

## A STUDY ON HUMAN RESOURCE MANAGEMENT PRACTICES IN THREE STAR HOTELS IN BIRGUNJ

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### **Abstract**

*HRM has been recognized by academics and practitioners as important element in the organizations. Therefore this paper explores the best practices of HRM seeks to understand the level of participation in the development of these practices by HR manager in the three star hotels. The objectives of the study is to analyze precipitation of employees towards hiring process to evaluate, to asses the attitude of hotel employees towards the performance appraisal and compensation provided in the hotel and to understand employees and managers views on impact of tanning. The study was carried out with a sample size of 110 employees of few three star hotels of Birgunj, Nepal by using convenience sampling method. Data was collected by distributing questionnaire to the employees of thee star hotel. This study revels that current employees in three star hotels are satisfied with management recruitment process; almost all employees are satisfied with the training conducted in the hotels.*

### **Keywords**

*HRM Practices; Recruitment; Performance Appraisal; Star hotels*

### **Introduction**

Human resources are the most valuable and unique assets of an organization. The successful management of an organization's human resources is an exciting, dynamic and challenging task, especially at a time when the world has become a global village and economies are

in a state of flux. The scarcity of talented resources and the growing expectations of the modern day worker have further increased the complexity of the human resource function. Even though specific human resource functions/activities are the responsibility of the human resource department, the actual management of

human resources is the responsibility of all the managers in an organization. It is therefore necessary for all managers to understand and give due importance to the different human resource policies and activities in the organization. Human Resource Management outlines the importance of HRM and its different functions in an organization. It examines the various HR processes that are concerned with attracting, managing, motivating and developing employees for the benefit of the organization.

In the hospitality industry, before a manager can direct and shape employee's individual contributions into an efficient whole, he or she must first turn employees into competent workers who know how to do their jobs. Employees are the musicians of the orchestra that the members of the audience-the-guests-have come to watch performance. If employees are not skilled at their jobs, then the performance they give will get bad reviews. Just as an orchestra can have a fine musical score from a great composer and still perform poorly because of incompetent musicians, so a hotel can have a finest standard recipes, service procedures and quality standards and still have dissatisfied guests because of poor employee performance. That is why properly managing human resources is so important. No other industry provides so much contact between employees and customers and so many opportunities to either reinforce a positive experience or create a negative one.

In the five-star hotel and five-star deluxe hotel there are around lots of employee are involved in different jobs in different fields there is dire need to look and control on them. No doubt different department's heads are present to look their department employee, but HR Dis a place, which supervise and effectively communicate with these departments head and communicate with the top management. Thus there function is very large and diverse as compared with respect to different department's heads.

## **Human Resource Management Practices**

The success of any business depends as much on appropriate, effective, well communicated, HR and business practices as it depends on meeting the requirements of mandated laws and regulations. In fact, good planning and the development of effective practices make regulatory compliance much easier. HR practices helps in increasing the productivity and quality, and to gain the competitive advantage of a workforce strategically aligned with the organization's goals and objectives.

The best practices in the management of human resources are the ones which optimize a workforces that it cannot only get work done, but also ensure a greater level of efficiency, timeliness and quality as it accomplishes increases productivity overall. Hence the job of the best practices human resources firm is to make sure

that these benefits and pay scales meet the company's budget while remaining attractive and competitive enough to pulling the very best talent possible. We should know that these figures put the company in a good light while also presenting themselves as engaging and competitive for company's recruitment efforts.

### **Objective of HR Practices**

The main objective of HR Practices is to differentiate the organization from its competitors by effective and efficient HR Practices. By following this, the organization does its whole work process. The objective of HR Practices is to increase productivity and quality, and to gain the competitive advantage of a workforce strategically aligned with the organization's goals and objectives. As The Transparent HR practices can reduce attrition, Because-Transparent HR practices ensure continuous business growth in every organization.

It gives the suitable working environment to the employees. The success of company motivates the employees of organization to continue relationship with it. As all the employees Perks chart has been mentioned according to their designation in the HR practices, it helps the employees to know what their perks charts are. So it creates a transparency.

### **Overview of the study**

As we know the whole function of HR department depends upon the HR

Practices of the organization. The HR management is done according to the HR Practices of the company. Which things to be done and which things should not be done depend upon this only. It also helps the organization to achieve the target of the organization. The HR policies of the organization have been mentioned in the HR Practices. All the rules & regulations for the employees have been also mentioned in this. All the welfare of the employees' processes is also mentioned in this. So the study of the HR Practices means basically the brief study of all HR functions in the organization. I believe the HR Practices is a vital part of an organization, which helps the organization to achieve the goal of the organization. All companies are having their HR Practices but the company who is having the best, is the most successful company among its competitors. So the company can get success within its competitors by applying best, effective HR Practices. The main objective of the project is to understand the HR practices followed. To know what are the uses of HR practices for any organization. How these HR Practices help any organization to know its stand in the market and to be competitive by implementing good HR Practices for their employees.

To understand how the organization would achieve its goals by implementing good HR Practices. To understand the work culture of the organization. HR function is very important in every organization. It helps the organization to manage not

only the people of the organization but to manage all the working processes in it also. HR is management function that helps management to recruit, select, train & develop members for an organization. Obviously HR is concerned with the people's dimensions in organizations. HR refers to set of programs, functions & activities designed and carried out.

## **Recruitment**

In simple terms, recruitment is understood as the process of searching for and obtaining applicants for jobs, from among whom the right people can be selected. Recruitment is the process of finding qualified people and encouraging them to apply for work with the firm.

**Types of recruitment:** In hotel industry, the types of recruitment are:

- 1. Internal Recruitment:** Internal recruitment seeks applicants for positions from those who are currently employed. Internal sources include present employees, employee's referrals, former employees, and former applicants.
- 2. External Recruitment:** Finding qualified applicants from outside the organization is the most difficult part of recruitment. The success of an expanding hotel industry or one with many positions demanding specialized skills often depends on the effectiveness of the organizations recruitment program. Specifically, sources external to an organization

are professional or trade associations, advertisements, employment exchanges, college/university /institute placement services, consultants, displaced persons, radio and television, acquisitions and mergers and competitors.

**Recruitment Process:** HR practices its function in each and every stages of recruitment. The process comprises five interrelated stages, viz.

- Planning
- Strategy development
- Searching
- Screening and
- Evaluation and control.

The function of HR is to make the selection procedure an ideal one. The ideal recruitment programmed is the one that attracts a relatively larger number of qualified applicants who will survive the screening process and accept positions with the organization, when offered.

## **Training and Development**

Training and development activities are designed in order to impart specific skills, abilities and knowledge to employees. Effective training is basic ingredient of success in the hotel industry. The concept of training is endorsed by most managers in the hotel industry, yet managers often give little thought to the training function in the context of their own business or departmental responsibilities until something goes wrong. One of the main problems in

hotel industry is that investment in training and development of employees is a reactive process for many companies. Frequently, training and development arises as the result of significant change in the operational environment or as a consequent of crisis such as staff turnover or major departmental problems. Training is then used to cope with the immediate difficulty. This process may be proved costly to hotel. Whereas development refers to learning opportunities designed to help employees grow and evolve a vision about the future.

Here the job of HR is to identify the training need and then accordingly to design the suitable programme for that Training within a hotel provides the best opportunity to influence the attitude and performance of employees. The training programmes include is such as introduction, fire, food hygiene, control of substances hazardous to health, manual handling first-aid, technical skills, product knowledge, and customer services.

## Performance Appraisal

Performance appraisal refers to the assessment of an employee's actual performance, behavior on jobs, and his or her potential for future performance. It is done generally for the purpose of assessing training needs to employee, to effect his promotions and to give him pay increase, retention or termination.

Though there are different methods of performance appraisal only one method

that is commonly used in Three star Hotels is Rating Scale Method. In Three star hotels the performance appraisal is done on yearly basis but sometimes briefing of employee is done on day to day basis.

## Purpose of appraisal

- To help improve performance by identifying strengths and weaknesses and by getting things done which will develop the former and overcome the later;
- To identify those with potential for greater responsibility, now or in the future, and to provide guidance on what should be done to ensure that this potential is realized.
- To assist in deciding on pay increases which fairly equate the level of reward with the level of performance;

## Compensation:

- Compensation is the remuneration received by an employee in return for his/her contribution to the organization. It is an organized practice that involves balancing the work employee relation by providing monetary and non-monetary benefits to the employees.

## Components of compensation

1. **Basic wages/Salaries:** This refers to the cash component of the wage structure based on which other elements of compensation may be structured. It is normally a fixed

amount which is subject to changes based on annual increments or subject to periodical pay hikes. It is structured based on the position of an individual in the organization and differs from grades to grades.

- **2. Dearness allowance:** The payment of dearness allowance facilitates employees and workers to face the price increase or inflation of prices of goods and services consumed by him. The on slot of price increase has a major bearing on the living conditions of the labor. The increasing prices reduce the compensation to nothing and the money's worth is coming down based on the level of inflation. The payment of dearness allowance, which may be a fixed percentage on the basic wage, enables the employees to face the increasing prices.
- 3. **Bonus:** The bonus can be paid in different ways. It can be fixed percentage on the basic wage paid annually or in proportion to the profitability. The Government also prescribes a minimum statutory bonus for all employees and workers. There is also a bonus plan which compensates the Managers and employees based on the sales revenue or Profit margin achieved. Bonus plans can also be based on piece wages but depends upon the productivity of labor.

## **Objectives**

### **i) Primary Objective**

- To study on human resource management practices followed in Three star Hotels in Birgunj.

### **ii) Secondary Objective**

- To analyze the precipitation of employee towards hiring process in Three star Hotels in Birgunj.
- To evaluate the selection process of employees.
- To assess the attitude of hotel employees towards the performance appraisal and compensation provided in the hospitality industry.
- To understand employees and managers views on impact of training.

## **Statement of the problems**

The problems of the study are to know:

How effective are HRM practices in the three star hotels in Birgunj? Do they have any impact on employees? How far can HRM practices influence an employee?

## **Significance of the study**

Due to time constraint the scope of the study covers only employees of star hotels in Birgunj. In future, the study can be conducted in different places. In future, researcher can conduct research on more variables such as innovative method of HRM.

## Limitation of the Study

This study is purely based on the information given by the employees and management of the sampled hotels. This study is conducted in few three star hotels of Birgunj only. The study is conducted in the current scenario and the option, perception and expectation of respondents may differ with time.

## Research Methodology

The main objective of this chapter is to present a general idea of the design of research undertaken for the present study to examine the practical impact of HR practices on the performance of employees at Hotel Industry.

## Research Design

In our study, we are using descriptive research method. A business research that employees empirical assessments with numerical measurement and analysis approaches to address the research objectives is known as descriptive research. We choose this method because our research will be conducted by drawing up sample from hotel industry. We will distribute questionnaires to examine the

human resource management practices on the hotel employees' perception. Each respondent in this survey will rate human resource practice in their organization using numeric scales. The numeric values collected from the questionnaires can be analyzed by using SPSS software. Due to the high volume of respondent, we will quantify their opinion into a scale and translate their opinion into result by using SPSS software.

## Sampling Technique

It refers to the method to be applied /the technique to be used in Selecting the Sample. The technique used may be deliberate or purposive sampling, random sampling, systematic sampling, stratified sampling, area sampling, and extensive sampling. The sampling technique applied for this project report is convenient sampling method.

## Sample Size

It means the number of persons or items selected from the hotel to constitute a sample. The sample size of this project is 105 employees of Few Three star Hotels in Birgunj.

## Data analysis and interpretation

Variables	Category	Frequency	Percentage
Gender	Male	90	81.81
	Female	20	18.18
Age	Below 25 years	14	12.73
	26-35 years	64	58.18
	36-45 years	25	22.02
	Above 45 years	7	6.36

Variables	Category	Frequency	Percentage
Years of experience	Below 1 year	2	1.81
	1-3 years	40	36.36
	4-6 years	38	34.54
	Above 6 years	30	27.27
Departments	House keeping	13	11.81
	Food and Beverage	25	22.72
	Production	17	11.81
	Front Office	23	20.90
	Administration	20	18.18
	Maintenance and Security	12	10.90
Education level	Diploma	9	8.18
	Post graduates	36	32.72
	Under graduates	40	36.36
	Others	25	22.72
Monthly income	Less than Rs.10000	13	11.82
	Rs.10000 to Rs.15000	20	18.18
	Rs.15000 to Rs.20000	45	40.96
	More than Rs.20000	32	29.09

## Findings

The findings during the work carried out by me can be categorized into two categories as it is said that every coin has two sides:-

### Positive Findings

- Majority of respondents 90 (81.81%) are male.
- Majority of respondents 64 (58.18%) are between 26-35 years age group.
- Majority of respondents 40 (36.36%) are between 1-3 years of experience.
- Majority of respondents 40 (36.36%) are under graduates.

- Majority of respondents 45 (40.96%) salary between 15000- 20000.
- A majority of employees feel that recruitment process carried out in the company is satisfactory. Management is also satisfied with the process of recruitment to some extent.
- In Three star hotels most of the employees feels that the HR department is good. About 70% of the managers say that they prefer both internal as well as external source for recruitment and selection. About 64% of the mangers go for direct recruitment and selection and less

number for managers prefer indirect or third party.

- Almost all the employees are satisfied with the training activities conducted in the organisation. 60% of the employees have achieved their training objectives.
- Superiors are very supportive and helps their sub-ordinates in achieving their objectives
- The management has understood the importance of systematic appraisal system & they are taking every effort to implement it properly.
- The training programme arranged for performance appraisal is good. The trainer is also very effective to make the employees understand the concept.
- The performance appraisal training programme is appreciated by the employees & they are really benefited by it.

### **Negative Findings**

- Some employees were moderately or not much satisfied with the process of recruitment.
- Since rules and regulations are very dynamic, so most of the employees face difficulty to adjust with them.
- Most of the candidates do not turn up when they are called up for the

interview.

- Regional behaviour and language influence is higher during training and even after delivering their language; the desired effects are not seen.
- Though by and large, substantial number of employees are content with the way the training is conducted, still there is a scope to analyze at micro level whether the negatives respondents were either non attentive confronted confused or otherwise based up on the data there is a scope to take corrective action.
- Most of the employees slowly understand the importance of performance appraisal.

### **Special Findings**

Since the process involves continuous sitting at one place so refreshment was provided to the candidates who had come for the interview. This being as unique experience by candidates it helps to build the goodwill of the company.

### **Suggestions**

Following are the suggestions to improve the HR practices in Three star Hotels: The process of recruitment & selection should be future oriented, which can be done by keeping attitude and knowledge in consideration instead of just emphasizing on qualification and experience.

- While following the process the time and economy factor should be taken into consideration.

- The recruiter should also take the references of his friends or any one he knows who looking for a job from the candidate who has come for the interview.
- In today's competitive world, attitude is the factor which is the dividing line between failure and success. Thus recruitment of the employees must be made not only on skills and knowledge but also the attitude of the employee. If an employee has a positive attitude then training for him can be more effective, he has a positive effect on the climate.
- The training records must be maintained, preserved properly and updated timely.
- Proper care should be taken while selecting the trainers.
- Before attending the Performance appraisal training programme, the staff attending this programme should be firstly convinced that this programme is being arranged mainly for their upliftment and benefit so that they will attend the training with a positive attitude.
- There should be LCD presentations and printed notes about the training programme.
- Before the boss doing the appraisal of his subordinate; there has to be self appraisal procedure. The employees should be given self-appraisal forms to appraise themselves first.
- Superiors should thoroughly discuss performance appraisal with their subordinates.
- Performance appraisal should not be used for punishment.
- Performance appraisal should be done formally and there should be proper personal counselling by the superior with the subordinate after the appraisal.

### **Conclusion**

The study has been prepared to list out the operational aspects & HR Practices of different departments of few Three star Hotels in Birgunj. After compiling the various information of different department and providing solution to the various problem a solution may be drawn that no department is without problems. The study partially explains the various functions and procedures of HR department at three stars Hotel. The hotel is running reasonably well and has a good share of business and corporate clientele but it is worthy to mention now that the system and procedures need an up gradation. A little more strain on the delegation of power should be given.

### **Recommendation**

I suggest a closer coordination without interference between all the departments. There should be a regular training of the staff by various section heads. This will ensure smooth running of the hotel. The Hotel faces staff competition posed

by other star hotels in the city. It is also comparatively for the hotel to have more satisfied staff. For this the personnel

department should check the appraisal of all employees and give promotion and incentives to all the deserving people.

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