Chapter 2

REVIEW OF LITERATURE

2.1 Introduction

There is an enormous amount of literature available on hospitality industry as well as on the hotel industry in the form of books authored by industry’s wizards all over the world. Apart from the books, there are a large number of Reports, Journals, periodicals, magazines, statistics, being published at national and state level by India Tourism Development Corporation, Maharashtra Tourism Development Corporation, the Ministry of Tourism, The Federation of Hotel & Restaurant Association of India (FHRAI) and many other such Institutions related to Tourism and Hospitality Industry. Moreover, there have been a lot of case studies, surveys, regional and cross country analysis of research work that explores how the tourism and hospitality industry has evolved itself from nowhere to a full fledged industry today.

We find the genesis of the Tourism and Hospitality Industry from the beginning of the Industrial Revolution in 1760 in Grait Britain which gradually spread all over the world. The concept of Hospitality Industry is even older than the Industrial Revolution of 1760 in the Great Britain. Inter-country and inter-continental trading of commodities started even before that. The local natives would provide these traders with accommodation (Boarding and Lodging Facilities) and would charge them in barter system.

The Literature on Tourism and Hospitality Industry is available for more than half a century world wide as this industry has been one of the main sources of income for almost all the countries. Apart from the revenue generation, it also became the prominent source of foreign exchange and employment generation. Furthermore, there are many tourism oriented countries where the major source of revenue is tourism and hospitality industry itself. Consequently, Central Government and Provincial Governments of these countries are publishing various Statistics, Journals, Reports and Publications for the smooth functioning and record keeping for this full-fledged and
promising industry. Apart from this, these countries are having various independent ministries which are aggressively engaged in promotion and development of tourism nationally and internationally. The officials of these ministry sends delegations all over the world for promotion of tourism in their countries. These delegations roam around the world with a barrage of information or the Literature on places of tourism available in their country. These Literature consist of specialized books, periodicals, journals, magazines, brochures, pamphlets, CDs and DVDs.

For the last three decades, this industry has become one of the major contributors to the Gross Domestic Products (GDP) in India. Keeping in mind the potential of the growth of Indian tourism industry and also to attract more and more foreign tourist, the Central Government is also publishing special reports from time to time.

In the beginning, i.e. with six month of coming to the power, the NDA Government at the centre made this e-visa facility available to the citizens of 150 countries. Encouraged by the overwhelming response of the foreign tourists interested in availing of this facility, the Central Government made another announcement in July, 2016. Accordingly, this announcement extended similar kind of facility to the citizens of 36 more countries thus making the total number of 186 countries. With the result, now the citizens of 186 countries can apply for e-visa and visit India as a tourists. The response has been so overwhelming that during the past one year, the foreign tourist arrivals on e-visa have registered a growth of 311%.

The primary objective of the review of literature is to know about the trends in the hospitality industry in general and particularly the budget hotels. The main focus will be on collecting the facts and figures related to the, problem in hand, i.e. high rate of attrition in budget hotels in India. There will also be an effort to find out the broad reasons for the high rate of attrition in Budget hotels.
To give a sufficient representation, around 100 or more Books, journals, articles published in national and international journals will be reviewed.

### 2.2 From the year 1992 to 2000

1. Mark A. Bonn & Louis R. Forbringer (1992): The hospitality industry is faced with the challenge of a major personnel shortage. A decrease in the availability of teenagers in the workforce, combined with increased employment by the service sector as a whole, suggests that hospitality managers need to explore new markets and methods for attracting and retaining employees. This paper provides a review of the current literature related to recruitment, selection and retention programs, and offers a model which is useful in taking a strategic approach when determining what strategies may be appropriate for reducing turnover in organizations.

2. Coulson-Thomas (1993): An organization’s human capitals are frequently described as its most valuable assets (Coulson-Thomas, 1993).

3. Anderson E.W., Fornell C. & Lehmann D.R. (1994): The long-run nature of economic returns from improving customer satisfaction also has broad strategic implications. If increasing customer satisfaction primarily affects future cash flows, then resources allotted to improving quality and customer satisfaction should be treated as investments rather than expenses.

4. Akan (1995): Concludes that users of Turkish four- and five-star hotels may expect to receive friendly, courteous, hygienic and expert service but without special personalized attention. Those seeking personalized and special attention are high profile guests visiting seven star luxury hotels in western countries. These guests are not price sensitive and ready to spend more than their counterparts in Turkey but expect state of art product (Hotel room, Posh Public Areas, Multi-cuisine Restaurants) and personalized attention and services.
5. **Conrad Lashley**, (1995): Interest in employee empowerment in hospitality operations is largely concerned with the improvement of customer service quality. Specifically, it is intended that through empowerment employees will be more committed to successful service encounters and will have the necessary discretion and autonomy to do whatever is needed to “delight the customer”.

6. **Atchley** (1996): High turn-over in an organization results in financial loss associated with recruitment costs and lowered productivity during the time it takes new workers to complete the learning curve. In earlier studies, internal working factors had a negative effect on employees job satisfaction and eventually led to a decision to leave the work environment. (Atchley, 1996).

7. **Udo et al., (1997), Elangovan, (2001; and Firth et al., (2004):** The relationship between work stressors and turn-over intention has been studied extensively in a range of occupational settings (Udo et al., 1997). and Elangovan, 2001; and Firth et al., 2004) and can likely be generalized to the service environment (Siong et al., 2006).

8. **Tom Baum** et al (1997): Develops the view that human resource management is a central strategic and operational concern within the tourism and hospitality industries, with implications for quality and market positioning of tourism at local, regional and national levels. Suggests that all stakeholders, be they public or private sector, visitor or host community, would benefit from a close integration of human resource, labour market and education policies.

9. **Angeline Cheng & Alan Brown (1998):** According to Angeline Cheng & Alan Brown (1998), the hotel industries in both Singapore and Australia revealed a comparable range of HR policies and practices being adopted, with an explicit recognition of the contribution, an organization’s human resources have on the bottom-line. There was a clear convergence towards minimizing turnover primarily through the recruitment, selection and induction processes. This
was despite fundamental social, economic and labour differences between Singapore and Australia.

10. Atkinson, A. (1988): Cleanliness, security and safety, employees empathy and competence, convenient location and value for money are attributes that hotel guests perceive as being important. Budget hotels are ensuring all this except the very personalized services which they may otherwise get in a luxury five star or seven star hotels. A corporate guests mostly remains out of the room. He leaves the room early in the morning and after having his breakfast leaves for his official assignments. When he returns back tired, after a hectic day, what he really expects is a neat and clean room where he can relax himself. Likewise, another important aspect is the safety and security whether you are travelling alone on official duty or travelling with the family on a leisure tour. Safety matters the most especially when you are travelling with the family. In this regard this location of the hotel plays an important role. Hotels located in the main business district where the mode of transportation are available round the clock are preferred the most by the guests compared to those located at a far off deserted place where the means of transportation are not available at night. Last but not the least, the empathy and competence of the hotel employees compensates for many other drawbacks. If a budget hotel takes proper care of all these factors, then there is no reason for a guest to pay exorbitantly at a five star or seven star hotel. These attributes gives good value for their money as it results into a lot of saving towards the room and other related (F&B etc) costs.

11. Gilbert and Horsnell (1998): and Su (2004), guest comment cards (GCCs) are most commonly used for determining hotel guest satisfaction. GCCs are usually distributed in hotel rooms, at the reception desk or in some other visible place. In these Guest Comments Cards, the guests are expected to answer objective or descriptive types of questions related to the product (hotel room, Food Items served in the Restaurants or delivered by the Room Service) and services. The questions are usually arranged in sequence of the arrival of the guest in the hotel. For example, when he entered in the hotel how was the concierge service, if he was courteous or helpful in welcoming
and handling of their luggage. The next question is usually related to the welcome drinks etc offered by the hotel reception. At times, especially during the morning time when there are a lot of departing guest, the Reception Counter is found crowded. As some of the guests have requested for the late check-out, the rooms are not yet readied by the Housekeeping department. In such a situation, the checking-in guests are usually made to wait for sometime till the rooms are ready.

This is a situation where the Front Office staff has to play very important role to appease the guest. The incoming guests might have reached to the hotel after travelling the whole night and may also be accompanying by the young children who have become cranky. Many of the hotels have children play area and Front Desk staff helps the children to be comfortable there and enjoy playing with other children. Next question is related to the smooth and hassle free checking in at the Reception Counter. These Guest Comments Cards attains more significance when the guests did not like the services at above points. Even if the hotel staff avoids to the comments of such a frustrated guest, he will insist for it and ask for the suggestion book or guest comment cards. These GCCs are then reviewed by a team of Departmental head headed by the General Manager of the hotel and corrective measures are taken to improve upon the quality of product and services in the hotel.

12. Dimitrios Buhalis, Hilary Main, (1998): Small and medium hospitality organisations (SMHOs) are increasingly recognized as pivotal in the ability of destinations to benefit from tourism as well as to satisfy tourism demand. However, it is recognized that they are often marginalized from the mainstream tourism industry, owing to their inability and reluctance to utilize information technologies (ITs). Argues that SMHOs which fail to adapt and utilize ITs will suffer competitive disadvantages and jeopardize the prosperity of destinations

13. Stowe Shoemaker & Robert C. Lewis(1999): For many years hospitality firms have believed that the goal of marketing is to create as many new customers as possible. While hoteliers believed it was important to satisfy the guests
while they were on the property, the real goal was to continue to find new
customers. This constant search for new customers is called conquest
marketing. In the future, conquest marketing will not be sufficient. Instead
firms need to practice loyalty marketing or retention marketing. The authors
believe that this will be the successful wave of the future in hospitality. The
goal of this paper is to present a framework for understanding customer
loyalty. We do this first by examining the economics of loyalty. We then define
loyalty and explain the difference between frequency programs and loyalty
programs.

organizational constraints role ambiguity, and conflict with service managers,
teams and customers, lead to job stress among client interfacing employees
(Wetzels et al., 1999; and Price, 2001).

15. Tang et al. (2000), On the other side external conditions that attract
employees away from their work, usually to another job, career or employer.
There are push and pull factors responsible for employee attrition in any
organization. The internal factors like insufficient Salaries & compensation,
poor infrastructure and working conditions, lack of cordial relations between
Supervisor and subordinate, lack of provisions of maternity leaves for the
women employees, highhandedness of the supervisors, lack of support from
the top management, delays in disbursement of salaries, lack of overtime and
incentive schemes, lack of workers’ participation in management activities are
called push factors, odd duty hours and night shifts which pushes an
employee outside the organization and he / she ultimately quits the job on
account of these factors. On the other hand there are pull or external factors
like availability of job opportunities in other hotels or even in other industry,
overseas opportunities, a desire to quit job and start their own business,
finding another job closer to their place, better salaries and perks offered by
other employers, better environment and working conditions elsewhere, five-
days working and longer weekend offered by new employer, paid holidays,
(LTC), better medical facilities for the employee and his family member,
provision of maternity leave for women employee are the external factors that pulls an employee from his / her present employment towards the new employer

16. Brown (2000): Customer Relationship Management (CRM) was a process to obtain, retain, and develop profitable customers and it required a clear focus on service attributes that could generate value to the customers so that would produce a loyalty (Brown, 2000).

17. McColl-Kennedy and Schneider (2000) and Reichheld and Sasser (1990): pointed out that customer satisfaction is important for a restaurant’s success. Cacioppo (2000) concluded that the 5% increase in customer loyalty increases profits by J- JABS Chap 2.indd 12 1/18/2012 10:46:43 AM Assessing Service Quality Ariffin, H.F., et al. 13 25%. A very satisfied customer is nearly 6 times more likely to be loyal and he/she will recommend the restaurant service more than a normally satisfied customer.

18. Kandampully & Suharanto (2000): Hotel image and customer satisfaction with food and beverage, reception, housekeeping and price are important factors in determining a customer’s intention to repurchase, or to recommend and exhibit loyalty. Among these determinant factors, hotel image and customer satisfaction with housekeeping are the major considerations when customers repurchase, recommend and exhibit loyalty.

2.3 From the year 2001 to 2005

19. Price, (2001): Unmanageable workloads and inadequate resources, as well as other job-related factors increase the amount of stress at work. Immediate superiors and co-workers form the social support pillars for employees of an organization. Having an unsatisfactory relationship with supervisors or with peers negatively impacts individuals’ performance and satisfaction and can push them to resign from their workplace (Price, 2001).
20. Khatri et al., (2001); Anderson, (2005): The reasons for attrition may be many. However, these factors need to be identified for each employee. It also understood that the turnover culture is positively related to turnover intention (Khatri et al., 2001). most companies place a high priority on retaining trained and productive workers (Anderson, 2005). It means that turnover intention precedes the turnover decision and various factors are responsible for determining the intention of an employee to quit. Many companies therefore place a high importance on retaining the trained and productive employees. Companies incur a huge sum for training and development of their employee and if such a trained person quits the organization without spending a considerable time, on the one hand the cost of training and development is not recovered moreover, it results into the additional financial burden on the company and new employee would again be needed to be trained according to the company’s culture and system. It has become a big issue of debate in many companies whether to spend such a huge sum on the training and development of their employees or not. There have been arguments against and for the trainings programs. Those arguing against it are of the opinion that trainings enhances the employability of an employee elsewhere and he becomes more prone to leave the present employment. Many companies therefore, before imparting expensive trainings to their employees, making them to sigh a written bond with an undertaking that they will have to compensate the company with such and such sum if they quit their job before the stipulated date.

21. McBey and Karakowsky (2001): According to McBey and Karakowsky (2001), research has largely supported the argument that education is positively related to employee turn-over. It is not unexpected that, in this knowledge-based era, skill and academic upgrades promise an individual a competitive advantage and provide opportunities for promotion. Understanding that personal improvement demands more time, effort, and dedication, individuals frequently tend to withdraw themselves temporarily from the workforce in order to pursue academic studies.

23. Elangovan A.R. (2001): The results indicate that there are strong causal links between stress and satisfaction (higher stress leads to lower satisfaction) and between satisfaction and commitment (lower satisfaction leads to lower commitment), and a reciprocal relationship between commitment and turnover intentions (lower commitment leads to greater intentions to quit which, in turn, further lowers commitment).

24. Choi & Chu, (2001) Level of customer satisfaction is positively associated with repeat visit. Both, service quality and customer satisfaction have a direct and positive impact upon customers’ intention of revisiting the same service setting.

25. John T. Bowen, Shiang-Lih Chen, (2001): Develops and implements a method for hotels to identify attributes that will increase customer loyalty. Other hotels can replicate the methodology used in this study. Based on 564 completed surveys from hotel guests, the authors found the relationship between customer satisfaction and customer loyalty was non-linear. The authors use the data to develop internal benchmarks for the hotel based on scores that were representative of loyal customers. The study makes use of the hotel’s database to draw samples for both focus groups and a mail survey.

26. Taylor and Bain (2003): External factors offer intrinsic or extrinsic rewards that become available if employees quit their current jobs. Its most commonly include offers of better compensation, more interesting work, better opportunity for promotion, and/or a desire to return to academic studies. An attractive compensation package offered by competitive firms helped lure employees to move from their current employment. Employee performance affects the quality of customer service (Taylor and Bain, 2003).
27. Reichheld, B.Y.F.E., and Detrick, C. (2003): Customer loyalty is a strategy that creates mutual rewards to benefit firms and customers (Reichheld and Detrick, 2003). One benefit is that firms can increase the revenue. In turn, customers acquire special benefits and feel secure.

28. Khan (2003): The findings revealed that ecotourists tend to expect businesses to be environmentally friendly and prefer services that are courteous, informative, and trustworthy. In addition, physical facilities that were environmentally appropriate and equipment that minimizes environmental degradation were found more important to the ecotourists.

29. Barbara R. Lewis, Pamela McCann, (2004): This paper is focused on service failure and recovery in the hotel industry in the UK. The objectives of the research were to: assess the types and magnitude of service failures experienced by hotel guests; evaluate the service recovery strategies used by hotels and their effectiveness; and discover whether or not there were differences in attitudes and behaviour between business and leisure guests. Data were collected from a sample of guests in a four-star hotel. Discussion of the findings leads to some suggestions for improvements for hotel management.

30. Firth et al., 2004): It is suggested that to ameliorate intention to quit and in turn reduce turnover, managers need to actively monitor workloads, and the relationships between supervisors and subordinates in order to reduce and manage stress. Managers also need to monitor both the extrinsic and intrinsic sources of job satisfaction available to employees. These activities could assist in maintaining and increasing job satisfaction and commitment to the organization.

31. Gupta (2004): A clear career progression path should be laid out in front of the employees, so that they can look forward to growing with the company. Challenging assignments and adequate recognition for the efforts go a long way in making the employee feel wanted. The gap between HR and the employees needs to be bridged and the focus should shift from a command
the control model to a trust to deliver approach. The need of the hour is to set up a functional model which would map the work environment and the employee’s needs. The concept of the gold collared workers (Gupta, 2004) talks about the employers’ need to take care of the human assets, who in turn, bring in the revenue.


33. Markovic (2004): Findings indicate that in most hotels Guest Comments Card (GCCs) can be found in a folder on a room table and are not distributed randomly. Guests can complete GCCs during their stay at the hotel. Response rates are low and no incentives are provided for completing questionnaires. GCCs are designed according to managers’ personal experience, and managers usually receive analysis reports once a month.

34. Zhang H.Q., Ellen Wu (2004): There are many human resource challenges facing China’s hotel and tourism industry. The key issues are: the lack of qualified staff at both operational and managerial levels, high staff turnover rates, the unwillingness of university graduates to enter the industry, and the gap between what is taught in school and college and the realities of the industry itself. The aim here is to explore these issues by interviewing industry executives and academics and via the authors’ own experiences of teaching and research in China. It is hoped that these issues will be noted by the Chinese government and by industry leaders, and academics, as it will take a collaborative effort to address them.

35. Hora (2005): The problems faced by managers who are not of particular areas origin underlines the fact that employees do not like to receive orders from
“outsiders”. Hence, the managers should know about the employees expectations and mindset (Hora, 2005). Though it is a kind of racial discrimination and should not be acceptable in a professional organization. The globalization has paved the way for employment opportunities for the employee of any caste, creed or religion to take up employment anywhere in the world without any special considerations to such thing by the employers. But at the end of the day, running a hotel is purely a business for profits and not a charity organization. Hence, for the smooth operations, the managers should know about the mindset of their juniors and appoint locals as Supervisors. There may be such an operational issues if a team of British is led by a French Supervisor in United Kingdom. The British employee may not like to receive instructions from an outsider – a Supervisor of a French origin.

36. Chakraborty (2005): The Employees Satisfaction Survey conducted in 2005 (Chakraborty, 2005) to investigate the reasons of stress in workplace, concludes that stress is an integral cause of employee turnover and depleted productivity. Odd duty hours and night shifts in the hotel industry are some of the main causes of stress which ultimately leads to depleted productivity and a decision to quit. When an employee performs night-shift-duty, he must sleep during the day time. In fact, the hotel employees are not from very affluent background and they stay at far off places from their place of work, that’s too in a compact accommodation with many other family members. It is therefore very difficult for them to have a sound sleep during the day time. It goes on smoothly in the beginning but in a long run, it start telling on the mental and physical health of a person. He becomes irritable and short tempered and ready to take up fight on patty matters even with his family members. When he is not able to cope up with this stress, he approaches the Doctor who in turn asks for his routine and advises for a sound sleep at least for 6 to 8 hours. As it is not possible while working in the hotel industry, the ultimate result is to quit the job and join some other company offering day shift and a longer weekend.

37. Anderson (2005): Generally speaking, however, the reasons identified by industry professionals may be distilled into areas, such as (1) highly
demanding, stressful employment exacerbated by nightshift work, (2) lack of clearly defined career growth opportunities, (3) mismatch of aptitudes and expectations between employer and employees, (4) competitive pressure in the industry, resulting in heavy inter-firm poaching, and the (5) desire to pursue higher education or alternative occupations. Most companies place a high priority on retaining trained and productive workers. These factors most commonly include perceived interference with work family-lifestyle balance, poor relations with co-workers, work stressors, unsatisfactory supervisory relationships and perceived inequity in remuneration or work assignments (Anderson, 2005).

2.4 From the year 2006 to 2010

38. Capelli and Hamori, (2006): Employee attrition can be attributed to both push (Internal work environment within the organization) and pull (External conditions or driving forces) factors. Push factors involve employee intentions to switch jobs as a result of situational elements, and are usually related to job dissatisfaction. Pull factors, on the other hand, act as driving forces that attract and individual toward alternative work placements. Internal work environmental factors create conditions that influence an employee to withdraw from the work situation. Internal to the job, evolving as a result of unhappiness, or employee mis-match, with job requirements, interpersonal relationships or organizational values (Capelli and Hamori, 2006).

39. Friedman (2006): The convergence of various industries, multinational corporations and local business has resulted in a “flattened world” (Friedman, 2006) and has encouraged the improvisation of new forms of business operation. These new ways of doing business – virtual business, more or less restricted labor mobility and global positioning opportunities – attract employees by giving them greater opportunity to engage in interesting work.

40. Edwin N. Torres, Sheryl Kline, (2006): Customer delight is a better measure of customer relationship management than customer satisfaction. Delight is likely to generate positive business results such as word-of-mouth
communications, loyalty and increased profitability. Customer delight a few steps ahead then mere customer satisfaction. When a hotel focuses on customer delight, they themselves don’t remain satisfied with mere satisfaction of their customer. They tries to invent and find the ways and means as to how to add to the delight of their customer.

41. Roderick D. Iverson 1 & Margaret Deery (2007): According to Roderick D. Iverson 1 & Margaret Deery (2007) The turnover culture was the most important determinant of intent to leave, followed by the variables of job search behavior, job opportunity, organizational commitment, union loyalty, job satisfaction, career development, routinisation, promotional opportunity, role conflict, and negative affectivity.

42. Economist Intelligence Unit (EIU), (2007): High attrition rates, regionally or nationally also give rise to wage inflation, as salary levels spiral upward in an attempt to retain existing staff and attract new ones (Economist Intelligence Unit (EIU), 2007).

43. Nickson Dennis (2007): The compensation or remuneration in the Hospitality Industry are very low and a fair and effective deal is still some way off for the bulk of the hospitality workforce, and specially those in hotel and catering sub-sector.

44. Armstrong et al.,(2007) and Dunne, (2007): The consequence of this interference could either be work-family conflict (Armstrong et al., 2007) or a work-lifestyle imbalance that eventually contributes to voluntary turn-over (Dunne, 2007). When a person does the night shifts, he tends to sleep during the day time. Such type of routine totally disturb the whole family. As he is sleeping at home during the day time, neither his family can invite any guest at his home nor he himself can take his family for an outing or even to meet his relative or other family members. This create frustration and work-lifestyle imbalance that ultimately results into the quitting of hotel job and switching over to some other industry which does not operate in shifts.
45. Glass (2007): Given the importance of personal fulfillment to Gen Y employees, work-life balance has emerged as a factor in employee attrition. Long working hours, work overloads, limited leave and requirements for relocation all have the potential to interfere with employees’ home and lifestyle priorities (Glass, 2007).

46. Iverson & Derry (2007): An opportunity for promotion and career development elsewhere also encourages staff to leave their current employment (Iverson and Derry, 2007).

47. McCabe Savery (2007): There cannot be a generic classification of factors affecting employee turnover. McCabe and Savery (2007): High employee attrition rates have been recorded widely within the service industry and compound difficulties in establishing a sustainable competitive advantage (McCabe and Savery, 2007).

48. Nikhil Sawant, (2007): The mid-market and the budget hotels in India have the maximum potential given the domestic demand from business and tourism. Hotels and timeshare have a strong potential provided that they create a quality product.

49. Henry Ongori (2007) Changing (or improving existing) policies towards recruitment, selection, induction, training, job design and wage payment. Policy choice, however, must be appropriate to the precise diagnosis of the problem. Employee turnover attributable to poor selection procedures, for example, is unlikely to improve were the policy modification to focus exclusively on the induction process. Equally, employee turnover attributable to wage rates which produce earnings that are not competitive with other firms in the local labour market is unlikely to decrease were the policy adjustment merely to enhance the organization’s provision of on-the-job training opportunities.

50. Kamal Manaktola, Vinnie Jauhari, (2007): The consumers using hotel services are conscious about environmentally friendly practices in India. They
patronise the hotels that have adapted green practices though not compromising on service quality. The consumers would prefer to use lodging that follows these practices but are not willing to pay extra for these services. Indian hotels have the competitive advantage over similar products if they follow green practices.

51. Brooker (2008): Attracting the right service professionals, training them and motivating them to stay long enough in a company to recoup recruitment and training costs is an escalating challenge for managers of service industry firms.

52. Manpower (2008): Malaysia’s GDP grew by 6.3 per cent in 2007 and is forecasted to grow by 5.5 per cent in 2008. The services sector grew at an unprecedented 9% surpassing the manufacturing sector as the largest component of the GDP. The services sector is forecasted to remain the largest employer, accounting for 51.4% of total employment in 2007.

53. Chi, C.G.-Q. & Qu, H. (2008): If tourists are satisfied with their vacation experience, they are more likely to return to the same destination and to recommend that destination to other people. Such tourists in fact become the unofficial branch ambassador of the hotel who, through their word of mouth, do the publicity of the hotel.

54. Preeti Parashar (2008): The hospitality industry is seeing a surge in the northern region with all major groups setting their foot here. But rising attrition rates are posing a major threat to the hotel groups. Even though there has been an increase of over 15-20% in packages being offered to the youngsters here, they seem to be testing foreign waters for more lucrative opportunities. Countries like the US, UK, Canada, Dubai, Australia etc are being explored by the aspiring youth to start a career in hospitality industry.

55. Deery M. (2008): On the role of WLB in employee turnover and, finally, the strategies provided to alleviate high turnover rates, recommendations include the need for legislation on maximum, as well as minimum working hours,
good role models at the workplace, flexible working hours and arrangements, sound recruitment and training opportunities and company family friendly work policies.

56. Antonio R. (2010): Effective communication helps engage employees, and that has positive implications for productivity and the bottom line. Effective communication will let employees know how they will be affected as the business changes, will trust and train leaders to talk about change, and will follow up with measurements and metrics. Effective communication thus a key for a hotel employee.

57. Roy D. (2010): If you have a favorite restaurant in New Delhi or Mumbai, chances are that you have looked at a new head waiter every time you go to visit the place. This creates a problem for creatures of habit who like to enjoy the sun streaming in from the window and having the facility of not having to order specifically every time as the head waiter knows your “usual”. Alas, that is not to be. We have a steady stream of people leaving their jobs in hospitality to explore jobs in the United Kingdom, Dubai, Abu Dhabi, Canada or Thailand. A customer in the hospitality or hotel industry finds it more comfortable to meet the same person to welcome him when he enters either in a restaurant or at a hotel reception. This is because the reason that a known staff knows the preferences and choices of the old client and the customer has not to explain to the host the whole thing every time he visits to avail of their services. But the very drawback of the hotel industry is that due to a lot of demands of hospitality employees in countries like UK, Europe, Middle East, Canada and Thailand, the staff turnover is very high.

2.5 From the year 2011 to 2016

58. Ravikumar (2011): According to sources, attrition in the industry currently hovers at 25 – 30% across different levels. To check attrition, hotel companies announced considerable salary hikes in the last six months, resulting in upto 30% growth in employee cost
59. **Bharwani & Butt** (2012): It has become imperative for hospitality organisations to consider the implications of the global context in which they operate and respond appropriately to meet the change-induced challenges. This can be done by ramping up the quality and the quantity of manpower employed through training and development interventions and by adopting suitable employee engagement and motivation initiatives.

60. **Anjana Singh, Sandeep Munjal**, (2012): Highlighted the key internal and external challenges that the hospitality industry faces in adopting new innovative, strategic IT solutions and hotel operator’s reluctance towards investment in IT. Also highlighted Strategic importance of technology and challenges for hospitality industry.

61. **Shwetank Singh** (2012): Firstly, there is a growth in terms of focus towards mid segment “value for money” hotels. This can be witnessed in the large number of domestic and international brands acknowledging this space in India. Secondly, consumers are becoming more brand and quality consciousness. Thirdly, there is a considerable increase in discretionary spends towards travel and tourism by Indian consumers. It will not be right to say that only small and mid-sized businesses prefer budget hotels. Now a day’s, even the big corporate companies prefer to consider budget or mid-market hotels as these are not only cost friendly but are also high on services.

62. **Mukund Kamat, Vice President – Hotel Division, Kohinoor Group** (2012): A high rate of **staff turnover** has an immediate effect especially in the guest service areas, and therefore, a hotel cannot afford to lose an efficient employee. Guests also develop a comfort level with an employee they regularly interact with and frequent changes affect guest satisfaction levels adversely. Labour turnover affects regular operations which are vital to the smooth running of any hotel. In some areas like sales and marketing, high employee turnover affects the business directly. This needs to be controlled and managed successfully. **Kohinoor Group** has been in the hotel business for more than 25 years and we keep a close watch on employee behaviour by interacting regularly with our employees to know their concerns. All possible
corrective steps are taken in time to address these concerns and keep the employee satisfied.

63. Khagendra Nath Gangal (2013): Attrition in Employee is more prominent in the younger age group of 18 to 35 years. And in Hotel Industry, it is more in the departments like F&B Production and F&B Services followed by Security and Front Office respectively. This is because of the employability of the employee in other organization or other industries during this young age is higher than of those older than 35 years. Moreover, at this young age he has not yet permanently settled with marriage etc and is quite flexible with regard to his mobility from one place to another place or from one city to another. It goes without saying that some of the department in the hotel industry are more privileged when it comes to the employability in other industries. Especially the employees from Front Office, Housekeeping, Security and F&B are too much in demand in the open market. This is because of the mushrooming of the MNCs, Multiplexes, Giant Shopping Malls, Banks, BPOs, Call Centers etc.

64. Timms Perry (2013): in their book, HR2025 – HRM in Future have mentioned that there will be more focus on warmer exit of the employees, with a possibility of recommending a swap job holder in their place can turn out to be a good practice. The exit at a bad note may result into the bad mouth publicity of the hotel but if an employee leaves the organization at a good note, with proper farewell function, timely payment of his compensation and dues, due appreciation of his services, he tends to spread good words about the previous employer and his exit does not cause a cascading negative effect either on the prospective customers or even on the future employees. Moreover, if need arises, he may be contacted by the organization after a lapse of 2 – 3 years or he himself too may think over joining back his old employer at a higher position with higher compensation package. But this is possible only if his exit had happened at a good and cordial note.

65. Joshi Manmohan (2013): Recruitment and Retention are two human resources functions that require strategic thought and planning. Talent
management – an area of human resources which includes recruitment and retention – is extremely important for an organization’s growth.

66. Negi Gayatri (2013): Employers should have a sense of Corporate Social Responsibility towards their employees. It is concerned with a humanitarian aspect towards the employees of the organization. It is perceived that if an employer follows CSR (Corporate Social Responsibility) norms, it treat their employees with dignity and as a human being. Such employers are more sensitive to the legitimate demands of their employees and takes special care of their well being. Not only this, they are more inclined to have responsibility towards the environment and take every possible step to control or minimize the pollutants emanating from their manufacturing units – thus protecting the environment.

67. Gupta Neha (2013): According to Rabinder Singh Bedi, President, Hotel & Restaurant (FHRAI, Western India), the attrition rate of the hotel Industry is as high as 35 – 40%. The industry needs to tackle the high attrition rate as the industry is losing most of its employees to other sectors like Finance, Banking, Retail, BPO, FMCG, Insurance IT and ITES Sector, Airline, Cruise Liners and even Hotels in Foreign Countries.

68. Jadhav Sonali and Bhave Santosh (2013): Training is an important aspect for hospitality business. The training for which employees are deputed, are always connected with their role and responsibility.

69. Marković S. and Janković S.R. (2013): The results revealed strong, positive and significant relationship between the combination of perceived service quality dimensions and overall customer satisfaction, implying that highly perceived “reliability”, “accessibility”, “empathy and competence of staff”, and “tangibles” lead to higher overall customer satisfaction in the Croatian hotels.

70. Alexandrov, A., Bryan Lilly, Emin Babakus (2013): In hotel industry, service quality, as an extremely subjective category, is crucial to the satisfaction of the client. Customers with extreme levels of satisfaction or dissatisfaction are
more likely to share experiences than customers with neutral opinions (Anderson 1998 and Alexandrov et al., 2013). Here the Author wants to explain that those who have had extremely good experience in the hotel they themselves have stayed in the recent past tend to share their good experience with friends, relatives and office colleagues and indirectly tell them to use their hospitality if at all they happen to be in that area of the town in the years to come. Similarly, just contrary to this, if a customer has had extremely or very bad experience during his stay at a particular, he will definitely share this aspect while sharing the experiences of his trip with others. This means that routine or normal kind of product or services at a hotel does not stimulate a customer to share with others.

71. Varuni Khosla & Divya Sathyanarayanan (2013): Hoteliers say their payroll costs have almost doubled in the last three years. Companies blame this on high attrition rates. Perhaps the biggest reason for the manpower crisis in hotel industry is that a majority of fresh hotel management graduates prefer to join allied industry. As the attrition rate is very high in the hotel industry, while on the one hand with a view to retain the existing work force, the employer has to hike the compensation of the existing staff, on the other hand there are many external attractions for the employees in the hotel industry. The margins in other service industries compared to the hotel industry are high and they can afford paying much higher salaries than their counter parts in the hotel industry. This leads to the further high rate of attrition in the hotel industry.

72. Ahmad Rasmi Suleiman AlBattat & Ahmad Puad Mat Som (2013): A lower average salary compared with other sectors who work in Malaysian Hospitality earn an average monthly salary of RM 1,084 compared to RM 2,114 in the financial services and to RM 2,621 in the energy sector. This data gave them the incentive to resign from their current employment and search about other industries (NKEA, 2010) Bad working conditions, low salaries, work stress, and injustice between the employees will help them consider the idea of leaving their work to cause an actual turnover.
73. Ahmad Rasmi AlBattat et al (2013): Hospitality managers are important people in the organization who should understand and know how to apply turnover policies in order to reduce the crises effect (W. Mobley, 1982). The turnover levels in the hospitality industry vary from one organization to another by size, type, and geographic location (Hinkin & Tracey, 2000). Woods and Macaulay (1991) agreed with this argument and asserted that larger deluxe hotels had a lower turnover rate than smaller budget hotels.

74. Narayanan Ramaswamy et al Human (2013): The industry is facing a significant attrition challenge of about 40-50 percent. Each hotel group in the organised (or branded) space typically has regular training programs and learning and development initiatives throughout the year which impart some sophistication as well as presentation and grooming skills. Candidates with such skill sets are in demand for customer-facing and service-oriented roles in sectors such as banking, financial services, retail and airlines, among others. There is a talent war being fought within the industry with almost all companies losing skilled professionals due to the availability of better monetary and career opportunities. At lower levels, an employee usually stays with a company for about six months, which is a short period for employers to garner a return on the training investment per employee. Employers prefer employees to stay with an organization for an average of 36 months to recover training investments and, from employees’ perspective, gain enough experience in one group to add value to subsequent roles.

75. Kanchan Nath (2014): Cutting-edge technology in the hospitality domain can give a competitive edge at all levels. Recent years have seen a voracious increase in demand for e-commerce and online bookings. In conversation with tech experts, FHRAI Magazine delves further into the trends and challenges of IT industry in hospitality. Earlier, the hotel job used to be very easy going but lucrative profession. Now with the use of cutting edge technology, it is becoming more and more complicated. Moreover, the old versions of the soft-wares keep getting obsolete and with a view to be at par with the international trends, the hotel has to keep updating the software used by front office, housekeeping, security department and also by the reservation
department for online booking. An employee therefore required to put in a lot of efforts in keeping him updated with the new trends. Those employees who are not too much inclined to be on their toes and wants an easy going jobs, themselves switch-over to other (comparatively easy going) industries, resulting into the high rate of attrition.

76. Ritu S. Verma (2014): At Starwood Hotels and Resorts, we hire for attitude and aptitude. Today, Starwood is recognised as a best employer. We have a multi-pronged strategy for recruitment which is a part of our overall HR Strategy of ADR (Attract, Develop and Retain). We route all recruitment (both internal and external) through our Global Recruitment Portal – Star Finder. We don’t just provide a job, we provide a career. Interpersonal skills, teamwork, communication skills, empathy and an ability to flex your style are key skills required to excel in this industry.

77. Rajesh Chauhan (2014): Another way we encourage the career development of our employees is through cross department mobility. It wouldn’t come as a surprise for one to start off in IHG as a Sales professional and be a Hotel General Manager a number of years later. Cross department mobility will ensure the multi-tasking ability and skill development among the employees. Though in the beginning it will a bit burdensome as the employee learning an altogether new job in another department will result into the reduced output, but in a long run will definitely help the organization. If there are many multi-taker in an organization, the pinch of the absence of a particular kind of staff is not felt. Front Office personnel can go out on sales calls and the Sales Personnel is found manning the front desk is not at all a weird idea.

78. Kashyap Gaurav (2014): Attrition in the industry currently hovers at 25-30 percent across different levels. To check this, hotel companies have announced considerable salary hikes over the last few years which have resulted in employees cost going up. The effective strategies to check attrition, is train, retrain and retain.
79. Peshave Milind A. and Gujarathi Rajashree (2014): Seasonal nature of hotel business forces employees to take up the extra load by working for long hours and sometimes their duties are stretched to 16 to 24 hours at a go. It happens especially during the marriage seasons when hotels are booked for marriage receptions. In India, due to extreme climatic conditions and also due to the astrological reasons, marriages are not taking place throughout the year, there are only a few months in a year, especially after Diwali and winter season. During this season, the hotels are packed and banquet bookings get closed at time 3 to 6 months in advance. These banquet functions get stretched upto late night every day. The banquet and other associated department’s staff are therefore required to stay back in or remain on duty by late hours. Employees are expected to do double shifts. Means they have to work for 16 hours at a stretch. This results into physical and mental stress among employees and they tend to quit the hotel industry in a long run.

80. Gaurav Kashyap (2014): The first lesson that one learns in the hospitality industry is putting the customer first. However, what one forgets is that probably the most effective way of getting highly satisfied customer is by putting employees first. This is because satisfied employees lead to satisfied customers. Perhaps nowhere this truth is more relevant than in the hospitality industry. One of the effective strategies to check attrition, which most hoteliers cite is train, retrain and retain. In-house training facilitates the employees to keep abreast of the recent developments and trends which will not only benefit the hotel but also the employee.

81. Mohd. Sadiq (2014): Employee engagement is an emerging topic and one of the important practices made by the HR managers. In Indian hospitality industry there is need of engaged workforce for the better hospitality and services, so that the guest may visit again and again for the getting the taste of that hospitality. An engage employee is fully dedicated toward their work and work with enthusiasm. Thus it may be conclude that the employee engagement is very important for the survival of Indian hospitality industry and without engagement better hospitality cannot be provided at any cost.
82. S. Nivethitha, Lata Dyaram & T.J. Kamalanabhan (2014): Effective recruitment and selection practices are essential to employ potential candidates. Systematic training and career development opportunities has to be offered to employees in order to develop their knowledge, skills and abilities; which will in turn motivate employees to retain with the firm for longer duration. Performance appraisals has to be periodically conducted and results of appraisals has to be related with monetary and non-monetary benefits, which will enhance employees’ future performance. Pay is considered to be one of the major reasons for high employee turnover in this industry; key measures have to be taken to improve the standards of compensation in comparison with other service oriented industries.

83. Aradhana Changkakoti & Sheri Kurian (2014): As far as the career options are concerned Hotel Management graduates are very much in demand in almost all the sectors. Every Industry starts recruiting Hotel graduates today to meet their requirements with clients. For example: hospitals, shopping malls, IT industry, airlines, railways, cruise lines, clubs, FMCGs etc. However, it all depends on one’s ability to communicate well, pleasant personality and general Knowledge nothing else.

84. Joshi Manmohan (2015): To be successful, the organizations require their management personnel to have inter-personal skills. The achievement of organizational objectives through leadership is management. Thus, everyone is a manger in at least certain activities.

85. Bhakat Ajay and Das Amitava (2015): Recognizing the size and strength of the hotel industry coupled with the demands faced in attraction and retention of employees, it could be concluded that employers in this sector need to focus developing distinctive and sound employee retention strategies which recognizes some of the dynamic challenges the hotel industry in India is facing. A laid back attitude on the part of the employers is no longer a good sign for the healthy growth of the organization. The days are gone when an employer could afford to take things lightly as there was not too much of competition a decade back. With the mushrooming of too many Hotels, there
is a fierce competition in the market. It takes years to earn the loyalty of the customer but a single bad experience may result into the loss of that customer for ever.

86. Anumeha Chaturvedi & Varuni Khosla (2015): In July, 2015, one thousand associates or employees of the Grand Hyatt in Mumbai became the beneficiaries of a tweak in the leave policy – five-day weeks or eight days off a month. It is a part of a Hyatt Hotels initiative to move to a more friendly regime on holidays. Not just the Mumbai property, every Hyatt hotel in India will have the freedom to structure its leave policy in line in local laws and regulations from this year. Operating five days a week by corporate companies is the biggest incentive for the hotel employees. Most of the employees switch over the other industries to avail of this luxury of time. Fed up of working during odd hours or night shifts by rotation, when encountered with such an opportunity, they literally jump on it. This, in turn, results into the high rate of employee attrition in the hotel industry. It has been noticed that hotel employees are ready to switch over to over industries even at lower salaries and compensation if offered working just for five days a week. Long weekend after working for five days is the luxury beyond imagination for the hotel staff. Like Hyatt Group of Hotels, other hotel chains should also follow the suite to attract and retain their work force.

87. Divya Sathyanarayanan & Varuni Khosla (2015): Travelers in India increasingly prefer small unbranded hotels and villas to pricy star hotels, encouraged by their high ratings in popular hotel review and booking sites that have made word of mouth accessible to the whole world. These unbranded hotels and villas have again added to the high rate of attrition in the hotels operation in the organized sector.

88. Kahini Chakraborty & Gurmeet Singh (2015): Being an industry that is closely linked to the country’s tourism growth, the hospitality sector has been continuously seeing a high number of employee turnover. The two most important reasons for the same being-quality of leadership and overall work culture, and impact on family life. Dissatisfaction with current compensation
and benefits, growth opportunities abroad and completing higher studies are also common reasons for attrition across hotels in India. Attrition rates across hospitality industry in general are unsustainable and probably in the range of 35-40 per cent per year. The reasons are many but the most significant one is no doubt the fact that whilst significant growth in room inventory supply in the last few years has exploded the demand for human capital, the supply especially of quality manpower has severely lagged behind. There is a critical mismatch between skills and talents needed on the one hand and that of supply on the other hand resulting in the available ‘hot talent’ being pursued by all key industry players leading to short tenures everywhere. The entry of international hotel chains and mushrooming of high-end hotels in the tier-II and tier-III cities has been driving the attrition. This apart, cruise-line opportunities are a big lure for hotel management professionals because of non-taxable big pay hikes.

89. Manisha Pathak (2015): The hotel industry works round-the-clock and the pressure is evident if the employees are still functioning on basic pen and paper methods. Manual methods are time consuming and require a lot of effort. For e.g.: The front desk executive will have to make reservations manually, collect payment from guests, create folios, monitor various departments and keep track of the guest details on the register. Manual entry can also lead to multiple errors and it takes up more staff time, resulting in low productivity. All these issues lead to long working hours, monotonous work routines and inadequacy caused by not living up to the guest expectations. These concerns can be solved with automated technology carrying out all the operations smoothly. Hotel management software manages all operations like reservations, payments, revenues, folio generation, housekeeping task assignment and processes at various POS outlets like the restaurant or spa, thereby, freeing up the staff’s time. Automation eliminates errors caused due to manual entry of data and the operations are executed flawlessly.

90. Manisha Pathak (2015): There are four simple ways to beat attrition and retain your hotel staff. (1) Nurture a positive culture: There can be multiple factors that contribute to the attrition rate like inappropriate recruitment,
employee dissatisfaction levels, underpayment and more. Therefore, take time to identify the problem areas and try to rectify it. Taking employee feedback on regular basis helps in identifying their problems and providing the necessary solutions. (2) Reward their efforts: Employees appreciate being valued and rewarded for their efforts. (3) Train till they achieve perfection: Your hotel staff needs to be trained regularly in order to understand the duties and provide a satisfying guest experience. (4) Empower them with technology: New-age technology like hotel software will help in easing the load of the staff and give them a lot of free time to concentrate on enhancing the guest experience.

91. Dr. Surjeet Kumar & Dilbag Singh (2015): Factor 1: Poor Leadership, low promotion and unhealthy social life. Work culture forces an employee to leave the organization. Factor 2: Lacking quality, inferior communication channel and poor safety. Everyone wants a healthy work environment to work so these factors matters a lot. Factor 3: Job security and opportunities from other hotels. Factor 4: Less growth option, this factor reflects why the employees suppose to leave the present job. Factor 5: Family transfer and Further study. These can be reason for the employee turnover. So these five criteria plays a vital role in employee turnover in hotel industry.

92. Kanchan Nath, (2015): We feel it’s the way forward, especially for 3 or 4-star hotels as it adds to the convenience of the guest and also helps in bringing down the overall cost of the project. If hotel is next to a mall, then it doesn’t need to have more than one restaurant. Since there are F&B options at the malls. Entrance and security issues of the hotel need to be separate from commercial spaces. This is important at the planning stage. Moreover, such hotels are preferred by the guest keeping in mind the exorbitant menu rates and tax structure on Food and Beverages services even in the budget or Mid Segment hotels.

93. Kanchan Nath, (2015): With the development of technology and the growth of a vast number of websites, applications and social media platforms available for travelers, the life of a concierge has changed significantly. While it is a
great tool for the concierge to serve the guest, technology will never be able to replace personal service. I firmly believe that technology cannot replace emotional bonds. I always like to think that a service professional should go on a partial emotional journey with the guest in every possible interaction, just enough so that the guest feels empathy and care but not so far as to be intrusive. Guests do come to the concierge desk more prepared than a few years ago, asking more specific questions while seeking advice in navigating the vast amount of information available on the Internet.

94. Sanjeev Kapoor (2015): In the growing food and beverage market, chefs in India have broken many taboos in the last decade. What’s currently blooming are stand-alone restaurants by some who have donned the hats of entrepreneurs. Coming out of the kitchens, chefs are now seen on flamboyant cookery shows on television. They judge competitions, write for food magazines, customise recipes for special occasions and they also run their own restaurants. The bottom line is that instead of working in the hotel industries, there so many other avenues of pursuing a glamorous career, especially for those passing out from Hospitality Institutions that they need not making a queue for the employment in the industry. As mentioned above, Chefs or Senior Cooks are too much in demand not only in the hotel Industry but also in other industries as well. Moreover, whatever other career options mentioned above are not part time job. To write food magazines, judge cooking competitions or write columns in the news papers or even customise recipes requires a lot of studies, time and efforts that one cannot do that after doing eight hours duty at the hotel. These alternate options not only brings in fame but a good amount of remunerations too. This in turn leads to the high rate of employees attrition in the hotel industry.

95. Divya Sathyanarayanan (2016): Nearly nine months after taking charge of Tata Group’s budget hotel chain Ginger, Rahul Pandit is moving fast to change the 13-year old hotel chain’s focus from being just ‘basic and no-frills’ to a ‘value-for-money and desirable’ brand targeted at the Indian youth. "If India is going to be resurgent and up on the move, this brand should enable
India be on the move. I am more focused on driving growth to all the pin codes that India travels," said Pandit, CEO of Roots.

96. S.M. Shervani (2016): The tax component is very high and as a result, customers have to fork up a lot more for their meal. This pinches the customer and they may choose not to eat out because of that. The drinking age should be reduced from 25 to 21 years as per most international cities. They should allow restaurants and bars to extend their hours of operation. With a view to give a boost to the Industry, the Government should reduced the percentage of various taxes on Food and Beverage items. On account of the higher taxes on F&B services in the Hotel Industry, the people tend to visit the stand alone restaurants or even resorting to avail of the services of smaller restaurants which are not levying hefty taxes. There is another aspect associated with the restaurant business that they are not allowed to serve food after a particular time at night. The Government should relax this regulation.

97. Garima Nagpal (2016): STAFF TRAINING PROGRAMMES New associates are placed on a buddy system i.e. an older experienced one trains the new entrant on the job. Classes are also held for them in the foundation modules. Operating procedures are taught thorough skill training in class rooms and one to one lectures. General training is carried out by the training dept. Re-training is done yearly and each employee has to attend a minimum number of classes. Daily Briefings keep staff updated on current changes in the hotel and in touch with business trends. Visual impact through dynamic notice boards keep the interest levels high and positive strokes abound through reading out of guest letters of appreciation.

98. Bishan Singh Negi (2016): Strategies to grow in F&B SPACE. A constant upgradation of product, display and presentation in line with the trends. 50 per cent emphasis on exploring local cuisine. A focused approach on each target segment for a particular kind of promotion. (mainly three segments: 50 per cent Families, 40 per cent Corporate and 10 per cent Z generation). A food-based promotion for families/social celebrations/food enthusiasts/ residential
guests. A beverage-based promotion for corporate / professional and recreational clubs and associations/residential guests.

99. Kanchan Nath (2016): With skill being the prime aspect of any profession, retention of good talent is a major problem. HR Managers, academicians and professionals talk about the trends in education, human resource and work-life balance. Hospitality is not just about maintaining a pleasant smile with a guest. It is also about making sure that the person attending the guest is happy and for this employee satisfaction and retention go hand in hand. While a general feeling among the industry expert is that the while skills enables the employee to serve the guests in a professional manner, the education enables them to become the professionals.

A section of the industry professionals feels that Hospitality Institutions are still continuing with the old fashioned obsolete and redundant courses and a radical change in the curriculum will help the students armed with the skills to face the new globalised world. The inclusion of the technology and automation is the need of the hour. Some hotels have already started including most of the technological aspects of the hotel industry. The other may therefore cannot afford to continue without it.

There is also a feeling that training should not remain confined to the hotel premises. Most of the hotels impart training to their employees within the hotel premises. Every good hotel usually has a Training Department headed by Training Manager. Mostly this Training Manager is assigned the huge task of Training each and every Fresher or Hotel Management Trainee beginning his or her career. He is also expected to conduct regular refresher courses for the old and existing employees, especially from operational departments. These days there is a new trend of tie-ups with institutions outside the hotel premises. In some cases the tie-up is done with the institutions located in other cities or even in other state. Some of the international chains of hotels have done such t tie-ups with the institutions across the world. Moreover, keeping in mind the constantly growing hotel industry, some of the hoteliers
have also ventured into the education market. They have come up with Hotel Management Institutes with state of art amenities and facilities.

Out of the total duration of the Hotel Management Course, the students are even sent on world tour to have an exposure of what their counterparts across the world doing to attract and retain their workforce. Industry professionals have also express their views that Gender Parity in the hotel industry is also necessary which can be achieved only by ensuring the similar kind of compensation, rewards and opportunities to all employees irrespective of their gender. A well placed and regular appraisal system is also a must. When a fresher is inducted, there is a need to have three months appraisal of their performance before they are confirmed and made permanent employees.

100. Sonia Tatar (2016): International Brands in the Indian Market, a recent shift in consumer segments brought forth a younger, tech-savvy and cost-conscious clientele that demands new services. This led to the appearance of new brands that directly target this demographic, such as Radisson Red by Carlson Rezidor Hotel Group, launched in India in 2015. Additionally, Western travelers are discovering well-established Indian luxury hotel companies and are often awestruck by the opulence and lavish décor of Taj, Oberoi and Leela properties. The award for World’s Best Hotel 2015 by Travel + Leisure going to Oberoi Udaivilas will further boost the recognition of Indian luxury hospitality. The sharing economy reached the hospitality industry with a bang in 2014. Since then, Airbnb has reached more than 60 million users and two million listings worldwide. The platform allows locals to rent rooms and apartments to travelers.

Similarly, Uber impacted the global individual transportation sector by linking private drivers with passengers through an app-based platform. Even though these major players successfully launched Indian operations, disrupting industries that were unchallenged for decades, local providers have emerged, offering similar services tailored to the specificities of the Indian market. Budget lodging aggregator Stayzilla offers hotel rooms and home-stays, while Olacabs is India’s alternative to Uber and a tenacious competitor to the US-
based transportation network company, offering more flexibility in the booking and payment process than traditional cabs.

In contrast to wellness tourism, where travelers seek to promote their well-being through physical, psychological or spiritual activities, health tourism attracts patients who seek medical care. Trips to India are on the rise due to cost-efficient procedures, high-quality facilities and skilled medical personnel. As in the broader travel and tourism industry, the health and wellness sector is experiencing a skills shortage for qualified talent in the spa sector. In response, Les Roches International School of Hotel Management launched a new specialization in Spa and Health Management for its Bachelor in International Hotel Management to provide in-depth expertise for hospitality students who wish to launch a career in this industry.

101.  Syama Raju K. (2016): As the private sector is more entrepreneurial and responsive than the government, industry members can provide valuable expertise for market-driven promotional and marketing activities. At the same time, the government can provide a longer-term vision and guidance on tourism development. Efforts such as nationwide image building, regulation, investment attraction, and infrastructure development may not be undertaken by the private sector alone, as their commercial benefits may not be immediately clear. Thus, the government still plays a key role in facilitating access to capital, land and skilled employees. Public-private partnership works best when there are formal mechanisms to link companies and industry.

102.  Bharat Malkani (2016): The Hotel and Restaurant Association of Western India (HRAWI) has raised concerns over the government’s plan to open up home-stays as a way to bridge the acute deficiency of hotel rooms in the country for promoting tourism. The proposal which may allow anyone to offer stays at their homes will have no government intervention and not attract any kind of taxation or commercial tariffs. The hotel industry is skeptical about the outcome of such a plan as it could backfire with no assurance of guest safety and would have consequences that affect employment and tax
revenues. “In a country like India where tourism is at a nascent stage promotion of home-stays at the expense of organized hospitality could spell doom.

The primary problem with home-stays is that there are no standardizations or categorizations. There have been multiple cases of exaggerated promises, misrepresentations, disagreements and conflicts with guests, hygiene issues and intimidations among others. Because home-stays are unregulated, there are no redressal systems in place. Hotels are required by law to send details of foreign guests to the police station by submission of a C Form. This is a security requirement from the Ministry of Home Affairs. Home-stays are not required to be compliant and the industry fears that this will become the de facto accommodation for foreigners who seek anonymity from the police.”

HRAWI also questioned the relevance of subjecting hotels to administrative clearances, liquor permits and other licenses while home stays providing the very same services are exempted. Home-stays, functioning just like hotels do, are prevalent even today in a lot of states. However, they are unorganized and are presently limited in numbers. With the Government’s new shift in policy focusing on home-stays, the dynamics are expected to change. “The hospitality industry without home-stays in Maharashtra today can generate almost ‘600 crore per extra night that a foreign tourist stays back to the government as foreign exchange earnings, besides being the highest employment generator. Almost all tourist towns across the world have grown on the back of strong hospitality infrastructure and not home-stays which are brought in only as a stop gap emergency measure, as Delhi did during the Asian games, due to the three-year gestation period to add new hotel rooms. The solution to growth is freeing the hospitality sector from red-tapism and following a pragmatic taxation policy.

The initiative taken by the Government of India has led to the mixed response from the different section of the people. While the people in general of the travelers – leisure or corporate have welcomed this step as there will be much cheaper and hospitable accommodation available for them. Especially for
those who stay for a longer period will feel at home staying at Homestays accommodation. Even while staying away from home they will enjoy the luxury of home food and that’s too at a very reasonable cost. But on the other hand, the people from the hotel industry are not so upbeat about the idea. They have expressed their concern about the safety of the tourists especially foreign tourist. Moreover, on business front, this will directly result in to the business loss for them. Reduction in the employment opportunities in the hotel industry is another concern expressed by them.

There are already some States in India offering Homestays to their guests. But we come across many internet blogs where many of the guests sharing their bad experiences especially with regard to the hygiene, exaggeration of the facts by the host at the time of taking the booking. Many conflicts have also been reported with regards to the Homestays. These hosts usually don’t follow any categorization or standardization. Although it is mandatory for each and every hotel to send the information about the foreign tourists staying in their hotel to the nearest police station but in case of Homestays, such a practice is usually avoided.

103. Patel Nilesh (2016): Social media has had a profound impact upon the hospitality industry and for any hotel to not capitalize these channels, listening and interacting with their customers 24/7, is tantamount to willingly flying blind. Besides these two, hotels are increasingly witnessing demand for personalized systems (capturing guest preferences and proactively by using data to personalize guest offerings through technology) and integration of information and solutions (to cater to guest needs on a single platform to gather holistic reports for management information and customer communication. We are investing 225 million into a digital plan that will not only enhance every part of the customer's journey but also enhance the service experience of the staff, owners, franchisees and partners. As a part of this plan, we recently launched our new digital strategy ‘Leading Digital Hospitality’ with the key objectives to rethink and incorporate digital technology throughout the customer journey. The plan is based on two essential pillar – i.e. IT infrastructure and data management. According to
conservative estimates, 52 per cent of travelers say that social media influenced a change in their travel plans. Therefore, we are investing heavily into the technology, providing live information on the group as well as each of our brands.

As it is evident from this revelation, people these days have become so dependent upon the gazettes that they done prefer to maintain any physical or paper diary. They want each and every information on their mobile. With the every passing day even the laptops are going to be redundant as everything is available on the mobile phone. People are now finding it burdensome even to carry Tabs or Tablets. As mobile handset is all the time available in their pocket, social media is becoming more and more influential with every passing day. With the e-commerce has already captured the imagination of the masses it has drastically changed the shopping and buying patterns of the people.

Today, with the too much use and exposure of social media like Whatsapp, Facebook or Instagram even the kids are taking the clues from these social media and shopping their toys or gazettes from Amazon, Flipcart or Snapdeal on their own. They are not even depending upon their parents or elder brothers or sisters. They make their own selection of products by engaging themselves with their friends on social media. Hence, to sum up, when even the kids have not been spared by the social media in influencing their buying decision, it has obviously influenced the decision of the travelers to a great extent.

### 2.6 Revelations of the Review of Literature

- Odd working hours and night shifts: It has been noticed that in the beginning of their careers, youngsters enjoy rotational duties and and even the nights shifts. But as they grow in the age and family responsibilities come on their shoulders, they start disliking it and on report on live on flimsy reasons. When an employ suddenly reports on leave, it creates a chaos in the hotel. Until and unless he has reported on duty, the person who was doing the previous
shift cannot be relieved from the duty and forced to do double shifts. That not only affects his performance on his work but also results into the health problems in a long run.

- Hotel Industry is the “Least Pay Masters”: It is a well known fact that hotels, while providing with a decent working environment are the least paymasters compared to other industries. Hence, when an employee is not able to manage his affairs on economic fronts, he immediately switch over to other lucrative avenues – corporate, cruise liners or overseas employment.

- Employees quit to pursue higher studies: Most of the hotel management graduates take up jobs immediately after completing their degree course which they had join after 10+2. They therefore always crave for a professional degree, especially MBAs, for further enhancement in their career.

- Job related stress is one of the main reasons responsible for high rate of attrition in the Budget Hotels. The industry operates round the clock in three shifts. There has to be back to back availability of reliever who can relive the person already done his eight hours duty. But at times, a situation arises when the reliever has suddenly got some emergency and cannot report for the duty, in such a situation the person is asked for continuing his duty. Hence, working for two shifts together is a tough task. Moreover, as the operational staff has to continuously face the guest, he cannot afford to be drowsy. He has still to be presentable, alert and smiling.

- Lack of attractive perks and compensation in the hotel industry all over the world. It was noticed through the review of literature that compared to Hospitality and Hotel Industry, other employers in the market such as, Airlines, Cruise Liners, BPOs, Banks, Shopping Malls, Corporate Companies pay more compensation and perks to their employees.

- Lack of self esteem while working in a Budget Hotels. As an aspirant, they had dreamt of working with a five or a seven star luxury hotel, and all these years have been boasting of it. But when they are faced with the reality that
they cannot work for such hotels at least for time being, they develop a sense of inferiority in their personality. It ultimately results into the lack of self esteem while working for a lower category of (four star or three star) hotel.

- Large number of students joining Hotel Management Courses but everyone cannot be accommodated in Five Star Hotel. Lack of vacancies in Five Star Hotels compels Hotel Management pass-outs to take up jobs in Budget Hotels.

- Employees switching over to Cruise Liners or grabbing the overseas opportunities. Review of literature revealed this fact that Cruise Liners and Overseas assignments are the most sought after employment among Hotel employees. It not only promises of higher packages (with no or lower rate of taxes) but also fulfills a long nurtured dream of every Indian. People in India are crazy about studying or working abroad. They can do anything or everything to grab an overseas employment.

- Front Office, F&B and Sales Staff are switching over to other industries as there are a lot of job opportunities available there. Keeping in mind the fact that India is the largest consumer market in the world, many multinational companies have established their Asian Head offices or even Production Units in India. This has resulted into the ever rising demands for the Front Office staff who can man their Front Desk or Reception Department. Moreover, the corporate guest staying in the hotels are constantly in touch with the Front Desk people and regularly interact with them. This regular interaction, at times, results into the poaching of talented and efficient Front Office employees of the hotel.

- Ever-expanding scope of Security and Housekeeping Companies. Many previous researches done in the Hospitality industry has revealed that with the mushrooming of Call Centers, BPOs, Multiplexes, Shopping Malls, Mega Stores, and MNC Offices, the staff of Security and Housekeeping departments are too much in demand. This results into poaching of hotel staff by these corporate entities which ultimately results into high rate of employee
attrition in hotel industry.

- Ever expanding Hotel industry and the poaching by new players. The hotel industry itself is expanding at an alarming rate. Though the addition of hotel room to the five-star category is not that much, but the entry of big almost all group of hotels into this new segment of Budget Hotels have resulted into the high rate of attrition.

- Employees quit to Start their own business – Restaurant, Housekeeping, Security Agencies etc. Keeping in mind the odd working hours and night shifts duties, coupled with old-aged parents or too young children, many employees, especially from F&B, Housekeeping and Security departments quit their hotel job and started their own business.

- Lack of provision for paid leave to the women employees during pregnancy and post delivery was also responsible for high attrition as in absence of the paid leave, these women employees had no other option but to quit the job.

- It is also revealed through the review of literature that young people i.e. between the age group of 18 to 35 years change jobs more frequently than the older employees. Moreover, the rate of attrition is more in some departments of the hotels (F&B Production and F&B Services followed by Security and Front Office respectively) than other departments.

2.7 Summary
The review of literature in previous paragraphs have thrown the light on the problem of high rate of employee attrition but the research works conducted so far have taken a generalized view of Hospitality Industry. Moreover, there have been studies on the problem of employees attrition either exclusively for five star hotels or for the entire Hospitality Industry. But there has been a dearth of research work for this specific segment of Budget Hotels where the rate of employees attrition is the highest within the industry.
To give a sufficient representation, more than 100 Books, Journals, Articles published in national and international journals, Hospitality related magazines were reviewed. Apart from this, various Research Papers on Hospitality and Hotel industry published in various Journals were also referred. Websites of related Institutions, Hotels, India Tourism Development Corporation (ITDC), Maharashtra Tourism Development Corporation (MTDC), various Nodal Agencies and Organizations were also visited to gather the information.

The matter of the fact is that while doing the review of the previous studies and researches it was noticed that there have been the gaps in various research works conducted so far with regards to the problem in hand i.e. high rate of attrition in Budget hotel, that’s too located in Mumbai region. Having noted down the gaps, it has been strongly felt that there is a need for a study to be conducted exclusively for this segment. The problem of employee attrition has resulted into such a vicious circle that this segment has stuck up in a rut in the sense that higher attrition is resulting into the lower occupancy, lower occupancy into lower revenues and lower profitability, lower profitability results into poor salaries and compensation and poor salary packages ultimately resulting into the higher attrition.

The level of occupancy and the employee attrition are inversely related to each other. It means that lower occupancy usually results in the higher rate of attrition and higher rate of attrition results into the lower rate of occupancy in the Hotel Industry. To sum up, these 102 reviews of the literature (previous researches) have been very helpful in getting to the root of the problem. This review has established the fact that there has really been a problem of high rate of employee attrition across the globe in hotel industry, especially the budget hotels.

2.8 Gaps in previous Researches and Scope of Research
A review of literature on Hospitality Industry broadly justifies the claim that when compared with other industries, the rate of employee attrition is very high in Hospitality Industry. The minute scrutiny of previous researches clearly indicates and highlights the fact that there have been gaps in the studies.
While these studies have taken a holistic view of the Hospitality Industry or even the Hotel Industries as a whole but the very crucial and sub-segment of “Budget Hotels”, where the rate of employee attrition is the highest, has been ignored. Hence, there has been a dearth of research work done exclusively on the “Budget Hotels” and that's too located in Mumbai region.