

Human Resources Policy and Practices in the Hospitality Industry: A Review

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Abstract - The hospitality industry is characterized by its people-centric nature, making effective human resources (HR) policies and practices critical for organizational success. This review paper explores the evolving landscape of HR policy and practices within the hospitality sector, examining key trends, challenges, and best practices. Drawing upon a comprehensive analysis of academic literature, industry reports, the paper evaluates the impact of HR policies on employee recruitment, training, retention, and overall organizational performance. Additionally, it investigates the role of HR technology, diversity and inclusion initiatives, and regulatory compliance in shaping HR practices within the hospitality industry. Furthermore, the paper delves into the unique challenges faced by hospitality organizations, such as high turnover rates, seasonal workforce fluctuations, and the importance of service quality in guest satisfaction. Through a synthesis of empirical evidence and theoretical frameworks, this review identifies strategies and recommendations for hospitality HR practitioners to enhance employee engagement, talent management. This paper attempts to give an overview of how human resource management is done in the hotel business and in general. Along with HRM practices, the paper also discussed about the level of services at hotels and customer satisfaction.

Keywords: human resources (HR), hotel, customer satisfaction, hospitality industry.

Introduction - The hospitality industry stands as a vibrant and dynamic sector characterized by its relentless focus on customer satisfaction and service excellence. Central to the success of any hospitality enterprise is its human capital – the skilled and dedicated workforce that shapes guest experiences and drives organizational performance. As such, effective human resources (HR) policies and practices are fundamental to navigating the complexities of the hospitality landscape, fostering employee engagement, and sustaining competitive advantage.

This introduction sets the stage for a comprehensive exploration of HR policies and practices within the hospitality industry. It provides an overview of the industry's significance, highlighting its economic contribution, employment opportunities, and unique operational challenges. Additionally, it underscores the critical role of HR management in addressing these challenges, optimizing workforce performance, and enhancing organizational resilience. Throughout this review, we will delve into various dimensions of HR policy and practice, examining recruitment and selection strategies, training and development initiatives, employee relations, and performance management systems tailored to the hospitality context. Moreover, we will analyze emerging trends such as HR technology adoption, diversity and inclusion initiatives, and the impact of regulatory frameworks on HR management in the hospitality sec-

tor.

Human Resource Department of hotel industry and policies : In addition to analyzing the working conditions of employees in the hotel sector, the purpose of this research is to investigate the application of efficient and fruitful techniques of human resource management inside the organization pertaining to those employees. Also, to draw conclusions about the human resource practices that are currently being implemented in the hotel industry and to evaluate them in comparison to those of other industries in order to improve working conditions and cultivate a more pleasant environment, which will enable employees to demonstrate higher levels of productivity in the hotel industry.

Hospitality human resource management is the subject of this review. The study of human resource management (HRM) in the hospitality industry is of particular interest because of the high degree of human resource (HR) utilization that happens in this sector compared to other industries. As a result, the purpose of this research is to investigate the questions that are listed below: 1) Which human resource practices and strategies are implemented in the hotel business at the present time, and 2) What are the reasons behind the implementation of these practices and strategies? This analysis was conducted with the intention of enhancing our comprehension of the factors that contribute to the existence of such practices and drawing

attention to the diverse nature of hospitality operations.

Hospitality And The Context Of Hotel Work

According to Ottenbacher and Parsa (2009), there is a lack of clarity regarding the boundaries of the hospitality industry and the manner in which it is separated from other service firms. When viewed from the perspective of study, the term "hospitality" has not been determined with absolute precision. As a result of the multifaceted structure of the hospitality sector, Lashley (2000) asserts that it is challenging to establish a clear and succinct description of the hospitality business. According to Ottenbacher et al. (2009), businesses that fall under the category of hospitality include those that offer "food, beverages, accommodation, entertainment, leisure, attraction, or some combination of those" (p. 273). Large hotels are often considered to be luxurious hotels. This particular definition is provided by Knox and Walsh. Larger hotels are more likely to be assigned a higher star rating than smaller hotels (Hoque, 2013).

According to the World Travel and Tourism Council's report titled "A career in Travel and Tourism" (2013), the tourism and hospitality industries are responsible for the creation of a significant number of jobs in both countries. While this is going on, academics have demonstrated that the hotel industry is facing significant challenges in the form of high employee turnover and a lack of skilled workers (for example, Ahmad and Scott (2013) and Davidson and Wang (2011)).

Due to the fact that customer demand in the hotel sector is subject to fluctuations, there is a considerable risk to hire either an insufficient number of permanent (full-time) staff or an excessive number of employees for hotel operations (Knox & Walsh, 2005).

Strategies Of HRM In The Hotel Industry: This section provides an overview of three distinct human resource strategies that are applicable to the hospitality business. The first is connected to the soft-hard dichotomy of human resource management, which is comprised of two aims that are in direct opposition to one another: commitment and control. This particular typology is primarily found in normative theories of human resource management. The hard form of human resource management, on the other hand, places more of an emphasis on control than it does on commitment and maintains the implication that human resources are an expense that must be minimized.

According to Lashley (1998), Employees will have more discretion and autonomy if the service offer can be highly personalized to their specific needs. This will result in either a professional or participatory approach to the administration of human resources. There is a situation like this that occurs at luxury hotels, where personnel have more opportunities for discretion or empowerment when it comes to providing services. As a result, hotels compete with one another based on rates as well as quality. The question of which strategic approach to human resource management is better suited for the hospitality industry is the subject of a

substantial amount of debate. Lucas and Deery (2004) conducted a total of one hundred papers on human resource management in the hotel industry. Despite the fact that hard, cost-driven HRM policies are given primacy in practice, they assert that soft HRM policies are still significant in theory for the purpose of improving service excellence and customer care. HRM hospitality researchers need to address a number of crucial challenges, including the influence of shift work on employee health, safety, and well-being.

Methodology: Search Criteria And Review Sample: In this article, a comprehensive evaluation of the existing literature on human resource management in the hospitality industry is carried out. Two stages were carried out in order to look for relevant literature. The first part consisted of identifying three key online databases, known as Business Source Premier (EBSCO), Pro Quest Business, and Science straightforward. Eight tourism and hospitality management journals that were included in these databases were then chosen as a consequence of earlier review studies (Hall, 2011; Tang, 2014). Managing Leisure and Tourism Management, Journal of Human Resources in Hospitality and Tourism, International Journal of Contemporary Hospitality Management, Anatolia, International Journal of Hospitality & Tourism Administration, The terms "Human Resource Management (HRM)," "Human Resource Practices," "Human Resource Strategy," and "Hotel/s" were utilized with the intention of conducting a comprehensive search throughout these periodicals.

During the second part of the study, the search was expanded to include management and human resource management publications that were contained within the same databases. This was done because the original search results gave an insufficient sample for the review to be significant. The same keywords were searched for in a variety of different combinations, which resulted in the retrieval of 102 individual papers that were published between the years 1998 and 2023. Both the abstract and the complete article were read in order to filter the papers. Following the screening process, there were 27 papers that satisfied the requirements. Out of the 27 publications that were published in the hotel industry, six of them utilized qualitative interview methods, while the remaining twenty-one articles utilized survey methods. Eleven different nations, including the United States of America, the United Kingdom, Australia, New Zealand, China, India, Malaysia, and Taiwan, were the locations where the empirical research were carried out. 16 of the research used employees and/or managers as the unit of analysis, and some of the studies sampled at the individual level. Service delivery and execution are both handled by frontline staff, who have direct touch with clients and are responsible for providing services.

Description And Discussion Of Studies : An summary of the findings of the empirical research that meet the selection criteria for this review is presented in this section.

As was mentioned in the part that came before this one, human resource management strategies have been explored on both the individual and organizational levels individually. The individual level is concerned with how individual employees and supervisors perceive HRM practices. Nevertheless, the majority of the empirical studies that were investigated as part of this study focused on HRM activities individually rather than merging these practices into a single HRM system. Training, staffing, pay and rewards, performance appraisals, and work organization were the HRM practices that were researched the most frequently. Job design, planned team briefings, quality circles, and teamwork are all activities that are included in work organization.

According to the findings of the analysis of the empirical studies, training is the human resource management practice that has been studied the most frequently. According to Knox and Walsh (2005), human resource management techniques in the luxury hotel industry in Australia are driven by the goals of establishing functional flexibility, as well as training and skill development.

A Fadel Muhammad et.al. (2023) One of the most important aspects of the hospitality sector is human resource management (HRM), which is essential to establishing success and providing quality service to customers. The field of human resource management encompasses a wide range of concerns, such as career planning, development, and training, as well as remuneration and performance evaluation. This study employs a qualitative methodology within the descriptive research type in order to gain an understanding of the significant role that human resources play in the hotel business. In addition to ensuring that employees are placed in positions that are in line with their skills planning and employee development aid in the motivation and maintenance of employee morale.

Promila Agarwalet.al.(2021) In this study, they will investigate the human resource management (HRM) strategies that hotels implemented during COVID-19. Additionally, they will use qualitative theme analysis to investigate the influence that COVID-19 had on the well-being of hotel personnel. In this study, human resource management methods are presented that firms can implement in order to effectively manage their personnel during times of uncertainty. There is overwhelming evidence that strategies that are employee-centered in human resource management have a significant impact on the wellness of employees.

XuHalet.al.(2023) One of the most important aspects of hotel management is the management of human resources by the hotel. In the hotel industry, the COVID-19 had a significant influence, which led to a significant decrease in business volume, a significant increase in the number of employees who left their jobs, and other negative outcomes. The entire sector is undergoing a process of reorganization. In order for businesses to be able to fight a successful recovery struggle, it is vital for them to understand how to

deploy their human resources in a responsible and efficient manner overall.

Muhammad Ishtiaq Ishaq et.al. (2023) Given the importance of the relationship between corporate social responsibility (CSR) and human resource management (HRM), this study aims to measure the cultural differences between CSR, HRM, and sustainable performance (study 1), as well as determine the mechanisms through which CSR and sustainable performance are sparked by HRM in the UK hospitality sector for Pakistan (study 2). A mixed-method approach was used to collect both qualitative and quantitative data from upscale hotels. The findings of Study 1 shed light on the significant cultural differences that exist in the relationships between human resource management (HRM) and corporate social responsibility (CSR) and performance. On the other hand, Study 2 explains that the factors that motivate employees to participate in CSR-related activities and achieve higher sustainable performance are ethical culture, shared objectives, transparency, training and development.

Conclusion: Findings from a review of related literature show that the hospitality business in many countries has a high turnover rate and a lack of skilled workers. Yang and Cherry (2008) say that staff turnover has big effects, such as making it more expensive to hire new people and train them, lowering output, and making the organization's services less good. Employing numerical and temporal labor methods can help it keep a steady flow of mobile workers at a low cost. On the other hand, methods for temporal labor may make it harder to meet functional flexibility needs. Hotel managers use a variety of strategies to deal with changes in customer demand and high employee turnover. One of these strategies is to help staff members learn new skills. Other ways that hotel operations stay flexible are through job rotation, job development, cross-functional training, and hiring more than one person for the same job. Investing in training programs is one way to help employees move up in their jobs and give better service. In contrast, the hotel industry is very sensitive to changes in demand. Because of this, it is important to use staffing strategies that allow for flexibility in terms of numbers. Studies by Davidson and Wang (2011), Knox and Walsh (2005), and Lucas (2002) show that even big hotels use temporal labor techniques and temporary workers to adapt to changing customer needs. Based on this, it looks like the best way to manage labor in the hotel business would be to use both functional and temporal/numerical flexibility. It was found that only 27 empirical studies had been done in the hotel industry around the world, and most of them were at big hotels. The small size of the sample is the main problem with this systematic study. However, a future study could look into how human resource management is different depending on the number of stars, the size, and the control of the hotel, as well as how much these factors affect the HR methods that are used.

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