

THE CURRENT **CHALLENGES THAT** **HOSPITALITY INDUSTRIES** **ARE FACING IN** **RECRUITMENT AND** **RETENTION**

Student number: 2114473

Student name: Naima Ahmed

Module name: Personnel Resourcing and
Development

Module: BMIH 5005

Lecturer: Kathryn Roberts

Table of Content

INTRODUCTION	3
MAIN BODY	3
What is organisational change and the drivers of change management in Premier Inn:	4
The recruitment and retention processes taking place in Premier Inn:	4
The impact of Brexit, Covid 19, and inflation on the recruitment and retention of employees in Premier Inn:	5
PESTLE analysis:.....	6
Potential solutions with specific examples:	7
CONCLUSION AND EVALUATIONS	7
REFERENCES	9

INTRODUCTION

In the global business environment, it is very important for the business commencers to understand the needs and wants of their customers so that there can be loyalty and profitability rates prevailing in their premises. Based on this implication, this report will currently be analysing the impact of recruitment and retention rates in the Premier Inn hotel chain, which is known to be one of the largest hotel chains in the whole of UK. There are various cities, centres, and areas in which the hotel chain is operating which is the beneficial point for them to achieve competitive advantage. (Liu-Lastres, Wen and Huang 2023). That is why, it is being said that the report will discuss various challenges of recruitment and retention that the global hotel chain of Premier Inn is facing. Unlike the other business establishments, the chosen hotel chain also faces problem of retaining their talents for the achievement of their overall organisational objectives. Therefore, these will be analysed as to how the barriers of communication and other related negative aspects can be the overall reason behind the outsourcing of such talents in the long run. It can also be revived that the global business environment is full of uncertainties and these can take place in the form of any negative or positive influences (Dogru, and et.al., 2019).

These influences can affect the overall business activities of Premier Inn and makes the firm understand the importance of people and culture in the working environment. This is an important aspect to be highlighted within their premises, as the hotel chain is quite notable as the global icon in the world. Among all the challenges faced by them, the prominent challenge for them is associated with its external environment in which there will be discussed as to what implications might be surfaced for them (Mzembe, and et.al., 2020). Furthermore, the research report will also regard the retention of the employees and the way to motivate them to achieve success in the long run. For Premier Inn, various themes regarding the recruitment and retention rates will be demonstrated, defining the need and demand of change management in the organisation to achieve customer satisfaction and retention rates. That is why, the whole theme and reason behind forming this report will be analysing the business environment of the firm and the kind of organisational culture and structure the hotel

chain is operating into. These will moreover be the evidence for avoiding negativity in the premises due to lack of training and developmental schemes (Davern, 2021).

MAIN BODY

What is organisational change and the drivers of change management in Premier Inn:

According to Mzembe, and et.al., (2020), the process of organisational change is required by each and every company operating in the global business environment to surpass all the expectations of the modern era. This process is basically the developing knowledge of how to inculcate latest trends and technologies in the business activities so that the customers can feel engaged. For example, in the view of Goh, and Okumus (2020) this plays an important role in guiding the retaining rates of the employees in the Premier Inn hotel chain, which can help in the formation of strategic management in the working environment. In Premier Inn, is the leading hospitality chain in the whole of UK and operates according to the integrated organisational model. This model is basically based on the roles and responsibilities advised to the employees of the organisation.

Therefore, the drivers of change management in the hotel chain are of **hospitality measures, experiences, and brand loyalty** due to the **technical aspects**, etc. This is due to the rise of international terminologies and luxurious supplies to the customers; the hotel chain has always opted to devise their change management techniques according to Lewin's 3 Stage Model of change. In the opinions of this change management model, there are three stages such as **Unfreeze**, deciding what is to be changed, **Change**, implementing change through communication and support, and **Refreeze**, monitoring the implemented changes according to the drivers of change opted by Premier Inn (*Lewin's 3-stage Model of Change*. 2023).

The recruitment and retention processes taking place in Premier Inn:

The employees at Premier Inn are usually hired and retained based on all the cultural beliefs and values of the working environment. This is an important source of consideration where the employees are moreover given a chance to bridge the organisational challenges and expectations which can be overcome with the help of skill

and talent management activities. Particularly, Dashper, (2020) has argued that Job Description, and Person Specification is highlighted on the basis of the attributes a candidate is possessing in the long run. Along with this, the selection is the main point of consideration, evaluating the need of candidates and the role they would suit in. In the hospitality industry, it can be said that the employees should make efforts in satisfying the customers according to their needs and wants so that they can become the potential customers in the long run. Therefore, this the reason as to why the hotel chain invites the candidates based on the advertising elements to notify them, as to schedule the time and place of the selection process. After this process has taken place in the premises, there is now the business activity of motivation, and retention rates taking place to achieve success in the global business environment. Wright, Knox and Constantin (2021) in support have stated that both individual and common needs are taken care of the employees so that the competitive advantage can take place enormously. With this, the market share aspects also tend to rise with the overall change management techniques followed.

The impact of Brexit, Covid 19, and inflation on the recruitment and retention of employees in Premier Inn:

According to Ridgway, (2019), the effects of natural disasters on the business establishments are of a great influence in the modern era where the main and considerable argument is about the competitiveness in the global business environment. Based on the latest facts, the hospitality sector in UK is the most affected sector by the negative influences of Covid 19 and Brexit altogether. Hitting the economy simultaneously, the total output by the economy was much lesser than what it was by the year 2019. In the initial periods of 2020, the UK economy lost 2.53 million of employment rates due to the medians of both health and wealth issues in the UK. All this was because of the low motivation and retention techniques used by the hotel chains in the country and one of which was the Premier Inn.

In the opinions of Baum, (2019), it can be said that the impact of Brexit leads the firm towards inefficient supply chain management situation where the employees did not

have any roles and responsibilities to carry out in the long run. This even resulted in gradual downfall of the Premier Inn retention of its talent, also due to which the other global chains faced parameters of high number of employee turnover rates. Moreover, this created the situation of inflation, where various sustainable acts and environmental opportunities were carried out to further attract employees and customers back into the premises to achieve competencies of the real world.

PESTLE analysis:

1. **Political factors:** The political factors affecting Premier Inn could be the tax policies, environmental restrictions, trade tariffs, etc. as there are a lot of economic transitions going on due to the impact of Brexit on UK economy.
2. **Economic factors:** By the overall natural disasters hitting the economy of UK, the phase of recession can be termed for the hotel chain. This can still be positively affecting the firm due to its financial stability and long-term strategic planning (*PESTLE analysis of Premier Inn. 2023*).
3. **Social factors:** The latest trends and expectations from the customers have lined up business opportunities for the hotel chain in the competitive environment. The pricing policies also must be in control which can keep the customers attached and satisfied with their services.
4. **Technological factors:** The utilisation of digital equipment is increasing in the audience of Premier Inn, and the change management techniques can be optimised to achieve success. Targeting of the customers must be aligned with the technical sector.
5. **Legal factors:** Their day-to-day business activities are clearly visible to the public and other legal faculties in the global business environment (Norbu, and Wetprasit 2021). Therefore, the firm must constantly make negotiations with their employees to retain them.
6. **Environmental factors:** The main activity is in relation to the climatic conditions in different regions of operating of the firm. That is why, it is preferable for the firm to opt for the suitable CSR towards the environment and its habitats to attract customers in the long run.

Potential solutions with specific examples:

In support of Organisational change, Gehrels, and Gehrels (2019) has argued that the most important appraisal points for the hospitality firms, as their clear role is to identify the needs and wants of the customers. Based on this implication, it can be said that the Premier Inn hotel chain has the functional organisational structure with the help of which roles and responsibilities can be passed on easily. Dwesini, (2019) has said that it can be implicated that only this attribute is not important to pass on to the competitive advantage of the firm, but also, there is a need of overall strategic talent management.

This is important to face the natural disasters in the form of Covid 19, which can affect the other challenges of the firm like Brexit, etc. in the long run. According to Djajasinga, and et.al., (2021) for instance, the hotel chain of Marriott, the employees over there are hired based upon the high values inculcated by them that can be trained using various developing programmes for the employees to learn and grow. Therefore, the recruitment strategies should be made strong to highly influence the internal affairs of the firm, for which PESTLE analysis have been depicted. By the help of this tool, the firm can identify their SWOT to further entusiast their employees in the long run.

CONCLUSION AND EVALUATIONS

From the above successive evaluations about the organisational change and change management techniques by the firm, it can be said that the Premier Inn hotel chain is overall performing great in all the spheres of its activities but implies many more sophisticated elements to achieve success (Japutra, and Situmorang 2021). This is being said with the view of making things vital clear to the employees and other human resources who are obliged to contribute to their success rates. Sustainability should be the foremost step to be taken by the firm so that there can be various business opportunities to be grabbed by the firm in the competitive era. It has also been sourced that for a firm to achieve everything, it must recognize the talent optimised by them and to resurface them to develop their skills and expertise in all the fields of business management. Therefore, based on this feature, the strengths and weaknesses of the working environment should be identified along with the externalities of the firm (Frye,

and et.al., 2020). Premier Inn should make efforts to train and develop their employees' knowledge rather than expecting them to add value to themselves, which cannot be possible in every behaviour employed.

That is why, it can be recommended to the business that human resource management practices should be engaged in the growth and development of the calibre and capacities of the employees. This is being evaluated by the means of various challenges faced by Premier Inn such as the inflationary situations, in which support is the biggest element (Tan, Lew and Sim 2019). The firm must understand the importance and use of effective talent management techniques that can help them to decrease employee turnover rates in the future. Moreover, this implication can also be diverted towards the customer satisfaction rates which is only possible by the help of employees' contribution in the working environment of the firm. Therefore, to analyse, evaluate and monitor the biggest challenges of the competitive and global business world can help the hotel chain to align their business activities with the overall strategic decision-making (Marinakou, and Giousmpasoglou 2019). Furthermore, employee retention and motivation has been an effective tool to undercover the strategic abilities of the businesses, due to which environment sustainability can also be linked with the recruitment and retention of the right employees at the right time for the right job in the long run to offer customizable services to the global world.

REFERENCES

Books and Journals

- Baum, T., 2019. Does the hospitality industry need or deserve talent? *International Journal of Contemporary Hospitality Management*.
- Dashper, K., 2020. Mentoring for gender equality: Supporting female leaders in the hospitality industry. *International Journal of Hospitality Management*. 88. p.102397.
- Davern, D., 2021. Talent Management, The Employer Brand, and Employee Retention: Evidence from the Irish Hotel Sector. In *Talent Management Innovations in the International Hospitality Industry* (pp. 79-98). Emerald Publishing Limited.
- Djajasinga, N. D. and et.al., 2021, June. Practices in Human Resources and Employee Turnover in the Hospitality Industry. In *2nd Annual Conference on blended learning, educational technology and Innovation (ACBLETI 2020)* (pp. 113-117). Atlantis Press.
- Dogru, T., McGinley, S., Line, N. and Szende, P., 2019. Employee earnings growth in the leisure and hospitality industry. *Tourism Management*. 74. pp.1-11.
- Dwesini, N. F., 2019. Causes and prevention of high employee turnover within the hospitality industry: A literature review. *African Journal of Hospitality, Tourism and Leisure*. 8(3). pp.1-15.
- Frye, W. D. and et.al., 2020. What factors influence Generation Y's employee retention in the hospitality industry? An internal marketing approach. *International Journal of Hospitality Management*. 85. p.102352.
- Gehrels, S. and Gehrels, S., 2019. Introducing employer branding: Potential for the hospitality and tourism industry.
- Goh, E. and Okumus, F., 2020. Avoiding the hospitality workforce bubble: Strategies to attract and retain generation Z talent in the hospitality workforce. *Tourism Management Perspectives*. 33. p.100603.
- Japutra, A. and Situmorang, R., 2021. The repercussions and challenges of COVID-19 in the hotel industry: Potential strategies from a case study of Indonesia. *International Journal of Hospitality Management*. 95. p.102890.
- Liu-Lastres, B., Wen, H. and Huang, W. J., 2023. A reflection on the Great Resignation in the hospitality and tourism industry. *International Journal of Contemporary Hospitality Management*. 35(1). pp.235-249.
- Marinakou, E. and Giousmpasoglou, C., 2019. Talent management and retention strategies in luxury hotels: evidence from four countries. *International Journal of Contemporary Hospitality Management*.
- Mzembe, A. N. and et.al., 2020. A club perspective of sustainability certification schemes in the tourism and hospitality industry. *Journal of Sustainable Tourism*. 28(9). pp.1332-1350.
- Norbu, J. and Wetprasit, P., 2021. The study of job motivational factors and its influence on job satisfaction for hotel employees of Thimphu, Bhutan. *Journal of Quality Assurance in Hospitality & Tourism*. 22(2). pp.245-266.
- Ridgway, M., 2019. Brexit: human resourcing implications. *Employee Relations: The International Journal*.

- Tan, K. L., Lew, T. Y. and Sim, A. K., 2019. An innovative solution to leverage meaningful work to attract, retain and manage generation Y employees in Singapore's hotel industry. *Worldwide Hospitality and Tourism Themes*.
- Wright, C. F., Knox, A. and Constantin, A., 2021. Using or abusing? Scrutinising employer demand for temporary sponsored skilled migrants in the Australian hospitality industry. *Economic and Industrial Democracy*. 42(4). pp.937-959.

Online

- Lewin's 3-stage Model of Change*. 2023. [Online]. Available through: <https://whatfix.com/blog/lewins-change-model/> Accessed as on 3rd March, 2023.
- PESTLE analysis of Premier Inn*. 2023. [Online]. Available through: <https://www.howandwhat.net/pestel-analysis-premier-inn/> Accessed as on 3rd March, 2023.