

Employee Retention through HR Policies & Leadership in Hospitality sector of Rajasthan

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Abstract

Employee Retention is an act of keeping the employees for the elongated period of time with an organization. It is an art of every organization to keep long term relationship with their employees for achieving long term objectives of their organization. It is basically an ability of retain the employees to fulfill the desired goals of the organization and to maintain healthy relationship with their employees. Job satisfaction plays an important role in employee retention, for staying of an employee in an organization for the longer period of time is only depends upon his level of satisfaction towards his work and organization .Job satisfaction is a feeling of enjoyment, happiness which an employee or person gets from his/her job.

The main aim of this paper is to assess and highlights the factors associated with employee retention through HR policies & leadership in hospitality sector of Rajasthan.

Keywords

Employee Retention, Human resource, Policies, Strategies, Job Satisfaction, Leadership, organizational competition, Hospitality and Compensation

Introduction

Employees are the vital part of an organization equally policies, strategies and practices also help to run an organization. Human resource that makes these policies, practices, strategies to run the organization is the one who is bound to follow them simply human resource and policies & strategies interrelated to each

other. These policies have many factors and sub factors which makes an organization and its people efficient and productive. Out of which Job Satisfaction, Employee Retention, Strategic Leadership and practices are foremost to have control over overall organization. Employee retention is depends on job satisfaction simply satisfaction of an employee which he/she expect from an organization.

Retention of employees is a difficult chore for the organizations as the employees look after the better opportunities and always wants a better place for their work, better facilities and fringe benefits that may help them to become a part and parcel in organizational growth. Inter organizational competition is also increased because of skilled and talent management and of globalized market and resources.

Employee retention is defined as an organization's ability to hold on to its employees. It refers to the strategies an organization develops to mitigate employee turnover risks and the processes it puts in place to increase retention of best talent.

In the same way HR Policies play a very vital role in any working aspect of an organization mainly in aspects of employees of organization. Organization makes number of policies for better working style of organization and to increase their productivity. Better policies enhance the chances of better goodwill of the organization.

After policies the most important part for betterment of organization is Leadership. Leadership is one which engage or leads or encourage employees to give their best and increase the productivity and efficiency .Simply all the variables are correlated to each other as HR Policies, Leadership strategies, Job satisfaction all these is designed for human resource of the organization to run it well and all these variables displays rate of employee retention.

HR Policies are the guidelines or rules & regulations to operate the business in a formal way in an organization and also put some guidelines for the employees as

well as the members of the organization to operate the functioning and working of the organization in an formal and proper way. These are the policies which help the organization to hire, train assess and reward the employees for their efforts.

Leadership is the ability of an individual to influence and guide followers or members of an organization, society or team. Leadership often is an attribute tied to a person's title, seniority or ranking in a hierarchy. Leadership styles refer to the behavioral approach employed by leaders to influence, motivate, and direct their cohorts. A leadership style determines how leaders implement plans and strategies to accomplish given objectives while accounting for stakeholder expectations and the wellbeing and soundness of their team members.

Hospitality sector

Employee retention is a serious issue in the hospitality sector. According to the Bureau of Labor Statistics, the sector has an annual turnover rate of 73.8%, with over 6% of staff leaving every month.

The high demands of the hospitality industry make employee retention crucial. This industry includes hotels, resorts, and other service-oriented places of work. They require high levels of expertise to perform labor-intensive jobs and deliver high-quality customer service. If a business has a high employee turnover rate, it can disrupt the flow of operations and leave customers feeling dissatisfied

When a business in the hospitality industry has strategies in place to encourage employee retention, they are more likely to be successful in creating a workforce that delivers exceptional customer service every time.

For retention of best employee an organization should have the following;

- ✓ Competitive benefits and compensation

Hospitality organization must offer employees the maximum benefits and compensation. When an employer provides competitive wages and benefits, they are

likely to see a higher retention rate in their employees. These benefits include health insurance, paid time off from work, or help later in retirement.

✓ Growth opportunities

The hospitality industry has plenty of room for growth for employees. A company should always offer training and skill advancement opportunities to encourage them to learn and grow professionally. Furthermore, when employees have a clear path to career advancement, they are more likely to set personal goals and work harder to climb their career ladder.

✓ Positive work environment

A positive hospitality workplace that fosters engagement will encourage employee retention. This business should have an environment that promotes teamwork and an internal communication system. Regular team-building exercises are an excellent way to promote a culture of transparency and communication with teammates. It is essential for employees to feel their work is valued and that their opinions matter.

✓ Open communication

Open communication channels allow employees to express areas of concern and seek clarification from team members. When HR professionals encourage a culture that is feedback friendly, they are also encouraging employee retention. Employees should always feel more than comfortable expressing opinions without fear of retaliation. When HR professionals address concerns in the workplace promptly, they are less likely to escalate, and employees will be left feeling that their concerns are valued.

✓ Employee recognition

Recognizing the efforts and contributions hospitality workers make to their place of work will boost overall employee morale, motivation to work, and satisfaction in their job. Recognizing employees' efforts helps create a positive hospitality

workplace, as employees feel appreciated for their work in more ways than just a paycheck. Recognition programs are a great way to ensure employees have the opportunity to feel recognized.

✓ Building diverse workplace

A hospitality workplace that is both diverse and inclusive is crucial to keeping employees in the business. One way to do this is by creating policies and initiatives encouraging a respectful culture. Job postings should always be free of bias to promote diversity in the recruitment process. Employees of all cultures and backgrounds should feel they belong in their place of work

✓ Feedback

If an organization is looking to understand employee's needs in the workplace, they may conduct regular employee surveys. Surveys can find out about various aspects of working with a business. HR professionals can analyze this data to recognize any trends in responses and take action from there. Taking action can help to increase the survey response rate and employee retention.

Review of Literature

Alkhawaja and Arwa (2017)¹ while discussing the leadership style and employee turnover stated that increase in turnover is due to unbalanced treatment of employees and hence while dealing with people, leaders should question themselves regarding their personal judgement, biases and assumptions, this ultimately results into high motivations and organizational effectiveness.

Priyanka and Dubey (2016)² in their study performed exploratory factor analysis using principal component technique. They have identified employee turnover intentions through eight factors such as quality of management practices,

¹ Alkhawaja, Arwa, (2017), Leadership style and employee turnover a mythical relationship or reality? M.A., in leadership studies, Capstone project papers.16

² Priyanka & Dubey S.K., (2016) Employees turnover intention in Indian retail industry-An Exploratory study, Business perspectives, pp 7-20

Low salary, No career growth opportunity, Lack of support from the peer, supervisors and family members, little learning opportunities, Poor working environment i.e. no workplace safety, Communication and Insecurity in job.

Kossivi and Kalgora (2016)³ attempted to study the various factors for retention from the findings of various previous research studies and brought some factors such as opportunity for development, work-life balance, compensation, style of leadership of the management, work environment, autonomy, training & development, social support etc., In their study, supervision and leadership are explored more and the factors like organizational culture, autonomy and training & development are less explored. Further the scope for further research also stated in the conclusion that based on category of employees can be done in future.

Shakeel & But (2015)⁴ in their study observed that employee's turnover in the changing and highly competitive environment is on the increase in most organizations in the world today. Employee turnover is a major challenge for many organizations. It is becoming a serious problem which costs a lot of money, efforts and energy. This problem might be a major obstacle for HR professionals in the formulation of their HR policies. Employee attrition also ruins the customer confidence in the organization as many customers don't want to teach about their needs to the new employees. So, it is better to keep employees that can retain customers.

Mathur & Agarwal (2013)⁵ in their paper indicating the problem in private sector basically, the major problem in the high level of turnover, this paper studies how to reduce the problem by impacting the level of employee retention, it focuses

³ Kossivi, B, Xu, M., &Kalgora,B (2016) Study on determining factors of employee retention. *Open Journal of Social Sciences*, 4, pp 261-268.

⁴ Shakeel, N., & But, S. (2015) "Factors influencing employee retention: An integrated perspective," *Journal of Resource Development and Management*, volume 6, pp 32-49.

⁵ Mathur Atul and Agarwal Dr. P.K (2013) A study on Impact of employee Retention in Private Sector Sugar Mill. *International Journal of Emerging Research in Management & Technology*, pp 43-45

on dysfunctional. Turnover it means it majorly focus on turnover rate of productive employees.& also to attempt to understand the impact of retention strategies on employee turnover.

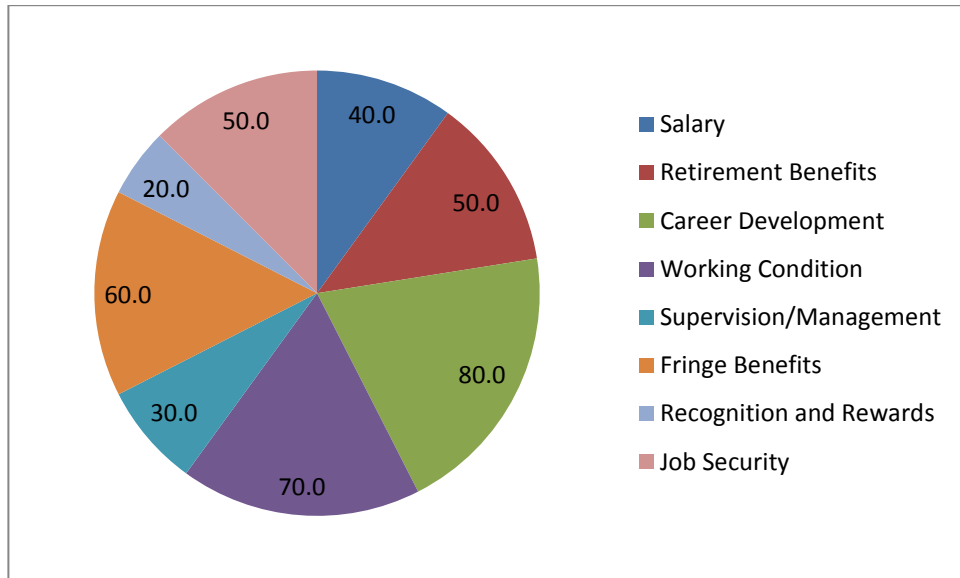
Methodology

To assess the employee retention through HR policies & leadership in hospitality sector of Rajasthan, The data was collected through primary means from selected 5 hotels of Jaipur. The officials of these hotels were interviewed about HR policies & leadership style adopted by them to retain their best employees. From each selected hotel two officials each associated with HR department were interviewed.

The Findings

Table: Distribution of Employee by factors affecting employee's retention

Factors	Yes	No	Never
Salary	40.0	50.0	10.0
Retirement Benefits	50.0	40.0	10.0
Career Development	80.0	20.0	0.0
Working Condition	70.0	30.0	0.0
Supervision/Management	30.0	50.0	20.0
Fringe Benefits	60.0	40.0	0.0
Recognition and Rewards	20.0	40.0	40.0
Job Security	50.0	50.0	0.0



Value in Percentage

Result

Result of the finding indicates that Career development and working conditions are the major factors associated with employee retention followed by Fringe Benefits, Job Security and Retirement Benefits. Salary and Management issues are not area of concern for the employees during the study.

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