SECONDARY FACTORS INFLUENCING ATTRITION

5.1 Rewards, Recognition & CSR influencing Employee Attrition

In the previous chapter we had discussed about the primary factors affecting the rate of employee attrition in the budget hotels in Mumbai region. Now we will discuss as to how the secondary factors affect the rate of attrition in these hotels.

a) Rewards:
It is generally suggested by many Human Resource Management experts that rewards or punishment should be given not just to an individual but to the all group members. Rewards need not always to be material, a pat on the back, at times, is also works and encourages the person to do the same thing with greater enthusiasm. The concept of brand is not confined to the companies or the product, every individual also carries a sort of brand especially within his group or within the department he is working in. Different character of employees are differently and unofficially branded, nick-named and talked about within the group.

For example, an employee does his work quickly is nick-named as “Super-fast” or a slow worker is called “Lazy Lump” etc. etc. Now come to the point, Such kindly of non-monetary rewards, like appreciation of an employee at the time of group briefing for any good work done by him enhances his brand-image among his colleagues and he feels honored and energized. Such worker not only tries to further improve upon himself, but also encourages other colleagues to follow the suite. Hence, it is rightly said by the management gurus that appreciation should always be in a gathering, not in private.
Figure 5.1  Rewards influences the Employee Attrition

- Employees rewarded for good work: 24%
- Employees not rewarded for good work: 31%

Rate of Employee Attrition
On the other hand, if an employee’s performance is not up to the mark or he has committed some mistake in handling the guests or otherwise, he deserves a lecture or at times even punishments but such lecturing or punishment should not be in public. The Supervisors or immediate bosses should always keep a maxim in mind that “All punishments, satirical lecturing and Reprimands should be in private but all kinds of rewards, appreciation, words of appreciation or even a tap on the back should be in public”

As can be seen from the Figure 5.1, wherever the companies follow such practices of rewarding their employees for their good work the rate of attrition was as low as 24%. On the other hand, in the companies where such practices are not followed, the rate of attrition was found to be as high as 31%. Moreover, a lecture, scolding or punishment in public will totally put an employee off and instead of an improvement in his working, his senior may witness an altogether different behavior from what he had expected. The employee so scolded in public may resort to the escapism – where the person tries to escape to handle the particular work or situation he was scolded for. Alternately, as the public scolding hurts his image, he may not accept it at all and engage into the argument or may try to put blame to other people or the circumstances or situations.

Whenever, a Supervisor has to point-out a mistake in his subordinate’s behavior or work, he should be called inside his cabin or should talk to him when there is no one around. Every employee have some qualities and before coming to the point, the supervisor should start with appreciating about his good qualities or good work done in the recent past. In private discussion or meeting also the supervisor should not start bombarding the subordinate for something gone wrong. Moreover, the punishment should be designed in a manner so as to improve his behavior. The very motive behind the reprimand should not be to really punish the subordinate but to discourage him for not repeating the same mistake next time.

b) Recognition:
For the continuous motivation & retention of the staff in any organization,
recognition of the employee for his good work is another tool suggested by the human behaviorists. Nowadays, in corporate world, many companies have devised non-monetary appreciation and recognition of their good performers. Many a times, in the reception area of every department in a company, we come across a soft-board with the heading inscribed “Hall or Fame” or “Employees of the Month” etc. It is very much in practice with the companies where the performance of the employees can be measured in terms of numbers. For example, we may come across the photograph of sales persons with their names for achieving 100% or more than 100% of their sales targets they were assigned for a particular month or quarter.

It is very effective motivational tool because not only the employee himself, but also the whole office sees his achievements every time they pass by that notice board. It costs almost nothing to the company but brings in a huge amount of positive results. It instills a sense of pride and belongingness among employees and creates good culture and environment for positive competition.

As can be seen from the Figure 5.2, wherever the companies follow such practices of appreciating and recognizing their employees for their good work, the rate of attrition was as low as 24%. On the other hand, in the companies where such practices are not followed, the rate of attrition was found to be as high as 31%.

There are many companies organizing the foreign trips also for their best performers. In most of the professional CVs or Resumes, there is especially a section of Awards, Recognitions and Achievements. The employees list. This also gives encouragement to an employee to perform still better and retain that title for himself. Moreover, it encourages other employees also to get that title and have their name and photograph on that board. This type of their achievements in this section of their CV. Hence, it becomes more encouraging as it helps them in their future employment also.
Figure 5.2 Recognition of employees influencing their rate of Attrition

- Employees recognized for good work: 24%
- Employees not recognized for good work: 31%

Rate of Employee Attrition
c) Corporate Social Responsibility (CSR):

Those companies, sincerely adopting the principles of CSR, are treating their employees with dignity and are found concerned for their overall welfare. It in turn pays them back with more cordial employer-employee relationship and more employee stability in the organization. CSR, in short, is the responsibility an employer feels towards the employees, their family, the environment and every stakeholder associated with his business.

Companies or individuals do not work in isolation, for the smooth running and success of the business, they have to continuously interact with different kinds of individuals, professionals, Institutions, organizations, departments, NGOs, environmentalists, government department, statutory institution etc.

Whatever revenues and profits they are generating, are due to the coordinated efforts of the abovementioned individuals or institutions. Apart from this, when a company is involved in the manufacturing activities, a lot of damage is done to the environment in one or other form. The basic idea about CSR is that when the companies are earning so much at some or other costs of the society, it has the responsibilities of returning back some portion of their profits. There are many industrial houses in India who have given too much of importance to CSR and following its guidelines very religiously.

Adoption of Corporate Social Responsibility (CSR) plays a vital role as would be seen from the contents of the following table and their explanations. As be seen from the above Figure 5.3 and also from Item No.1 of Table 5.1, on the next page, when the respondents were asked if their hotel is having Rewards and Recognition programs in place. Out of 400 respondents, 299 (75%) replied in affirmative and remaining 101 (25%) replied that no such program was in place in their hotel. This means that majority of the Budget Hotels in Mumbai were not rewarding or recognizing the good work done by their employees.
Figure 5.3 Following of CSR Principles influences the rate of Employee Attrition

- **Hotel Following CSR Principles**: 23%
- **Hotels not following CSR Principles**: 28%
They were further asked if their employer follows the laid down norms and policies of Corporate Social Responsibility (CSR). On this, out of 400 respondents, the majority i.e. 239 of them (60%) replied that CSR was very much in place in their hotel and it is followed religiously. But remaining 161 respondents replied that their employer was not following any such policies. CSR is the concept where the companies need to treat their employees with dignity and respect.

They also need to ensure that their activities are not harming the environment. They should rather endeavor to improve the lives of the common people in general and particularly their employees. The results shows that a majority of the hotels are now a days following the principles of CSR. But still there are 40% of the Budget Category or Mid Segment Hotels which are not following it. They are still in the rat race of just making money and exploiting the place, people, institutions and environment to best of their advantages without giving a thought to the welfare of their employees and their family members.

When asked about the Motivational Sessions, out of 400 respondents, 181 (45%) of them replied in affirmation but a majority 219 (55%) answered that no such sessions are conducted regularly in their hotel. Motivation is the drive or the force that energizes a person to do what he does. It is either intrinsic motivation (coming from within) or extrinsic motivation created from the environment. It is better to emphasis upon both kind of motivation among the employees.

Money cannot always be the motivating factor. Apart from financial rewards, non-financial rewards also equally effective. Rather, at times a few words of appreciation or a mere tap on the back is far more effective than the monetary motivators like incentives etc. But such kind of rewards must be instant and should not be accumulated or kept aside to be given at some special event. But it is also important that such an appreciation is done in public and on the other hand the reprimands or criticism in private.
<table>
<thead>
<tr>
<th>SN</th>
<th>Non-monetary benefits</th>
<th>Total Respondents</th>
<th>YES</th>
<th></th>
<th>NO</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rewards and recognition, CSR programs in place ?</td>
<td>400</td>
<td>299</td>
<td>75%</td>
<td>24%</td>
<td>101</td>
</tr>
<tr>
<td>2</td>
<td>Corporate Social Responsibilities followed?</td>
<td>400</td>
<td>239</td>
<td>60%</td>
<td>23%</td>
<td>161</td>
</tr>
<tr>
<td>3</td>
<td>Motivational Sessions are regular?</td>
<td>400</td>
<td>181</td>
<td>45%</td>
<td>27%</td>
<td>219</td>
</tr>
<tr>
<td>4</td>
<td>Trade Union is playing positive role?</td>
<td>400</td>
<td>221</td>
<td>55%</td>
<td>26%</td>
<td>179</td>
</tr>
</tbody>
</table>

**Average Attrition in %**

25% 31%

When asked if Trade Union in their Hotel is playing positive role for the employees growth, out of 400 respondents, a majority of them i.e. 221 (55%) replied in negative and remaining 179 (45%) felt that Union was playing a positive role in their hotel. Trade Unions are supposed to protect the rights of the employees against the exploitations by the employers. There have been many instances, especially in small hotels, where the hotels are
operating only two shifts of twelve-hours each. This is not only illegal but also hazardous to the health of the employees.

Apart from this, many hotels are not following the norms of the minimum wages act and paying to the employees arbitrarily. Many a times the, the salaries are not disbursed on the scheduled date. In many cases, the Trade Unions have been successful in curbing these drawbacks to a great extent. But there have also been the instances where they are found interfering into the day-today functioning of the organization, imposing their choice of candidates at the time of recruitment and selection process or even protecting the erring employees.

Under the circumstances, the selection are not happening on merit, but on the recommendations and the meritorious candidates are losing the opportunities of fair selection. The presence of the Trade Union is therefore a mixed bag of advantages and disadvantages from the Hotelier’s as well as employee point of view. On positive side, it can play a very constructive role by emphasizing on adherence to the good employment policies by the employers.

Now we will do a quick review of these factors and try to find out as to what extent they affect the rate of attrition in the hotel industry. As can be seen from the Figure 5.4, on the previous page, wherever the hotels were following the CSR, the attrition was found to be on lower side i.e. 23% compared to 28% where the CSR was not followed. If an organization follows CSR policies, it treats its employees with respect and dignity and takes every care of their needs and environment around them. Employees, here, are considered to be the precious human asset which, if handled carefully, brings in exalted revenues and in turn profits.

In the hotels where the management is regularly conducting Motivational Sessions, the attrition was pegged at 27%, but where these were not in placed the attrition was on higher side i.e. 32%. Many studies have revealed that even non-monetary motivations have done wonders.
Figure 5.4 Impact of Rewards, Recognition & CSR on Employee Attrition on Budget Hotels in Mumbai

- **Rewards and recognition programs in place**: Attraction 24% YES, 31% NO
- **Corporate Social Responsibilities followed**: 23% YES, 28% NO
- **Motivational Sessions are regularly conducted**: 27% YES, 32% NO
- **Trade Union is playing positive role**: 26% YES, 33% NO
Even if the hotelier is not able to pay sufficient salaries that’s too on time to their staff, but if he keeps motivating the top and middle management and these people in turn to their down the line staff, it works wonders. It boots the confidence and energy level of the employees and even in odd circumstances they are able to handle the situations and perform excellently in front of their guest. In absence of such a rapport between the staff and their supervisor and again between the supervisors and the middle or top management people, the employees themselves start criticizing their own hotel or the hotel management in front of their guests and this creates a vicious circle where not only the rate of employee attrition shoots up but the guests also start switching over.

Wherever the Trade Unions were playing a positive role, the attrition was 26% compared to other hotels where there were no unions or the unions were not playing a positive role, the attrition was found to be 33%. It is evident, when a Trade Union is not able to protest the legitimate rights of the employees and on the contrary starts interfering into the day-today affairs of the hotel, the whole atmosphere gets spoiled. The talented and efficient staff are ignored and cornered and office bearers are given the opportunities of promotions etc. Under the circumstances, good employees start quitting the organization which results into the high rate of attrition.

5.2 Provision of Staff Accommodation Influencing Attrition
In a mega-metro city like Mumbai, the accommodation cost is the highest among all other heads of expenses a normal household has to incur. Hotel industry in Mumbai attracts thousands and thousands of Hotel Management Graduates every year. They come here from across the country and join the hotel industry at moderate or very low salaries and are usually not in a position to afford expensive accommodation and exorbitant security deposits, which mandatory before taking any rented accommodation in Mumbai region. Youngsters either live as a paying guests, or in a shared accommodation or with their colleague.
Table 5.2  Provision of Accommodation, Food & Recreation Facilities influencing Employee Attrition

<table>
<thead>
<tr>
<th>SN</th>
<th>Perks in addition to salary</th>
<th>Total Respondents</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Nos.</td>
<td>% Attrition</td>
<td>Nos</td>
</tr>
<tr>
<td>1</td>
<td>Canteen / Cafeteria provided?</td>
<td>400</td>
<td>279</td>
<td>70%</td>
</tr>
<tr>
<td>2</td>
<td>Accommodation provided?</td>
<td>400</td>
<td>79</td>
<td>20%</td>
</tr>
<tr>
<td>3</td>
<td>Recreation Room provided?</td>
<td>400</td>
<td>161</td>
<td>40%</td>
</tr>
</tbody>
</table>

Average rate of Attrition  
25%  30%

Wherever the employer has provided accommodation, the employees do not easily leave or quit that organization until and unless the same facilities are offered by the new employer. In Mumbai, to find the rented accommodation involves a lot of money and efforts. One has to give the security deposit to the landlord which is usually equivalent to 11 months rend + one month’s advance rent. Apart from this, the commission to the broker and transportation cost of the hold stuff. Moreover, the suspicious attitude of the landlords, as they prefer to rent their premises to the married couples rather than to the bachelors. Convincing the landlord of good behavior become all the more difficult when there are a number of bachelors sharing the same
accommodation. To sum up, when the hotel provides residential accommodation to their employees, the rate of attrition is found to be lower.

As can be seen from Item No. 1 of Table 5.2, on the previous page, the employees were asked if their hotel is having subsidized canteen or free cafeteria facilities. Out of 400 employees, 279 (70%) respondents replied in affirmative and remaining 121 (30%) said that there is neither a subsidized canteen nor a free cafeteria in their hotel.

Apart from the accommodation, there is another factor equally responsible for retaining the employee with the present employer, in Mumbai, is provision of free or subsidized food. Keeping this choice of their employees in mind, apart from the hotels, many big companies in Mumbai have a huge state of art cafeterias where they provide food and snacks at very nominal or subsidized rates. It works as one of the biggest reasons for staying with the present employer and thus results into the lower attrition.

When asked about the provision of staff quarters, and if their hotel provides accommodation or staff quarters to its employees, out of 400 respondents only 79 replied in “yes” but a majority 321 (80%) answered that no such provision was in place in their hotel. We have already discussed this point in detail in the previous paragraphs.

When asked about the availability of recreation room in the hotel, out of 400 respondents, 161 replied that yes they had a recreations room in the hotel where they go for a while after lunch time to recreate themselves. But a majority, 239 (60%) of the respondents replied that no such room was in place in their hotel. The over workload causes the stress and frustration and under the circumstances, the availability of a recreation room, to some extent, gives the vent to the stress and frustration. Not only the hotels, but nowadays, many corporate companies too have made the provision of recreation room where the employees prefer to spend time during the lunch hours. Companies, have even made the provisions of smoking rooms.
Figure 5.5  Provision of Accommodation, Food & Recreation Facilities influencing Employee Attrition

- Canteen / Cafeteria provided: 25% YES, 29% NO
- Accommodation provided: 22% YES, 27% NO
- Recreation Room provided: 27% YES, 30% NO
As can be seen from above Figure 5.5, in the hotels where there was a provision of subsidized canteen or a free cafeteria for the staff, the attrition rate was 25%. On the contrary, in the hotels where there was no provision for food or lunch for their employees, the employee attrition was found to be on higher side i.e. at 29%.

Similarly, wherever the hotel provided accommodation or staff quarters to their staff, the attrition was lower at 22%. But where such provision was not there, the attrition was on higher side i.e. 27%. Same thing about the availability of recreation room, wherever this facility was in place the attrition was 27% but wherever there was no such room, the attrition was recorded at whooping 30%.

5.3 Department-wise Attrition in Budget Hotels

As can be seen from data depicted in the below mentioned Table 5.3, there is a considerable variation in the rate of attrition in different department of a hotel. A hotel consists of many departments within, such as Front Office department taking care of the Reservations, room booking, receiving the guests, arranging for his check-in formalities, baggage collection and delivering the baggage in the rooms. Housekeeping department takes care of the keeping the public areas as well as guest rooms in a spick-n-span condition. Foods and Beverage department has two divisions, i.e. F&B Production department (Kitchens), and F&B Services, means delivering the prepared food upto the rooms of the guests or serving in the Restaurants. Security Department takes care of the frisking and scanning of the guests and their luggage at the entry point and also takes care of the overall security of the hotel premises.

This department has attained extra prominence all over the world after September/11 terrorist attack in USA in 2002 and again the terror attack on 26th November at The Taj Hotel, Mumbai, India. Apart from these operational departments, that work round-the-clock, there are other departments like Engineering and Maintenance, HR, Personnel and Administration,
Purchase Department, Accounts departments, Telephone department and Training Department etc. But the rate of attrition in non-operational department are not that high as compared to operational departments.

**Table 5.3 Department-wise Attrition in Budget Hotels in Mumbai**

<table>
<thead>
<tr>
<th>SN</th>
<th>Employees</th>
<th>FO</th>
<th>F&amp;B</th>
<th>Security</th>
<th>HK</th>
<th>Other Depts</th>
<th>Average of Deptts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total number of Employees in a particular department in the beginning of a year in all 16 hotels selected put together (In Nos.)</td>
<td>80</td>
<td>80</td>
<td>80</td>
<td>80</td>
<td>80</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>No. of employees left the job at the end of a calendar year (In Nos.)</td>
<td>29</td>
<td>28</td>
<td>26</td>
<td>25</td>
<td>16</td>
<td>28.50</td>
</tr>
<tr>
<td>3</td>
<td>Attrition in respective Departments</td>
<td>36%</td>
<td>35%</td>
<td>32.5%</td>
<td>31.5%</td>
<td>20%</td>
<td>33.75%</td>
</tr>
</tbody>
</table>

With the mushrooming of the Shopping Malls, Multiplexes, Big Showrooms, the employees of the operational departments, especially Front Office, Security and Housekeeping, are too much in demand in the market today. As for the F&B department, they have a lot of avenues like Cruise Liners, Overseas employment. Hence, employees of the first four departments as shown in the Table 5.3, here, are too much in demand and have highest rate of attrition in the hotel industry.
A total number of 400 respondents were divided into five categories i.e. 80 respondents each for four prominent department of a hotel i.e. Front Office, Food & Beverage Department, Security Department, House Keeping Department and remaining 80 respondents for other departments put together.

As is evident from the previous Table 5.3, if there were 80 employees working in the beginning of the year in Front Office Department, by the end of the year, 29 employees left the job. Thus, the rate of attrition in Front Office Department was 36%. Similarly, there were 80 employees working in Food and Beverage Departments of different hotels in the beginning of a year. By the year end, 28 employees resigned, thus, the rate of attrition was found 35% in this department. When it comes to Security Department, there were 80 employees working with different hotels. By the end of the year, 26 employees left the job fixing the rate of attrition in this department at 32.5%.

In Housekeeping Department of various hotels there were 80 employees working and by the year end 25 employees left the job. Thus the rate of attrition in Housekeeping department has been 31.5%. Likewise, in all other departments put together, there were again 80 employees in the beginning of the year. At the year-end, 16 employees quit the job, thus, closing the rate of attrition at just 20% in all other departments put together. We can imagine a contrast and difference found in number of staff quitting from an operational and non-operational staff. The main reason being, there are only a few vacancies available in the market for the non-operational administrative or for other back office staff in the hotel industry.

Hence, it is evident from the above table that while the average rate of attrition of first four department i.e., Front Office, F&B, Security and Housekeeping is 33.75%, the overall average is 31%. As is evident from the percentage shown in Figure 5.6, on the next page, the highest rate of attrition, 36%, is in the Front Office Department. The reason being, on the one hand, these Front Office employees are in regular touch with the guests who keep offering them alternative jobs and on the other hand there is too much of
demand of front desk people in every big or small company.

Corporate clients are again in search of pretty faces and smart guys for the Front Desk of their companies. Hence, the poaching of Front Office employees by the corporate client is very common phenomena in today's world. Moreover, the handling of Front Desk is very generalized kind of task and the hotel employees are much better trained than actually required by the corporate world.

Hence, there are ample of opportunities available in the market for Front office employees. This, in fact, creates a vicious circle as there is a continuous outflow of Front Office staff not only within the Industry but also outside the hotel industry. Next to the Front Office Department is the Food and Beverage Department where the attrition rate is second highest i.e. 35%. Food and Beverage department in hotel industry is divided into two sections i.e. first one is food production and the second one is Services.

F&B Production segment mainly consists of Cooks and Chefs, who are too much in demand in domestic as well as international market. When it comes to Hotel Industry, the maximum number of people taking up overseas employment are from F&B department. Be it the international chains of hotels located overseas or the cruise liners, Indian cooks and chefs are too much in demand. From India, many of the Chefs and F&B Service department employees have relocated to Dubai and European Countries, especially UK.

At domestic front also, with the mushrooming of the various chains of Indian Restaurants or International chain of food joints like McDonald’s, Pizza Hut, KFC etc, the F&B staff are the most sought after people by the Hospitality Industry. In metro-cities, there are thousands and thousands people come every year and settle down in search of the job. Majority of them are having nuclear families with their parents staying back home in their native place. Monday to Friday, the husband is extremely busy in the office, even comes home very late with the wife and children getting bored for five days together.
Figure 5.6 Department-wise Attrition in Budget Hotels in Mumbai

- Front office: 36%
- Food & Beverages: 35%
- Security Department: 32.5%
- Housekeeping: 31.5%
- Other Departments: 20%
They, therefore, desperately wait for the weekend – Saturdays and Sundays. Off late the people, especially those staying in Metro-cities like Mumbai have evolved a habit of not preparing Dinner at home but eating out. Hence, these two nights, the Hotels and Restaurants are thronged by a sea of people. Even if an ordinary restaurant is managing with the break-even from Monday to Friday, but on the weekends they make a killing. Hence, with the mushrooming of restaurants, there are not only ample of opportunities available for F&B staff but at times, they themselves get tempted to open a restaurant of their own.

After witnessing the successful stories of the Chef Sanjeev Kapoor and many other celebrity Chef from different Hotels, there are many of them quitting the job and trying their luck. Many of them have been successful also and this very aspect encourages more and more F&B staff to become entrepreneurs and be the master of their own wills than subjecting themselves to the commands and dictates of others.

Attrition rate in Security Department of the hotel industry is also not much lagging behind. It is at 32.5% which is again on the higher side compared to other departments of the hotel industry. Security personnel are again too much in demand keeping mind the fact that a large number of Security Companies are mushrooming specially in metro cities like Mumbai. Mumbai, being the commercial capital of India, almost every big corporate is having a full-fledged Security Department employing a large number of security personnel. Banking sector, well established Bullion Market, Bollywood, Multiplexes, Malls, Multi-story towers etc also contribute to the rising demands for security personnel in the cities like Mumbai. Hence, hotel’s security staff are having a lot of job opportunities not only within the industry but also outside the hotel industry as well.

The rate of attrition in Housekeeping Department of hotel industry is 31.5%. It is also higher when compared with the rate of attrition (20%), in remaining departments, shown in column 5 of the Table 5.3. With the rising of metro cities in India, the demand of professional Housekeeping staff has gone up
tremendously. All shopping malls, multi-plexus, corporate houses having a full-fledged Utility Department the function of which is more or less is that of Housekeeping. Moreover, nowadays, with the mushrooming of the state of art glass exterior or front elevation of the high rise building, the services of specialized Housekeeping Staff have become essential for day today cleaning of the exterior of the buildings.

It goes without saying that Housekeeping departments in normal shopping malls and multiplexes operates more than one shift. The first shift staff usually report for duty in the morning at 8 am and work till 4 pm, then starts the second shift beginning at 4 pm till 11.30 pm. We may come across many housekeeping companies or agencies rendering their services even to the households. This has resulted into the high rate of attrition even in Housekeeping department of hotel industry.

5.4 Age group of the Employees influencing Attrition Rate

Age is one of the major factors that influences employees decision to quit the job. Employees are more prone to switch jobs in their young age. The highest number of people switching over their jobs are falling in the age group of 18 years to 25 years. The percentage is whooping 45% who changed their job when they were between the age group of 18 – 25 years. During this age, they have just passed out of the Hotel Management College or Institution and many of them could not get placement with the employer of their choice – i.e. luxury hotels. But they cannot afford sitting at home without job and wait for the positions falling vacant in these luxury hotels.

They, therefore, in the beginning take up any category of job coming their way in any budget hotel. But they are never ever settled here, hence, keep looking for an opportunities and at the first available chance, they immediately quit and switchover to the place of their choice. One more factor works in their favour that most of them are not yet settled with marriage and can take a risk of taking up and losing the jobs after jobs. Even if, there has been a break of service in the process, they don’t mind because the family responsibilities
have not yet fallen on their shoulders. That is the reason why the rate of attrition is highest between the age group of 18 – 25 years.

Table 5.4  Age group of the Employees influencing Attrition Rate

<table>
<thead>
<tr>
<th>SN</th>
<th>Age Group of Respondents</th>
<th>Attrition</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Nos.</td>
</tr>
<tr>
<td>1</td>
<td>Age Group 18 to 25 years</td>
<td>181</td>
</tr>
<tr>
<td>2</td>
<td>Age Group 26 to 35 years</td>
<td>171</td>
</tr>
<tr>
<td>3</td>
<td>Age Group 36 to 45 years</td>
<td>31</td>
</tr>
<tr>
<td>4</td>
<td>Age Group 45 years and above</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>Total Respondents</td>
<td>400</td>
</tr>
</tbody>
</table>
Figure 5.7  Relation between Age Group of the Employees and Attrition rates
As evident from Table 5.4, and also from the Figure 5.7 and Figure 5.8, the maximum number of employees who left the organization during a period of one year were between the age group of 18 years to 25 years. These are the young people and their employability is at the peak. Hotel industry, being a touch and feel industry, always prefer to employ young and smart people with pretty and handsome looks. These people are therefore in too much demand. One more advantage with these people are that they are still at a lower salary group, hence, are cost effective as well.

The next age group where the employee attrition was second highest was the age group of 26 to 35 years. As the employees grow in age, the rate of attrition goes down as is evident from the item No. 3 of above Table, where the rate of employee attrition has been recorded at only 8%. After the age of 45 years, an employee gets fully settled. Therefore, the rate of attrition amongst those having the age of 45 years or above was recorded at the minimum level of 4% only. The employees of another age group who are the second most active when it comes to switch over the job are falling between the age group of 26 – 35 years. But here the percentage is a little lesser – i.e. 43%. Thus, 88% of the job quitters are falling under the age category of 18 years to 35 years. Between the age group of 26 – 35, though they have got settled with marriage but still they are still able take risk of quitting the present job and taking up the new one.

One more factor is associated with the switching over the job is that off late, many youngster choose to be financially settled and strong before getting married, hence, the marriageable age has gone up in big cities. We may find the people in the age group of 33 – 35 still unmarried, the reason being many male employees feel to have a house of their own before marrying. They are even able to move from one place to another place within the same city of even from one city to another city because the children are still too young and either going to the play group or studying in lower standards. Many of them think that whatever career progression they want to do should be done during the period when the children are still very young.
Figure 5.8  Relation between Age Group of the Employees and Attrition rates in Hotels

- Age Group 18 - 25 years: 45%
- Age Group 26 - 35 years: 43%
- Age Group 36 - 45 years: 8%
- Age Group 45 years and above: 4%
In south India, it is very normal to get married after the age of 30 years. To sum up, after the age of 35, a person mentally feels settled in the sense that by now he has got married, has got a house of his own, hence, switching over the jobs and wander here and there becomes a pain rather than a pleasure.

Between the age group of 36 – 45 years the rate of attrition was recorded at 8% which means that he has fully got settled in his career and now cannot take risk of losing the present job. Hotel Industry always wants people with young and fresh faces, hence, as the person grows in age, the availability of job in hotel industry goes down. The forth age group is 45 years and above. In this age group, the rate of attrition has been found to be the lowest at 4% only. On the other hand, their employability also goes down because even if they wish to switch over and apply for a job they will not even get a call.

The reason is, Hotel Industry is a touch and feel industry and the guest always prefer to see the young and fresh faces serving them. Even in the corporate employment, the most sought after employees happen to be from the Front Office department who can man their Front Office. But they also look out for the young people instead of settling down with a old and long face guy has already drained out his energies by now.

5.5 Responsibility Level of an Employee & Attrition Rate
There is another factor which determines the rate of employee attrition in the hotel industry. As can be seen from the Table 5.5, on the next page, there is the minimum number of employee attrition at the top management level. Here the rate of attrition was recorded at the lowest i.e. at 4%. This is because on the one hand there are less number of positions at this level and moreover, at this stage a person attains such an older age that his employability in other industry or even within the hotel industry goes down. In the Table 5.5, and Figure 5.9 on the next pages, the figures have been arrived at by doing study or calculation of three years. The calculation, therefore, suggests that if (For Example) in the beginning of a year there were 100 employees, after a period of three years, 4 employees will be leaving the organization.
<table>
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<tr>
<th>SN</th>
<th>Responsibility Level</th>
<th>Attrition</th>
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<tbody>
<tr>
<td>1</td>
<td>Responsibility Level - 1 (Highest Level)</td>
<td>4%</td>
</tr>
<tr>
<td>2</td>
<td>Responsibility Level - 2</td>
<td>8%</td>
</tr>
<tr>
<td>3</td>
<td>Responsibility Level - 3</td>
<td>18%</td>
</tr>
<tr>
<td>4</td>
<td>Responsibility Level - 4</td>
<td>38%</td>
</tr>
<tr>
<td>5</td>
<td>Responsibility Level - 5 (Lowest Level)</td>
<td>32%</td>
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<td></td>
<td><strong>Total:</strong></td>
<td><strong>100%</strong></td>
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Note: Above calculation has been done for a period of Three years.
Figure 5.9 Relation between Responsibility Level and Employee Attrition

Responsibility Level - 1
- 4%

Responsibility Level - 2
- 8%

Responsibility Level - 3
- 18%

Responsibility Level - 4
- 38%

Responsibility Level - 5
- 32%
But as we move further towards the lower rungs of the hierarchy, the rate of attrition keep going up. One of the reasons being, there are more number of employees at middle and lower level. Therefore, at Responsibility Level-3, the employees attrition was recorded 18%. Level-3, people are mostly the Supervisors, Duty Managers, Deputies, or up to Assistant Manager level people. At this level the attrition has gone a little up but not that much as at Level-4 and Level-5.

The highest rate of attrition is was recorded at responsibility level 4, where the exodus was at whooping 38% which is the highest. These are the people at subordinate level, like Senior Receptionists, Senior Cashiers, Senior Housekeeping Staff, Senior Stewards, Senior Cooks, etc. The last category of staff are Receptionists, Cashiers, Housekeepers, stewards, Junior cooks who are appointed at the entry level or who join after completing their Hotel Management Courses but have completed their training periods. At this level of responsibility (Level-5), the attrition has been recorded at 32%, at responsibility level 5.

As can been seen from the Table 5.5 on the previous pages, and also from the Figure 5.10 on the next page, the rate of employee attrition was found lowest amongst the top management employees. Out of total 400 employees, only 17 quit their job during a period of three years, hence the rate of employee attrition at top management level was recorded as 4%. But as it is evident from these Table 5.5 and figure 5.10, as the responsibility level comes down, the rate of attrition goes up. The main reason behind this trend is that number of employees at middle and lower levels are more compared to those at the top management level.

Hence, on the one hand, the number of vacancies at top management levels, viz, General Managers or Vice President Operations, in the open market are very less, moreover, the employee at this level has attained the age of 50 Plus, therefore, gives more importance to the stability in live and concentrating more on his children career than for himself. Whatever he wanted to achieve in life is already achieved an this is the last phase which he
wants to complete with stability and good state of health. At this age, he is no more career oriented but rather more focused towards the family, children and their career.

Figure 5.10 Relation between Responsibility Level & Attrition Rate
As can be seen from the Figure 5.10, on the previous page, at Responsibility Level-2, the rate of employee attrition was recorded at 8%, i.e. out of 400 employees, only 31 employees left the organization during the period of three years. As we move further down in the hierarchy level in the organization the rate of employee attrition goes up. Hence, at Responsibility Level-3, out of 400 employees, 72 (18%) employees left the organization during the course of three years. But as can be seen from the above Table 5.10 and also Figure 5.10, the rate of employee attrition has been found to be at the highest level in case of the employees at Level-4 and Level-5. At Level-4 and Level-5 put together, the employees attrition was recorded at 70% during a period of three years.

5.6 Women Employee and rate of Employee Attrition

It is a fact that the rate of employee attrition remains the at the highest amongst women employees in any organization. But this fact becomes more prominent in hotel industry as this industry operates round the clock and all operational staff are required to work in shift duties on rational basis. Hence, women employees feel the pinch of odd working hours or night shifts more than their male counter parts. Moreover, there is hardly any H.R. Policy in place when it comes to the budget hotels. Amongst, the women employees, 10% of them quit their job due to self marriage. In fact, it should not be the case with any women employee that she has to leave her job just because she is getting married. But there is a reason as in most of the Budget Hotels, employees are not given Privilege Leave or Sick Leave. Moreover, the Casual Leaves once cannot avail for more than 3 days together. Hence, if one is getting married, she will apply for at least 10 – 15 days.

Management is mostly reluctant to give leave for such a long period, but even if the leave is granted, it is without pay and that’s too without a job guarantee. Under the circumstances, what a women employees thinks that when there was going to be a service break, then let it be for a little more longer. She therefore decides to take a longer break and take up job once she is settled after marriages second most peculiar reason for quitting the job amongst women employee is due to odd working hours.
Figure 5.11 Relation between Women Employee and rate of Employee Attrition

Apart from the odd working hours, they are asked to do the night shifts. It becomes even more difficult for women employees, especially immediately
after their marriage to work during the night shifts. Apart from the conservative approach of her in-laws there are many other factors bars her from continuing the job, especially where the shift duties are involved. Women employees, after marriage prefer to join a corporate company observing normal or day working hours. Now, on deep scrutiny of the relevant data, one more fact has come to the fore. Now more preference is given by women employees, to the companies observing five days a week – which is not at all possible in the hotel industry.

There is one more aspect associated with the women employees in the hotel industry is the highhandedness by the immediate supervisors in the senses that they are not accommodating the women employees’ requests while allotting them the night duties or second shifts. It is not that a Supervisor cannot cooperate with the women employees and accommodate their requests, but by giving reasons excuses of partiality towards their male counterparts, they don’t take initiatives of taking male employees into confidence and allow women employee to mostly operate in the day shifts. If the Supervisors take some initiatives and talk to the male employees to cooperate with women employees, especially during emergencies, we believe that a lot of problems of women employees can be solved if the Supervisors, Managers and other stakeholders give a patience category to these hotels.

As can be seen from the above Table 5.6 and also Figure 5.11, the rate of attrition is highest amongst women employees in the hotel industry. It is has been recorded at 40% which is way high than the average of 30 to 35%. On further analysis of the primary data collected from the women respondents, the main reasons of the highest rate of attrition among women employees in the hotel industry will be explained in the following paragraphs. Out of the total 400 respondents, there were 80 women employees. They were asked about the reasons of leaving their pervious job. Out of 80 respondents, 8 of them (10%) had to leave their previous job on account of their marriage.

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<tr>
<th>Table 5.6 Relation between Women Employee and rate of Employee Attrition</th>
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Similarly, 6% of the women employees had to leave their previous job as they were not able to cope up with the odd-working hours (especially the second shift).
shift, generally operating between 3.00 pm to 11.00 pm, or morning shift, operating between 7.00 am to 3.00 pm) on account of a wide-range of reasons i.e. sickness of the children, or in-laws or parents, or children’s school timings etc. 10% of them had to take a break from their previous job as they were finding it difficult to work during the night shift (operating between 11.00 pm to next day 7.00 am).

It was noticed that 5% of them had to take a break due to pregnancy. It is one of the major problem with the hotels in the private sector that most of them are not having a provisions of paid maternity leave. Whereas the public sectors companies and even most of the big companies in private sector having a provision of 3 months to 6 months maternity leaves, it was found that these budget hotels are not following such provision. This leads to the exodus of women employee in two ways.

Either women employees leaves the hotel employment well before they plan for a child so that their pregnancy period is covered with the paid leave. Alternatively, if they are not lucky enough to find another employment then they are compelled to quit the job as their employers are not ready to give paid maternity leave. In both the scenario, the rate of attrition goes up. Even after the delivery, they themselves prefer to take up employment in other industries where they are not required to do the shift duties. The child is too young to be taken care of by the husband or grandparent, especially during the night time. They therefore prefer to join companies offering convenient working hours.

There are many Multinational Companies and even Indian companies observing only five days a week. Many surveys conducted from time to time have revealed that newly-wed women as well as those having small child or children mostly prefer to work with the companies offering time flexibility or observing the five-days a week work.

Figure 5.12 Relation between Women Employee and rate of Attrition
One more revelation has come to the light on analysis of the primary data that, after marriage or delivery, women employees prefer to work in a company either observing five days a week of at least located close to their
place of stay. They prefer to work with such an employer so that in case of an emergency, they can reach home fast.

In metro-cities like Mumbai, it is a well known fact, that on an average a person has to spend two to four hours in commuting between the residence and the place of work. This is because of the traffic jams during the peak office hours in the morning as well as in the evening. Otherwise the travelling distance is not more than 30 – 40 Kms from their place of stay and their office. People are so frustrated with the overcrowded trains and buses that they are ready to work even at a much lower salaries then getting stuck up in the traffic. This is the scenario when the life line of Mumbai i.e. local trains are running on time. But the things get the worst turn during the rainy season. Continuous and heavy rainfall results into water logging on the railway tracks and this lifeline comes to a grinding halt. At times trains run late even by one to two hours. As there is no local train service after 1 am early morning, people had to spent nights either in their office or in a nearby hotels. Keeping all these facts in mind, people prefer to work at a place close to their residence.

During the young age the people are busy with the career growth and income enhancement and in the process, are ready to travel down to far off places if the salaries and perks are good. But after certain age, the family responsibilities become the priority and people want to give more time to it. At this stage, they are ready to compromise not only on the lower the compensation package but also the company profile. It is a dilemma of the Hotel industry that on the one hand it wants to employ more and more women employees with pretty faces especially in the operational department but on the other hand have not been able to ensure of their safety and comfort by paying heed to their genuine problems.

Though it is not mandatory to employ women employees at the reception, but the hotels, especially the luxury hotels are the places thronged by either the corporate clients or by the leisure travelers. Corporate clients using these places for the enhancement of their business and to some extent have to
create a better perception around themselves than they really are. They want to entertain their clients in an atmosphere or surroundings which are unique, pleasant and larger than life. Hotels, also try to make every effort to offer a pleasant and lively atmosphere to their clients. Female employees with pretty faces, therefore, become the integral part of this glamorous industry where people meet to leave and everlasting impact or impression upon their target clients, hold their Annual General Meetings, Promotional Events, Product Launches, to entertain themselves and their esteemed guests and in turn enhance their overall businesses.

5.7 Summary

In this chapter we discussed as to how the rewards, recognition and Corporate Social Responsibility (CSR) concept followed by the employer helps the management to control the rate of attrition in the Budget Hotels without incurring any additional cost. We also discussed as to how the provision of accommodation of staff quarters and other facilities like free food (Breakfast, Lunch and Dinner) and provisions for recreation facilities helps the organization in keeping the employees of the hotel in good health and cheerful mood which is mandatory in the service industry. Moreover, such facilities not only attract new employees but also helps in retaining them with the organization for a longer period.

Further discussion in this chapter also threw light on the fact that how the rate of attrition in different department of the same organization vary from one department to another departments. The rate of attrition in Operational Departments like, Front Office, F&B, Security and Housekeeping were found to be very high compared to non-operational (or Administrative) department. We further discussed as to how the age group of a person changes his decision to quit the job. While an employee is prone to change his or her job frequently during the young age, the frequency of job change goes down with the every passing year.
In older age the employability of an employee is declined. We then also discussed the level of responsibility of a person and his frequency of job change. Top level employees were found to be more stable than the lowest and second lowest rung of people. Finally, we discussed as to why the rate of attrition was very high among women employees in the hotel industry.