Management Perspective of Employee Turnover in the Housekeeping Department

Naresh Nayak P, Assistant Professor, Accommodation Operations, Welcomgroup Graduate School of Hotel Administration, Manipal University, Manipal, Karnataka, India
Anusha Pai, Assistant Professor, Accommodation Operations, Welcomgroup Graduate School of Hotel Administration, Manipal University, Manipal, Karnataka, India
Narayan Prabhu, Assistant Professor, Sales and Marketing, Welcomgroup Graduate School of Hotel Administration, Manipal University, Manipal, Karnataka
Preetham D Granil, Student Scholar, Welcomgroup Graduate School of Hotel Administration, Manipal University, Manipal

ABSTRACT

The objective of the paper is to explore the factors considered by the employers before terminating an employee as today employee turnover is major issue in the Hospitality Industry. Some ways of employee turnover positively helps the organization as the productivity might increase in certain cases. The purpose of this study is to find out the most prioritized reasons which would be considered by the management before terminating an employee of the housekeeping department of 5 star hotels. It also indicates that the employees are not satisfied and helps research strategies to retain the housekeeping staff.

Key words:
Employee Turnover, Hospitality Industry, Mumbai

INTRODUCTION

There is an increased competition in the industry and every company or brand is trying to find themselves in the top preferred companies or brands. They try to differentiate themselves from each other by delivering the best service and products to the guests. A reduction in the number of employees makes it very important to identify the possible reasons behind the employee turnover. Some employees leave the organization because they are paid better at other organizations. Some employees are removed from an organization because they do not meet the requirements of the organizations. In some organizations, only a fraction of the employees manage to go to the senior levels. The rest of the employees look for other organizations where they feel they can grow better. Some employees leave the organization for pursuing their education. Many employees are joining the industry at a very young age for experience. But with time, they try to pursue their higher education or move to other organizations for a change in work environment or better offer. Some employees leave the organization due to inevitable reasons like accidents which make the employee temporarily or permanently handicapped, or incapable of doing their usual work. Some other reasons why employees leave the organizations could be due to not liking the type of work, not liking the working environment, or lack of job security. The higher the turnover, the more bad effects will it have on the delivery of services to the guest and being in the hospitality industry no one would want to send the guest back with unsatisfactory experiences as it could lead to the guest not returning back to the hotel. This will also lead to lower productivity of the other employees because they will be overburdened with extra work which will eventually frustrate them. Employee turnover is not at all a good thing for a company as it is very expensive. Minor employee turnover can be accepted by some industries, but it may not be accepted by the others as it involves a lot expense. However well reputed the company is, eventually few employees will leave the company due to many reasons including, better salaries, better benefits, easier to travel, etc. The expense involved in employee turnover includes both direct and indirect costs. There is a huge need to accommodate the growing number of tourists coming to India on various occasions must be increased. This increases the number of people requires by the hotels increasing the opportunities for more employment, but the industry demands skilled and competent staff.

LITERATURE REVIEW

A dissertation by Francisco J. Cordero says that for the success of any industry it is very important to keep the employees satisfied. Dissatisfied employees can result in high fiscal, physical or psychological costs to the organization. The study examined the relationship between the employees and the management, working environment, pay, nature of work and similar factors. The organization should try to minimize the employee turnover in order to maintain the quality standards of the industry due the nature of employee guest contact. Relationship aspects of the exchange association between a supervisor and an employee are essential to understanding employee attitudes and behavior in the organizational environment (Gerstner & Day, 1997). But these theories failed to recognize that the behavior and attitude of the leader will directly affect the subordinates. The quality of that
interaction could help an employee to gain the motivation to work better. Silva (2006) explained that studying the attitude of the workers has become a major issue because, by knowing the reasons that make an employee unhappy, the company can make arrangements to the basis of the problem. Moreover, diverse job tasks, kind co-workers and a nice working environment have been detected both as motivational and satisfaction factors (Bjerker, Ind and Paolli, 2007). Since, not all firms accept the responsibility for retraining employee when the changes of job technology, the worker must be aware of the potential for change in any career he or she undertakes (Peterson & Tracey, 1979 as cited in Agba, Ogaboh, Nkpoyen, Ushie, 2010). Practices that contribute to employee development have been linked to employee commitment to the organization, increased productivity and decreased absenteeism and turnover (Grawitch, et al., 2006). Banjoko (1996) states that many managers use money to reward or punish workers. This is done through the process of rewarding employees for higher productivity by instilling fear of loss of job or other related issues (e.g., no annual increment or promotion due to poor performance). The most prominent reasons for decreasing job security can be cited as technology, internationalization of capital, demographic change and government policies (Smith, 1999, p. 196-198). From this aspect, today’s business world is experiencing a difficult period in terms of both employees and employers.

MANAGERS’ PERSPECTIVE

The questionnaire designed for the managers perspective was a 5-point rating scale with 9 involuntary reasons for staff turnover in the housekeeping department, and the managers were expected to rate each statement with their level of priority from 1-5, 1 being the least priority and 5 being the highest priority. A total of 60 questionnaires were given to the managers out of which only 37 were responded. The purpose of this study is to find out the most prioritized reasons which would be considered by the management before terminating an employee of the housekeeping department of 5 star hotels of Indian brands in Mumbai, analyze measures that have been used to control turnover and finally to recommend other strategies management could use to further reduce turnover. Emphasis will be laid on the effects of variables that either directly or indirectly affect turnover such as motivation, training, recognition, job satisfaction and awards and the consequences of turnover. As a matter of fact, the study will aid supervisors and managers to view labor shortage and turnover as not only a problem for now but as one that can also extend into the future. Therefore, they must develop strategies now to deal with the problem especially since demographics accelerate labour shortage. There is a decrease in the labour pool for housekeeping jobs especially the 16-24 year old group which is heavily employed by the industry. This study is intended to help find out why housekeeping employees are not satisfied with their job and subsequently quitting. The study will also research strategies that can be used to retain employees and what the consequences of turnover are.

Two graphs are plotted for the managers’ perspective. One chart is the pie representation of the percentages of the reasons that are considered for terminating an employee. Another chart shows the average priority of the reasons that may cause involuntary turnover.
Inference
This pie chart shows that 14.94% of the respondents highly consider absenteeism as a high priority for terminating the employees. This is followed by violation of company rules (13.31%), poor performance (13.03%), refusal to follow instructions (12.84%), lacking knowledge and skills (11.30%), lack of motivation (9.96%), lower paid replacement (9.29%), layoff (8.43%), and end of temporary employment (6.9%).

Inference
The bar diagram shows that from a scale of 1-5, 5 being the highest priority and 1 being the least priority, an average of 4.22 is rated for absenteeism, followed by violation of company rules (3.76), poor performance (3.68), refusal to follow instructions (3.62), lacking knowledge and skills (3.19), lack of motivation (2.81), lower paid replacement (2.62), layoff (2.38), and end of temporary employment (1.95). A lot of priority is given to the absenteeism, poor performance, violating the company rules and refusal to follow the instructions. These four reasons contribute to over 54% of the involuntary employee turnover in the department.

CONCLUSION
The turnover rate is higher in the lower positions of the division or association than the higher positions in light of the fact that in higher position the occupation is steadier and has proper working hours. The study is carried out in Mumbai seeing that the populace is moderately high and there are lot of employee job opportunities in this city. This study is concentrated just on the housekeeping division of the 5 star hotels of Indian brands in Mumbai. This study will bring up those reasons why it is hard to hold the housekeeping employees in the department furthermore the reasons that a worker would consider to leave his place of employment in the housekeeping department. The information is gathered through questionnaires given to the employees of the housekeeping department and the management of four 5 star Indian brand hotels in Mumbai. The information was changed over to numerical structure using SPSS.

It is seen that the managers do not appreciate employees who are frequently absent, who violate company rules and policies, who do not perform well or do not meet the standards expected, and also those who refuse to follow the instructions given by their seniors, or the management. These possibly are the major reasons why the employees could be terminated from the department, adding to raise the number of involuntary turnovers. There also are reasons like lacking enough knowledge and skills, lacking motivation, replacement by lower paid employees, and layoffs. There is a need to create a work environment that encourages employees to give quality response to customer needs. Satisfied employees generate customer satisfaction by excellence in performance that leads to organizational success thus resulting in improved financial success. There are many motives an employee may consider before leaving the department. But every motive has a different priority for different people. These priorities depend on the personal life, societal life and professional life of the employees.
REFERENCES


