positive results thus customers are satisfied, loyal and return with a friend as compared to non satisfied customers.

(Li Mei, 2008) Training – organization's can have best investment through talent cultivation. Labor is corporate asset and quality of staff plays as a major factor for corporate competitiveness therefore Employees should improve their skills and innovating qualifications. Because of the competitive and changing environment, there is a problem for organizations in searching for talent and to retain them.

(Sarah Peterhans, 2010) Essential, expected, and optional are 3 types of expectations. The expectations met to maintain a business are essential expectation; just beyond them are the expected expectations, which are necessary to provide customers with good service. The extras and the service which is unexpected are the optional expectations that the luxury hotels provide (Wuest, 2001). Hotels should be aware about this expectation so the guests are satisfied. Guests' Experiences.

This experience has no set beginning or end. Training is very important luxury hotels. Training motivates employees, helps them to work better with reduced wastages and accidents .Service standards can also be introduced trough training. Finally, training can also solve any problems that occur in service delivery process.

(Khan, Khan, & Khan, 2011) This research concludes that organizational performance is affected by training design, delivery style, on the job and also training and employee performance are correlated. Time and cost is saved through on the job training and thus increases the overall organizational performance.

Objectives of the Study

The primary objective of this study is to analyse the importance of training and development in the hospitality industry. Based on the same, the present study has been conducted with the following specific objectives:

1. To identify training and development practice in hotels across demographic characteristics.
2. To evaluate the relationship of staff training with employee commitment and employee turnover.
3. To study the relationship between training courses and employee performance.
4. To discover the problems and barriers faced by the organization in the training process.
5. To demonstrate best practices of the hotel industry that will improve manpower competitive ability.

Research Methodology

The sample selection for the study was based on the following criteria:

- The sample selected belongs to the North District of Goa State.
- 35 hotels situated in North Goa District across various demographical characteristics were selected based on convenience sampling.
- Willingness of employees and Human Resource Managers to disclose the required information.
- Respondents, including Human Resource Manager, from each hotel were selected based on random sampling method.



For conducting the required analyses the primary data has been used. This data was obtained through questionnaires and semi structured interviews with the Human Resource managers as well as employees of the hotels.

The secondary information with regards to the hotel industry was obtained from various books from college library; newspapers and internet. The data regarding the statistics of tourist movement to Goa was obtained from the Department of Tourism, Government of Goa.

Limitations of Study

1. Due to time constraint the study is restricted to 35 hotels only.
2. Most of the respondents took a long time to respond as they were very suspicious and skeptical as to why the information was being procured.
3. Selection of the place for research was chosen as per my convenience of contact. As it was not possible for me to reach out to other employees and hotels.

Hospitality Industry

In Goa, Tourism Sector is a major contributor to the livelihood of people. Tourism sector boosts the Goan Economy by providing employment opportunities, which encourages inflow of money in the economy to ensure a better and raised standard of living for its residents.

Table 2.1: Tourists Arrivals (Year Wise) to Goa
Tourist Arrivals (Year Wise)

Year	Domestic	Foreign	Total	% Change
2005	1965343	336803	2302146	-6.0
2006	2098654	380414	2479068	7.7
2007	2208986	388457	2597443	4.6
2008	2020416	351123	2371539	-9.5
2009	2127063	376640	2503703	5.5
2010	2201752	441053	2644805	5.6
2011	2225002	445935	2670937	0.98
2012	2337499	450530	2788029	4.20
2013	2629151	492322	3121473	10.68
2014	3544634	513592	4058226	30.01
2015	4756422 (P)	541480 (P)	5297902	30.54
2016	2585092 (P)	342033 (P)	2927125	--

Source: Department of Tourism, Govt. of Goa

The number of tourists to arrive in Goa for the year 2015 amounted to **52,97,902 (Department of Tourism, Government of Goa)**. The hotels have to ensure the supply of accommodation to these visitors. Mere supply of the services demanded is not enough, but delivering the service at least at par with the competitors via quality in the delivery process is of vital essence. To make this happen it is required that the hotels invest in development and training activities to empower and enrich the human resources to provide satisfying service to the customers.

Unlike the machinery used in product manufacturing concerns, service concerns require the timely sharpening of skills of its human resources to ensure better performance. The dynamic nature of the business environment necessitates training the staff with the latest technology and skills. Thus systematic, planned and regular training and also development programs should be devised by the management of the hotels. Keeping this need in mind, this research is an attempt to study the practices of training and development programs in the hotels in the District of North Goa.

The features of hotel industry are:-

- **Inseparability:** The services cannot be separated from the service providers.
- **Perishability:** If the services are not consumed immediately after they are produced then they perish.
- **Labor - Intensive:** Human resource are the main elements in the delivery of the services in the hospitality services. Without the people the services cannot be delivered.
- **Repetitive:** The service product requires the repetitive provision of more or less the same quality service to be provided.
- **Intangibility:** The services provided cannot be touched, nor seen, nor felt, tasted. They can only be experienced.



The components of Hotel industry are:

- Lodging Operations such as hotels, resorts, motels etc.
- Transportation services such as taxi, train, cruise ships, etc.
- Food and Beverage Operations such as restaurants, bars, etc.
- Retail Stores such as souvenir shops, etc.

Organization which make available the services of food, accommodation and other related services to people who are away from home for money are termed as hotels. The various types of hotels and their description is placed below:

1 Star Hotel: One star Hotels is of family atmosphere mostly small and independently owned. Services are provided on an informal basis by the owner or family. There is limited range of facilities with simple meals. Some bedrooms may not provide facility of shower rooms.

2 Star Hotel: Include Small to medium size hotels. The two star hotels provide comfortable, well equipped, quality accommodation to their guest. More professional presentation by reception and other staff of the hotel.

3 Star Hotel: Hotels which provide spacious receptions and other public rooms with greater quality.

4 Star Hotel: High luxury, 24-hour room service, laundry facilities are provided. Restaurant demonstrates a serious attention to its cuisine.

5 Star Hotel: Matching the international standards spacious and luxurious accommodation throughout the hotel, provides quality, Interior design comfort and elegance. Services are formal, well supervised and in attention to guests' needs. High level of technical skills in in restaurant to produce dishes to suit the best international standards. The staff are courteous, helpful knowledgeable and well known in all aspects of customer care.

The departments in hotel industry are a) Rooms Department (Reservation, Housekeeping, uniformed Services & Telephone), b) Food & Beverage Department, c) Marketing and sales Department, d) Accounting Department, e) Engineering and Maintenance Department, f) Security Department & g) Human Resources Department.

Training

It is a learning process that helps to acquire knowledge, sharpen skills, rules and Concepts that helps in change of attitude and behavior. Most of the time there is confusion among people and employees about the understanding of training and development. The difference is that training is provided by hotels for short period and it is for specific skills, it improves the current job performance of staff. But development is a long term process where in growth of employees is of the essence. It trains employees for future performance and helps employees for better career.

Training plays a very important role in organizations it helps organizations as well as employees in job security and career advancement. It sharpens the skills of people working in the hotel which act as an asset to the employees as well as the organization. The following are the reasons for training:-

Increased productivity	Helps employee's job assignments and also prepares them for future projects.
Lesser need for supervision	For Training need for detailed supervision is not a need
Higher morale	Training helps employees to learn and thus it increases the morale of employees
Confidence	Training helps to learn new thing, which helps to deal with challenges thus improve confidence.
Development of new skills	Skills act as important asset to the employee.
Earnings	Trained employee can help employees to earn high salary in the job market
Safety.	Machines can be handled safely by trained employees

The steps involved in the training process are,

Step 1: Objectives and Strategies of Organization: Training process starts with accessing the organizational objectives and strategies. The organization should discuss its present situation and conditions and decide what the hotel want to achieve in future. All the strength and weakness of hotel should be accessed.

Step 2: Assessment of the needs: Training involves huge investment therefore present and the future problems need to be assessed in this step.

Step 3: Establishment of Training Objectives: Proper objectives should be established so that good training design can be developed.

Step 4: Designing the Training Programme: Certain vital issues should be decided well in advance like the participants, techniques, level and programs of training.



Step 5: Methods and Techniques of training

1. **Induction Training:** Training helps in understanding of the hotel and also help to develop them to the behaviors that may be required for working. It helps employees to work with others. It provides many opportunities to learn about and explore four core competencies:
2. **On-the Job Training:** Training is provided to employees while at the work place.
3. **Off-the Job Training:** Training away from the workplace.
4. **Cultural Training:** Training is provided on cultures, their understanding, values, beliefs and norms. This helps employees to other others culture and avoid intercultural conflicts.
5. **Spiritual Training:** Spiritual training helps employees to find deep inner peace, meaning and purpose in life and thus the employee is better in position to do his work effectively and hotels objectives and goals can be achieved. Spiritual training requires great application and personal commitment. Spiritual develop over a lifetime. However for those who bring sincerity, resolve and energy to their work, change or transformations are inevitable.

Step 6: Planning Training Evaluation: Last step in training process, There is needed to evaluate training to check and maintain the quality of training. It also helps in getting feedback and evaluating learning experiences of employees.

Data Analysis

Objective

To identify best practices of the hotel industry that will improve competitive ability of the talent/manpower in hotel industry in Goa

Technique Used: Multi response and chi-square. Multiple Responses analysis is used when a respondent have answer more than one response.

Variables Used: Systematic structured and well planned sessions, Regular feedback appraisal, qualified experts and more attractive induced incentives and demographic factor (Gender, age, designation, job duration and duration of training).

Hypothesis

Ho: There is no significant relationship between training suggestions and gender of employees.

Ho: There is no significant relationship between training suggestions and age of employees.

Ho: There is no significant relationship between training suggestions and designation of employees.

Ho: There is no significant relationship between training suggestions and job duration of employees.

Ho: There is no significant relationship between training suggestions and training duration of employees.

Table 7.1: Multi Response with Chi Square

	Regular feedback appraisal	Qualified experts	More attractive incentives	Systematic structure and well planned training sections	Chi-square	P value
Gender						
Male	99	114	103	127	13.30	.010
Female	70	50	68	73		
Age						
18-25	37	41	44	44	4.78	.965
26-35	68	62	66	78		
36-49	44	43	44	58		
Above 50	20	18	18	20		
Department						
Front office	16	19	16	19	49.79	.561
House keeping	12	15	16	16		
F&B	17	15	16	24		
Engineering	11	16	17	18		
accounting	9	14	17	18		
Sales	9	11	13	13		
H.R	18	9	12	12		
Security	15	13	11	18		
Finance	10	12	8	17		



SPA	7	5	10	6		
Administration	12	9	9	11		
service	11	9	11	12		
IT	12	9	8	11		
Stores	10	8	8	13		
Job Duration						
Less than 1 Yr.	43	41	39	52	7.11	.850
1-3 Yrs.	75	74	75	85		
4-7 Yrs.	45	43	54	58		
More than 10 Yrs.	6	6	3	5		
Training duration						
15 days-1 month	52	60	39	18	17.13	.145
1-2 months	49	56	40	19		
3-6 months	48	56	51	16		
Above 6 months	54	72	42	32		

The table 7.1 shows the response of employees showing the suggestions to training and development process. Out of 169 responses 58.57 males suggested for regular feedback appraisal and 41.43 of females suggested regular feedback appraisal. Out of 164 responses 114 males and 50 females suggested that hotels should appoint qualified experts to provide training to them. Suggestions for attractive incentives were from 103 males and 68 females out of 117 respondents. 200 employees have suggested for systematic structured and well planned structure of which 127 respondents were males and 73 were females. The chi-square obtained is 13.306. With 4 degree of freedom and a significance level of .010, it falls below .05. **Hence, there is a no significant relationship between training suggestion by employees and gender, thus we reject the null hypothesis.**

The table also shows the suggestions of employees in various age categories. 169 responses of employees suggested regular feedback appraisal of which 37 employees were of age 18-25 years, 68 responses of age 26-35 years, 44 responses from age group of 36-49 years, and 20 employees were above 50 years of age. Out of 164 responses 25% of responses belonged to age group of 18-25 years, 37.80% of responses were from employees age group of 26-35 years, 26.21% of age group of 36-49 years and 10.97% of employees of age group above 50 years suggested that hotels should appoint qualified experts to provide training to them. Suggestions for attractive incentives were from 117 responses of which 44 were from 18-25 age group of employees, 66 responses from age group of 26-35 years, 43 responses belong to age group of 36-49 years of employees and 18 responses from age group of above 50. 200 employees have suggested for systematic structured and well planned structure of which 44, 78, 58 and 20 were from 18-25, 26-35, 36-49 and above 50 years respectively. The chi-square obtained is 4.78. With 12 degree of freedom and a significance level of .965, it is more than .05. **Hence, there is a no significant relationship between training suggestions by employees and age of employee and thus accept the null hypothesis.**

The table also shows the suggestions of 350 employee's to improve the training and development programs across various designations. Out of 169 responses received for suggestion of providing regular feedback appraisal, highest Responses (18) were from Human resource department and lowest response (7) from Spa department employees. The suggestions of appointing more qualified experts to provide training and the need for more attractive induced incentive aroused from front office with 19 and 16 counts respectively out of 164 and 171 responses. 24 responses out of 200 of employees suggested for systematic structured and well planned training sessions by F&B department employees and 6 responses from Spa department employees. The chi-square obtained is 49.79. With 52 degree of freedom and a significance level of .561, it is higher than the .05. **Hence that there is no significant relationship between training suggestion by employees and designation of employee thus we accept the null hypothesis.**

The above table also shows the responses of employee's suggestions across the job duration for improvement of training and development programs in the hotels. Job durations are categorized into 4, namely less than 1 year, 1-3 years, 4-7 years and more than 10 years. Out of 169 responses for the suggestion for regular feedback appraisal, 43 responses were from employees working for less than 1 year, 75 responses from employees working for 1-3 years, 45 responses from employees who have working experience of 4-7 years and 6 responses from job duration of above 10 years. The suggestion to provide with qualified experts and more attractive induced incentive got highest response of 74 counts from 164 responses and 75 counts from 171 responses from employees having 1-3 years job duration. The suggestion for systematic structured and well



planned training session got 200 responses out of which the highest of 85 counts were from employees having 1-3 years job duration, 58 counts from employees having 4-7 years job duration, 52 counts from employees whose job duration was less than 1 year and only 5 responses from employees having job duration of more than 10 years. In the above table, the chi-square obtained is 7.11. With 12 degree of freedom and a significance level of .850 is obtained, which is more than the .05. **Hence there is a no significant relationship between training suggestion and job duration of employee, thus we accept the null hypothesis.**

The table output also indicates the responses of employees across the training duration experienced by them. Out of 704 responses 169 responses were for suggestion for regular feedback appraisal with highest of 60 counts from employees having a training duration of 1-2 months. Suggestion to provide with qualified experts got 164 responses out of which 49 responses from employees having training of 15 days-1 month, 56 counts from employees having training of 1-2 months, 40 counts from employees having 3-6 months training and 19 counts having training above 6 months. Suggestion to provide with more attractive salary, systematic and well plan structured training sessions got highest count of 56 and 72 respectively from employees having 1-2 months job training. The chi-square obtained is 17.134. With 12 degree of freedom and a significance level of .145 which is more than .05. **Hence, we conclude that there is a no significant relationship between training suggestion by employees and training duration of employee and thus we accept the null hypothesis.**

Findings

Hospitality industry is a multifaceted industry as it provides lot of job opportunities to skilled as well non skilled workers. It benefits tourist, businessmen as well as common people. Training is very important to employees in hospitality industry as it enhances their competency and leads to better performance.

The exploration of suggestions from the employees to improve the training process were for systematic structured and well planned training sessions, regular feedback appraisal, to provide them with qualified experts and more attractive incentives. These suggestions were studied across the hotel demographic profile - age, gender, job duration and duration of training using chi-square technique to study association. It was found that there is no association between age, job duration and training duration with the suggestions provided by the employees. However in case of gender of employees there was a relationship with regards to the suggestions.

The research identified that only training intervention cannot help in building the competitive ability of the organizations. The other supporting practices are a) Regular Feedback as part of the Appraisal/Performance Facilitation Process b) Qualified Experts who can coach them on the job c) attractive incentives that motivate learning and performance d) systematic & well-structured learning programs.

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