

Personnel Resourcing and Development - BMIH5005

Student name: Cosmin Blaj

Student ID: 2124188

Lecture'r name: Christopher Wilkin

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Introduction and Background:

The hotel industry is facing significant challenges that are affecting employee recruitment and retention. These challenges can be attributed to both internal and external factors, including economic uncertainties, changes in customer preferences, and labor market conditions (DeCenzo, Robbins and Verhulst, 2016). As a result, it has become increasingly difficult for hotels to attract and retain quality employees. This research proposal aims to identify the current challenges facing the hotel industry and how they are impacting employee retention. The proposal is for the General Manager of the hotel, and it will suggest solutions to the identified challenges.

The hotel chosen for this research proposal is the Ritz-Carlton, a luxury hotel that provides high-quality services to its customers. The Ritz-Carlton has a reputation for exceptional service, and it is known for attracting and retaining top talent in the hospitality industry. However, despite its excellent reputation, the hotel is currently facing several challenges that are impacting its employee recruitment and retention. These challenges are not unique to the Ritz-Carlton but are common across the hotel industry. One of the challenges facing the Ritz-Carlton and the industry as a whole is the shortage of skilled workers. The hospitality industry requires employees with specialized skills and knowledge, and it can be challenging to find individuals with the required experience and qualifications (Krismasari, Astawa and Triyuni, 2020). Additionally, hotels are facing competition from other industries that offer similar job opportunities but with more attractive compensation and benefits packages. This competition makes it difficult for hotels to attract and retain quality employees. Another challenge facing the industry is the impact of COVID-19. The pandemic has significantly affected the hotel industry, resulting in a reduction in travel and tourism. This decline has led to a decrease in revenue, which has forced many hotels to lay off staff or reduce their hours. Additionally, the pandemic has created a new set of health and safety protocols that hotels must adhere to, increasing the workload for existing staff and reducing job satisfaction.

This research proposal aims to identify the current challenges facing the hotel industry and how they are impacting employee retention. The proposal is for the General Manager of the Ritz-

Carlton, and it will provide solutions to the identified challenges. The challenges facing the Ritz-Carlton and the industry as a whole include a shortage of skilled workers, competition from other industries, and the impact of COVID-19. The proposed research will provide valuable insights into how the hotel industry can address these challenges and improve employee recruitment and retention.

Discussion/Literature:

The hotel industry is facing a range of external factors that are impacting employee recruitment and retention. These factors include economic uncertainties, changes in customer preferences, and labor market conditions. Additionally, current affairs such as Brexit, Covid-19, and inflation have had a significant impact on the industry, making it difficult to attract and retain quality employees (Boxall and Purcell, 2022). Brexit, for example, has resulted in a shortage of skilled workers in the UK hospitality industry. The hospitality sector has relied heavily on migrant workers from the European Union (EU) to fill a range of roles, from chefs to housekeepers. However, since the Brexit vote in 2016, many of these workers have left the UK or are hesitant to come to the country. This has created a significant challenge for hotels, which are struggling to find skilled workers to fill these roles. The Covid-19 pandemic has also had a significant impact on the hospitality industry, resulting in a decline in travel and tourism. This decline has led to a reduction in revenue, which has forced many hotels to lay off staff or reduce their hours (Stone, Cox and Gavin, 2021). Additionally, the pandemic has created a new set of health and safety protocols that hotels must adhere to, increasing the workload for existing staff and reducing job satisfaction. Inflation has also become a significant issue for the hospitality industry, affecting both employees and customers. Rising inflation has resulted in higher costs for goods and services, which has put pressure on hotels to raise their prices (Delery and Roumpi, 2017). This can result in a decline in customer demand, which, in turn, can lead to a reduction in staff hours or layoffs. To address these challenges, hotels need to focus on improving employee recruitment and retention. One potential solution is to invest in training and development programs that help employees acquire new skills and knowledge. This can increase job satisfaction and provide employees with opportunities for career advancement within the organization.

Another potential solution is to offer competitive compensation and benefits packages. Many hotels are facing competition from other industries that offer similar job opportunities but with more attractive compensation and benefits (Bratton et al., 2021). Offering a more comprehensive package can help hotels attract and retain top talent. Industry examples include The Marriott, which has introduced a program called “Marriott Careers” to promote job opportunities and career development within the organization. The program offers training and development programs for employees at all levels, as well as a range of benefits and incentives to promote employee engagement and retention. Similarly, IHG has implemented a range of programs to improve employee recruitment and retention, including a “Grow with IHG” program that provides training and development opportunities for employees at all levels (Ahmad, 2019). The program also includes a range of benefits and incentives to promote employee engagement and retention. Employee retention is one of the key challenges faced by the hotel industry today. The industry is experiencing high turnover rates, which have a significant impact on organizational performance, service quality, and guest satisfaction. According to a report by the Bureau of Labor Statistics, the hospitality industry has a turnover rate of 74.6%, which is higher than any other industry. One of the key reasons for high turnover rates is a shortage of skilled labor. The hotel industry is highly competitive, and hotels are constantly searching for skilled employees to fill vacant positions (Tang et al., 2018). This can be a daunting task, as the industry faces a number of challenges such as low unemployment rates, the aging workforce, and changing demographics.

Another factor contributing to high turnover rates is a lack of career development opportunities. Employees want to feel valued, and they want to know that their contributions are recognized and rewarded. Without a clear career path or opportunities for advancement, employees may feel that their hard work is going unnoticed, and they may be more likely to leave for a job that offers more opportunities for growth. External factors such as Brexit, Covid-19, and inflation have also had a significant impact on employee retention in the hotel industry (Kougiannou and Ridgway, 2022). Brexit has led to uncertainty in the labor market, with many skilled workers leaving the UK, and others reluctant to move to the UK due to the uncertainty surrounding Brexit. Covid-19 has also had a significant impact on the industry, with many hotels forced to close or reduce

operations, leading to layoffs and job losses (Hamouche, 2021). Inflation is another external factor that has impacted employee retention in the hotel industry. Rising inflation can lead to increased costs for employers, which may make it more difficult for them to offer competitive compensation packages to employees. This, in turn, can lead to higher turnover rates, as employees may be more likely to leave for a job that offers better pay and benefits. However, despite these challenges, there are a number of potential solutions that hotels can implement to improve employee recruitment and retention. One such solution is to focus on employee engagement. Another solution is to provide employees with opportunities for career development and advancement (Azizi et al., 2021). This can be achieved through a range of training and development programs, mentoring schemes, and coaching sessions. Offering competitive compensation and benefits packages is also a key factor in employee retention. This can include a range of benefits, such as healthcare, retirement plans, and employee discounts, as well as a competitive salary and bonus scheme (Farooq et al., 2022). Industry examples such as The Marriott, IHG, Radisson Blu Edwardian, and Four Seasons provide valuable insights into how hotels can implement these solutions effectively. By focusing on employee recruitment and retention, hotels can build a more engaged and productive workforce, which can help to improve organizational performance and guest satisfaction.

The hotel industry is facing a range of external challenges that are impacting employee recruitment and retention. These challenges include a shortage of skilled workers, competition from other industries, and the impact of current affairs such as Brexit, Covid-19, and inflation (Yusoff et al., 2020). However, by investing in training and development programs, offering competitive compensation and benefits packages, and implementing other retention strategies, hotels can improve their ability to attract and retain top talent in the industry. Industry examples such as The Marriott and IHG provide valuable insights into how hotels can implement these strategies effectively.

Evaluation and Conclusion

In conclusion, the current challenges facing the hotel industry have a significant impact on employee recruitment and retention. The shortage of skilled labor, a lack of career development

opportunities, and external factors such as Brexit, Covid-19, and inflation are all contributing to high turnover rates, which are negatively affecting organizational performance, service quality, and guest satisfaction. This research proposal has identified various solutions to address the challenges of employee recruitment and retention. Employee engagement initiatives, career development opportunities, and offering competitive compensation and benefits packages are effective strategies that can improve employee retention. The industry examples of The Marriott, IHG, Radisson Blu Edwardian, and Four Seasons demonstrate how these solutions can be implemented successfully. The implications of this work are that hotels must prioritize employee recruitment and retention by investing in employee engagement, career development opportunities, and competitive compensation and benefits packages. Hotels that prioritize their employees are more likely to have a motivated and engaged workforce, which can improve organizational performance and guest satisfaction. As a recommendation to the business, the hotel can consider implementing employee engagement initiatives such as regular performance evaluations, recognition programs, and employee feedback mechanisms to keep employees engaged and motivated. The hotel can also offer career development opportunities such as training and development programs, mentorship programs, and leadership development programs to help employees grow in their roles and achieve their career goals. Finally, the hotel can offer competitive compensation and benefits packages, including bonuses, health insurance, retirement plans, and flexible work arrangements, to attract and retain top talent. Lastly, this research proposal has highlighted the importance of addressing the challenges facing the hotel industry's employee recruitment and retention. The proposed solutions, along with the industry examples, provide valuable insights into how hotels can implement effective strategies to address these challenges. By prioritizing employee recruitment and retention, hotels can build a motivated and engaged workforce, which can ultimately lead to improved organizational performance and guest satisfaction.

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