

Review and analyse the current challenges facing hotel managing their employee turnover in the UK

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Assignment 1

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Even with the numerous issues that the hospitality industry experiences are the turnover in first-rate employees, little attention has been brought to this issue. This has resulted in mediocre performance and growth. Due to this, employee turnover has been identified as one of the most crucial drivers in the industry. This is hard for the hospitality industry as a constant drawback is the shifting workforce. Another detrimental factor is environmental and social activities, these require constant change. High turnover influences quality and services. The 'revolving door' culture has left over two-thirds of restaurants and hotels short staffed (Sophie Witts, 2015) this is dramatically behind competing sectors. Managing this effectively requires strategic operations to keep the workers motivated, happy and satisfied. Another way to fix this is HR management which includes the employee life cycle. Doing this builds future resiliency. Future resiliency is when a hotel can withstand unexpected problems (a current example may be Brexit, Covid-19, and Ukraine vs Russia) and create flexible windows to fix these problems and shift the workforce without changing the employee turnover and retention rate. It is a fundamental problem, the annualized employee turnover rate of 73.8 percent in the hotel industry. (Glenn Haussman, 2016)

The employee lifecycle contains 6 parts: attraction, recruitment, onboarding, development, retention, and separation. It is essential to know this to study growth. According to Deputy data, the hospitality sector has an employee turnover

rate of 30% (Heidi Birkin, 2019), double that of the UK average and is due to increase as the “brexitodus” culture expands. The data is used to understand the real reasons people leave hospitality and what might be done to retain them as we are observing that the global economy is shifting from a manufacturing economy towards a service economy, the study of the hospitality crisis management is crucial for two reasons. Firstly, relying on revenue on the tourism and hospitality sector leads to destructive results as this leads to under-employment and a destroyed economy. Secondly, the manner a country, enterprise or organisation manages its restoration plays a considerable role in how well that country, enterprise, or organisation emerges from a crisis. To know the employee life cycle is emergent for the company. Assessing and planning the stages will improve the duration and the overall employee experience, which will benefit the business in many ways from more productive employees to improve customer loyalty. Efficient Recruitment and retention are two of the employee life cycle stages. These stages are strongly bonded to bottom line success of the organisation. Efficient management of the recruitment process can save as well. (Marc Holliday, 2021). Recruiting new employees and training them accurately costs a lot and time is also a factor. Keeping employees satisfied can enhance the duration of the employees stay. Therefore, the improving of the lifecycle is vital. Employees lifecycle can be extended around six states.

Attraction is important as even if the service is phenomenal without the attraction and retention of immense talent, your company will fail (SpriggHR, 2020). Attraction takes place before there is a vacancy in your company. It is crucial as it is the projection of your employer brand, the first impression the brand makes determines their position in the market. There are numerous ways to improve this: brand awareness, this makes your brand known by contributing to magazines or seminars, having an attractive culture attracts the customer and social media boosts this, benefits, rewards and compensation is when an employee is awarded for being with your brand

Recruitment. It's important as it finds good employees. Good employees indicate the employee's future so it is vital to interview and select the right people, even the people that are not chosen still to impact your business as it will influence their perception of the company. An innovative idea is to advertise the role on multiple social platforms and job seeking platforms targeting the right audience. Using your current employees to advertise the role also is effective as they may refer suitable people.

Onboarding. This is when the people employed adjust to this specific workplace environment, blend into your companies' culture and taskforce. One way to do this is to make sure you are identifying and communicating company core values (Personio, 2022). Regular follow ups and discussing the companies' values, vision and mission during the onboarding process builds this attitude. Regular follow ups, discussing the mission, vision and values builds this attitude.

Development. Encourage professional skill development. There are several things to ensure this such as participating in internal learning leading to external, but it's their responsibility for own development. Employees may be encouraged to develop in their extra time through rewards and exceptional discounts exclusively available.

Retention. Focus on keeping the top employees in your company and corroborate that they are working well and happy. Data shows that if an employee stays in an organisation longer than 4-6 years, where employee satisfaction levels are traditionally exceptionally low, they begin to resurge by 8-10 years (Cattermole, 2019). You must hire the right people as you need to recruit top talent to retain top talent. This heightens the chance of success. Honesty between the employee and management is vital as high talented employees are demanding.

Separation, this is when the lifecycle ends and their career in the certain organisation concludes. To use this to your advantage finding the reason of leave and asking for

honest feedback is recommended so you can avoid this in the future. It is also crucial to leave on good terms as previous employees may attract customers and even employees if they speak highly of the company. A good example of an employee lifecycle is Marriott: The average tenure for a hotel general manager at Marriott is 25 years (Leigh Gallagher, 2015) and normal employees at Hilton stay with the company for 3.4 years (Zippia, 2021) on average.

SWOT (Big hotels and small hotels have differences)

Strength: Investment in expertise of trained staff in big hotels (small hotels need funds), bigger hotels have stable policy due to commitment. (Small hotels not stable)

Weakness: Big hotels invest a lot which may not go right, small hotels can only invest little. Products may cost more in large hotels whereas small hotels have cheap products, bigger hotels have higher operating costs.

Opportunity: Big brands set up technology to increase facilities, but this causes competition between bigger brands. Small hotel doesn't set up technology immediately

Threat: Bigger hotels have contingency plan ready for any emergencies and they can survive emergencies such as COVID-19, small hotels don't have this and very difficult to survive.

Pestle stands for: political, economic, sociological, technological, legal and environmental. Political is changing regulations. A huge number of customers cannot travel due to Brexit and COVID-19 has just made this worse, having a negative impact on the hotel industry. COVID also creates the shortage of workforce. The digital economy acts 2010 is an act declining illegal activities (discussed politically) and if a guest commits illegal acts in the hotel premises, the hotel is partially to blame. Economic factors are staff costs, this is split between the government, taxes, the brand, the manager, the employee, towards the hotel and many more. The rate of inflation is also one. This is one the rise due to the conflict between Russia and Ukraine. Sociological factors may be cultural variation. This may be hotels in east

Asia may prefer certain foods to hotels in France and they may also prefer certain services. Technological may be communication, this has been limited due to Brexit, Russia and Ukraine conflict and wars. It also may be AI technology. A good example of this may be Marriott and Hilton which both use AI in certain hotels. Legal factors may be different laws in different hotels, this may be a problem as tourists come from different countries with different rules. Environmental factors may be managing resources. Airbnbs are a good example of this. Airbnbs are becoming increasingly popular, and a lack of customers may lead to the closing of business and employees resigning. Active listings on Airbnb in the U.K. increased from 168,000 in 2017 to 223,000 in 2018 (Gary Barker, 2020).

Employee retention is the organizational goal of keeping talented employees and reducing turnover (Shaun Sutner, 2018). It is using improvised strategies and methods to keep good employees in the organisation. It is well known that employees' attitudes toward the organization have a significant effect on how they approach their jobs and how they treat customers (Anita, 2015) There are many benefits of retaining employees, a few are: improved company culture, higher employee engagement and improved revenue and ROI. (Elise Paulsen, 2021), better customer experience and many more. Improved company culture can shift their employees' priorities, promote productivity, and offer better employee engagement (Sarah Benstead, 2021). Higher employee engagement leads to getting the job done faster as this proven to show higher rates of teamwork, lower burnout as a when employees are truly engaged, teams go from being good to being great (Deanna deBara et al, 2022).

Retaining top talent is also vital as well. This delays the separation stage in the employee cycle, increasing the profit of the organisation. Whereas, letting go of employees costs the organisation heavily. Studies show, replacing a salaried employee costs \$13,966. Incentive magazine puts the figure for replacing top performers at around \$50,000 (Human Resource Management International Digest, 2010). There are many ways to retain top talent, such as acknowledging work, providing improvements, fun but serious training, implement a good employee

culture and investing in their growth. An example of their effectiveness is Hyatt, an employee in housekeeping stays with Hyatt for more than 12 years. (Lori Li, 2020)

Workforce planning process is important. Firstly, you need to understand the organisation and its environment. This is important as this adapts the employees and managers to the situation. Analysing the current workforce is also important as analysing the talent finds potential flaws, training opportunities and finding new employees. Determining future workforce needs is important as accurate resources may act as a roadblock for future targets which will lead to bad reviews with customer, damaging reputation and brand positivity and worst of all limiting sales. Identifying workforce gaps is also important as it also may disrupt plans and methods to gain customers. This problem will delay the interaction with the customer. Actions against shortages stops this and streamlines the experience. The last part is evaluating actions. This makes the hotel understand the shortages and problem they faced and improve for next time.

Brexit has also been a problem for the hotel industry. It has led to staff shortages as many people can't come here for work. This has obviously been detrimental for the industry. It has also led to the increase in food prices which has led to less profit in the hotel industry and caused many small hotels to close. Consumer confidence has also decreased due to the higher price. One thing that has risen due to Brexit is 'staycations', the use of local hotels and local services instead of the large hotels and services, this will lead to the rise of business again.

COVID-19 is an international disaster that has heavily impacted the hospitality industry. They have successfully overcome this by changing their marketing policy and used robots to minimise contact, hotels as Marriott and Hilton. They haven't stopped business but instead added new rules.

The recent shortage of HGV (Heavy Goods Vehicles) drivers, also known as lorry drivers, has had a detrimental impact on the hotel industry. The Road Haulage Association has reported a shortage of some 100,000 HGV drivers (REC, 2022). This caused less food, resources, technology and even customers not to be delivered to the hotels. This has put the hospitality sector to a halt and affected sectors related to hospitality. An example of this would be Nando's, Nando's had to close 50 of their restaurants due to a lack of chicken (Donna Foulis, 2021)

There are many benefits of developing a team. The main components of a team are teamwork, team structure, leadership, training and communication. Leadership plays an important role in the hotel industry as it leads the team. It is the winning formula. It is good as it motivates the other teams and instructs the team to follow the plan strategically. Teamwork is also vital as it bring the people together and motivates them to be dependent on each other. Communication is the core of teamwork as it is the only way to work together on a project. Training is also important as it builds the employees skills.

The hotel companies made their policy to survive in the rollercoaster over the last few years. They have included rules to lessen profit but increase customers to automatically achieve their goal. So, they have survived this by monitoring, following up, focusing and keeping up to date.

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