

Current challenges facing hotels in managing their employee turnover in the UK

Name: Ashraf Ali

Student number: 1712727

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Lecturer name: Emma Roberts

The hotel industry in the UK is facing several challenges at the moment, which are having an impact on the employee lifecycle making it harder for the employers to manage employee turnover rates. One of the main challenges is the impact of Brexit, which has led to a significant decline in business from European guests. This has put pressure on hotel staff, who are having to work harder to make up for the loss of business. In addition, the COVID-19 pandemic has made it hard for UK hotels to continue compensating their employees as before and remain afloat. Most hotels have been forced to lay down employees and impose salary cuts on others leading to a rise in turnover rate in the industry (Lai & Cai, 2022). Another challenge facing the hotel industry is the rise of online booking sites such as Airbnb, which are taking business away from traditional hotels. This is leading to job losses in the hotel industry, as well as putting pressure on those who are still employed. All these challenges have exacerbated the issue of high employee turnover and poor retention that has been synonymous with the hospitality industry.

Employee turnover is the rate at which employees leave an organization. It is usually expressed as a percentage of the total number of employees in a given period of time (Narkhede, 2014). Employee retention is the process of keeping employees within an organization (Khalid & Nawab, 2018). This can be done through a variety of methods, such as offering competitive salaries, providing opportunities for career growth, and creating a positive work environment. An employee lifecycle refers to the stages that an employee goes through during their time with a company (Kwon & Park, 2019). This can include everything from the initial recruitment and onboarding process, to ongoing development and training, to eventual retirement or exit from the company. This paper evaluates the challenges facing the hotel industry in managing employee turnover in the UK, and their effect on the employee lifecycle, and the business. In addition, causes of high employee turnover rates, future resilience, and strategies on how to retain employees and develop a team are discussed.

Since the vote to leave the European Union, Brexit has been a hot topic of conversation – especially when it comes to businesses and trade. For hotels in the UK, Brexit has caused several challenges when it comes to managing employee turnover. One of the biggest challenges is recruiting staff from other EU countries and filling the positions left by nationals from EU countries (Filimonau & Mika, 2019). With freedom of movement no longer guaranteed, it has become more difficult and expensive to recruit European nationals to work in UK hotels. This has led to an increase in turnover as hotels struggle to find the right staff. Another challenge caused by Brexit is the impact on the hospitality industry's ability to attract international talent. With the UK no longer part of the EU, it is seen as a less attractive destination for international workers. This has made it more difficult to fill positions with the right skills and experience, leading to increased turnover. Finally, Brexit has also led to an increase in the cost of doing business for hotels. With the pound falling in value, imported goods and services have become more expensive. This has put pressure on hotel margins, making it more difficult to retain staff. Overall, Brexit has created several challenges for hotels in the UK when it comes to managing employee turnover. With the recruitment of EU nationals becoming more difficult and the cost of doing business on the rise, hotels are struggling to keep up with the demand for staff.

The COVID-19 pandemic has had a significant impact on the hotel industry in the UK, with many hotels having to close their doors due to the restrictions in place (Lippert et al., 2021). This has resulted in high turnover rates as employees have been made redundant or have left of their own accord. The pandemic has also meant that fewer people are travelling, which has had a knock-on effect on hotel bookings. This has all contributed to a challenging time for the hotel industry, with many businesses struggling to survive.

There are several ways in which online booking sites are causing challenges for hotels in managing their employee turnover in the UK. One of the key ways is that they are making it easier for people to switch between hotels, and to compare prices and reviews in real-time. This means that hotels need to work harder to keep their employees happy and retain them for longer periods. Another challenge is that online booking sites are making it easier for people to book last-minute stays, which can put pressure on hotel staff who may already be stretched thin. Additionally, online booking sites typically take a commission from hotels, which can impact their bottom line and make it more difficult to invest in employee retention initiatives.

According to Ghani et al., (2022) retaining employees is dependent on employee satisfaction and therefore challenging. If an employee is not satisfied with their job, they are more likely to look for new employment. To keep your employees satisfied, it is important to provide them with a good working environment, fair pay, and opportunities for advancement. If you can do these things, you will have a much higher chance of retaining your employees.

A sustainable positive work environment is conducive to employee productivity and satisfaction. This type of environment can be created through several means, such as providing adequate resources and support, fostering a culture of collaboration and respect, and offering opportunities for professional development. Sustainable growth opportunities give employees a reason to stay with an organization over the long term. These opportunities can take the form of promotions, raises, and new assignments. They can also be created by providing employees with the opportunity to develop new skills and knowledge. Sustainable and effective communication is essential to keeping employees engaged and invested in their work. This communication should be two-way, with employees being allowed to provide feedback and input regularly. It should also be timely, clear, and concise. Finally, sustainable and effective recruitment and selection practices are key to attracting and retaining the best employees. These practices should be based on the organization's needs and should be designed to identify candidates who are a good fit for the organization.

Several factors can lead to a higher employee turnover. Unsuitability for the role can lead to employees feeling like they are not a good fit for the company and may eventually lead to them seeking employment elsewhere according to Chawla (2021). Unsociable hours can make it difficult for employees to maintain a work-life balance, which can lead to them feeling overwhelmed and stressed. Lack of flexibility in working hours can also be a contributing factor, as employees may feel like they are not able to manage their time in a way that works for them. Lack of recognition can be a major issue, as employees may feel like their hard work is not being appreciated. This can lead to them feeling undervalued and unimportant, which can eventually lead to them looking for a new job. A toxic or unhealthy environment can also be a major factor, as it can make employees feel like they are not in a safe or healthy environment. Finally, as Sitati et al. (2016) argue, minimal growth opportunities can lead to employees feeling like they are not able to advance their careers within the company, which can eventually lead to them seeking employment elsewhere.

There are several strategies that hoteliers can use to retain top talent. One key strategy is to provide opportunities for employees to grow and develop within the organization according to Dogonyaro (2021). This can be done through training and development programs, as well as by providing opportunities for employees to take on new and challenging assignments. Another key strategy is to offer competitive compensation and benefits packages (Davis, 2018). This includes not only base salary and bonuses, but also things like health insurance, retirement plans, and other perks and amenities (Phonsanam, 2010). Finally, it is important

to create a positive and supportive work environment (Fernandez & Worasuwan, 2017). This means fostering a culture of respect and appreciation and providing employees with the resources and support they need to be successful in their roles. By implementing these strategies, hoteliers can create an environment that will attract and retain top talent (Kossivi et al., 2016).

There are many benefits to retaining a workforce in the hotel industry. One of the most important benefits is that it helps to ensure a high level of service for guests (Yadav, 2021). According to McKenna (2013), when employees are familiar with the hotel and its policies, they are better able to provide guests with the level of service they expect and deserve. Additionally, retaining a workforce can help to create a more stable work environment, which can lead to increased employee satisfaction and productivity (O'Connell & Kung, 2007). In turn, this can help to reduce turnover, which can save the hotel money in the long run (Holston-Okae, 2017). Finally, retaining a workforce can help to build a strong sense of team spirit and camaraderie among employees, which can make the work environment more enjoyable for everyone. Each stage of the employee lifecycle presents its challenges and opportunities for both the employer and the employee, and it is important to manage each stage effectively to get the most out of the relationship.

The hotel business is facing several challenges when it comes to employee retention. High turnover rates are making it difficult to keep staff, and poor employee retention is leading to a loss of skills and experience within the industry. However, there are several ways in which the hotel business can become more resilient in the face of these challenges. One way is to focus on training and development (Holtom et al., 2008). By investing in the skills of its employees, the hotel industry can ensure that it has a workforce that is better equipped to handle the challenges of the future. According to Vasquez (2014), another way to improve resilience is to focus on retention strategies. By retaining its best employees, the hotel industry can maintain a core group of experienced and knowledgeable workers. The hotel business also needs to focus on creating a culture of innovation. This will allow the industry to adapt to the ever-changing needs of its customers and find new ways to improve employee retention (Lai & Cai, 2022). Finally, the hotel business needs to invest in technology. By using technology to automate processes and improve communication, the hotel industry can become more efficient and more responsive to the needs of its employees (Ntounis et al., 2022).

As we have seen, employee turnover is a challenge for hotels in the UK for several reasons. Firstly, the hospitality industry is a notoriously high turnover industry, with employees often moving between jobs or leaving the industry altogether. Secondly, the pandemic led to a swift change in lifestyle which left hotels without customers, this made it difficult for hotels to offer competitive salaries and benefits contributing to layoffs and a higher turnover rate. Finally, the UK's visa system can make it difficult for hotels to recruit international staff, which can lead to a shortage of skilled workers. A high employee turnover rate can be costly for the business, as it can lead to a loss of productivity and a decrease in morale. There are several strategies that hotels can use to retain employees, including offering competitive salaries and benefits, providing training and development opportunities, and creating a positive work environment. However, the most effective strategy will vary from hotel to hotel and will depend on the specific needs of the business. Employee retention is important for businesses because it can help to reduce turnover, which can save money and increase productivity. The high turnover of employees is a major challenge for hotels in the UK and can have several negative consequences. These include a shortage of skilled workers, increased costs, and a lack of continuity. However, there are several strategies that hotels

can use to retain employees, and these should be tailored to the specific needs of the business.

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