

Journal of
Tourism & Adventure

**Impact of COVID-19 on the Employees of Hotel
Industry**

Richan Shrestha

Lecturer, School of Education, Kathmandu University
richa_mpds22@kusoed.edu.np

Prakash C Bhattarai

Associate Dean, School of Education, Kathmandu University
prakash@kusoed.edu.np

Bijay Shrestha

Gateway College of Professional Studies
bijaya@gatewaycollege.edu.np

Ganesh Dhungana

Lecturer, School of Education, Kathmandu University
ganesh.dhungana@kusoed.edu.np

Article

Received: 7 July 2023

Revised: 31 July 2023

Accepted: 7 June 2023

Keywords

COVID-19;
Hospitality
industry; five-
star hotels;
financial impact;
psychological
impact; Nepal.

Corresponding Editor

Ramesh Raj Kunwar
ramesh.kunwar@dcpds-edu.np

Abstract

Travel and mobility restrictions to contain COVID-19 forced many hotels to shut down their business completely or partially. As a result, the hotel sector was hit hard financially. Consequently, majority of the employees of the sector lost their job or were employed with reduced work hours. It affected their financial and psychological aspects. However, there are limited studies focusing on financial and psychological aspects of closures and employment reduction by COVID-19. Therefore, this paper aims to investigate effect of COVID-19 on hotel employees in Kathmandu, Nepal with a survey among the representative sample of 92 hotel industry employees by using a self-constructed questionnaire. The data were then analyzed using descriptive statistics, t-tests, and ANOVA. The result shows that COVID-19 caused a high degree of financial and psychological crises for the employees. Therefore, in conclusion, hotels should create emergency funds to prepare for future crises and provide training and counseling for employees to ensure the

employees' well-being during times of crisis. Similarly, this study recommends hotel employees to save money for emergency situations. The findings of this study are only based on descriptive statistics and future researchers can implement advanced statistical tools and mixed methods to get the in-depth idea of impact of COVID-19 on hotel employees.

Introduction

The first case of COVID-19, was discovered in Wuhan, China on 31 December 2019 (Fang et al., 2021), which marked the advent of the biggest challenge that affected the global village by increasing adverse impacts on people's lifestyles, health, social, and financial conditions (Pal et al., 2022). The impact was for prolonged period and people were uncertain about the duration of virus impact (Levine et al., 2022). The unavailability of the cure of virus caused many people mental stress (Haider et al., 2020). According to Pal et al. (2022), the pandemic affected all the spheres of society including health care, global governance, socio-cultural and interpersonal relationship globally (Woods et al., 2020). As a result, the governments restricted travel and social gathering to control the spread of the virus and mitigate the effect of COVID-19 on the lives and livelihood of the people (Majumdar, 2021).

Although governments restricted mobility and human interaction to stop the virus's spread, they were unaware of the economic and social consequences (Pal et al., 2022), which hampered global functioning. Like many sectors, hospitality sector, a sub sector of travel and tourism business was also severely affected (Majumdar, 2021) as travel was restricted and demand for hotel service was reduced. Hospitality sector was not prepared for one of the devastated unenviable health pandemics incidents (Ulak, 2020). Abbas et al. (2021) presented a report that reflected the tourism industry as experiencing a decline in revenue that was more than 50% and such is equivalent to over 2.86 trillion US dollar. Likewise, Bartik et al. (2020) and Godinic et al. (2020) believe the restriction on travel and mobility led to the closure of many hospitality businesses and reduced demand for the hotels which were allowed to open. As a result, many hotel employees losing their jobs (Godinic et al., 2020). Nichola et al. (2020) opine that more than 50 million hospitality jobs around the world were at the risk due to health pandemic.

It is observable that the reduction in employment within the hospitality industry has significant economic and psychological impact on employees (Mehta & Sharma, 2021). They conducted a study on the impact of COVID-19 on five-star hotel employees in India using survey questionnaire and interviews. Mehta and Sharma (2021) believe COVID-19 create damaging effect on the socio-economic sustainability of hotel industry in India because of the closure of the hotels which caused employment loss. Similarly, Yan et al. (2021) found job satisfaction among hotel employees was reduced due to COVID-19 as working hour and salary was reduced. They collected data from 211 employees from 76 hotels in Peru and found that likelihood of depression among the hotel employees in the country. In addition, their study revealed the impact on mental and physical health of individual which had negative consequences on their wellbeing. In addition, Bajrami et al. (2021) engaged 624 employees from hotels across Serbia

alleged that job uncertainties due to COVID-19 decreased the job satisfaction.

Likewise, Abbas et al. (2021) used the time-lagged field survey to find the psycho-economic impact of COVID-19 on hotels' employees of Pakistan. Their study revealed that job uncertainties reduced self-esteem and increased the economic hardship among the employee. Furthermore, Yan et al. (2021) also asserted that the hotel employee who had COVID-19 have caused COVID-19-induced anxiety. On their study on 302 hotel employees and their supervisors using field survey, they also claimed that the performance of hotel employees in China reduced due to COVID-19.

Just like other parts of the world, the tourism and hospitality industry in Nepal experienced significant effects like decrease of demand of hospitality service due to COVID-19 (Shrestha, 2021). As a result of travel restriction, the number of tourists visiting Nepal sharply decreased (Shrestha, 2021). According to Shrestha (2021) only 230, 085 tourists visited Nepal in 2020 while 1,197,191 tourists visited in 2019. The decrease in number of tourists had a substantial impact on Nepal's economy as it was only projected to grow 0.6% in 2021 due to disrupt economic activity especially tourism (World Bank, 2020). In the same line, Basnyat and Sharma (2021) claimed that small and medium size hotel were vulnerable to COVID-19 as they were not financially prepared to tackle the impact of COVID-19 and forcefully closed (Shrestha, 2021). It was revealed that 15 small and medium sized hotel operators who participated in the study had their self-esteem and economic conditions lowered due to COVID-19. In addition, Khatiwada et al. (2021) believe tourism as one of the highly affected businesses leading to the closure of high number of hospitality business and employment loss in Pokhara, Nepal. In the same line of thought, Shrestha (2021) concludes that the luxury hotels in Kathmandu experienced highest losses for example one of the five star hotel in Kathmandu lost Rs 260.47 million (Shrestha, 2021). He also reported that three esteemed (five stars) hotels were shut down due to COVID-19. In addition, Shivakoti (2019) opine the tourism and hotel industry in Nepal suffered a huge setback with huge direct and indirect job losses in the tourism and hotel sectors. In addition, Ulak (2020) is of the view that the tourism and hospitality industry in Nepal was severely affected by COVID-19, leading to a spillover effect on the socio-cultural structure and psychology of employees these sectors.

From a gender perspective, COVID-19, Seddighi (2020) opined that the COVID-19 pandemic affected men and women differently like female employees were more continuance committed (hoping to stay in same hotel and not get fired) as compared to male employees as they fear not getting job or other economic activities if they lose jobs (Seddighi, 2020). Second, the impacts of COVID-19 vary among employees for different job positions. In this line of thought, Wong et al. (2021) that employees at the managerial level in the hotel industry reported higher levels of job satisfaction, organizational commitment, well-being, and pro-social behavior compared to entry-level and supervisory employees. Employees were impacted differently based on their work experience in the hotel industry, and, young and less experienced workers were hard hit by COVID-19 (Weber & Newhouse, 2021).

It is noticed that the COVID-19 pandemic has impacted adversely to the hotel industry in Nepal. Although, there have been studies on the impact of COVID-19 on the hotel sector in Nepal but little attention has been given to the impact on employees working in five-star hotels. Thus, the main objective of this study is to examine the financial and psychological impact of COVID-19 on employees of five-star hotels in Kathmandu. Furthermore, this study explores the impact of COVID-19 on hotel employees based on gender, years of experience, and job position held. To achieve this objective, this study implied Stimulus-organism-response model.

This study is carried out to analyze the financial and psychological impact of COVID-19 on hotel employee in Kathmandu. The finding of this study will present the challenges faced by the economically hard hit hotel sector by COVID-19. Likewise, the result of this study can highlight the importance of providing motivation and counseling for hotel employee. Similarly, this study will shed light on creating the culture of preparedness for future crisis. In line with this, policy maker can understand the importance of recovery strategy of one of the important pillar of economy of Nepal i.e. hotel sector.

Literature review

Hotel industry was one of the sectors which were impacted by COVID-19 economically. This forced hotels to close their business (Bartik et al., 2020). As a result, many hotel employees loss their jobs. The study of Nichola et al. (2020) claimed that more than 50 millions hospitality jobs were at risk due to COVID-19. Godinic et al. (2020) made similar claim that many hotel employees lost their job due to the impact of COVID-19 on hotel industry: many hospitality jobs were at risk which was proved by the study. This has lead to financial and mental stress among hotel employees.

Mehta and Sharma (2021) affirmed that COVID-19 created the destructive effect on the socio-economic sustainability of hotel industry in India. Similarly, Yan et al. (2021) claimed that job satisfaction was lessen among hotel employees due to COVID-19. Likewise, Abbas et al. (2021) showed the psycho-economic impact of COVID-19 on hotels' employees of Pakistan. They claimed that job uncertainties reduced the self-esteem and increased the economic hardship among the employees. Furthermore, Bajrami et al. (2021) pictured out the job uncertainties due to COVID-19 decreased the job satisfaction. Also, the study of Yan et al. (2021) claimed that the hotel employee survivors from COVID-19 caused COVID-19 related anxiety.

Stimulus-organism-response (SOR) model

Stimulus-organism-response (SOR) Model explains how environmental stimulus (S) produces the rational and emotional reaction from organism (O) and develops the behavior response (R) (Kani et al., 2017; Mehrabian & Russel, 1974). Kim et al. (2018) and Su and Swanson (2017) used the stimulus-organism-response (SOR) model in the hospitality industry to examine emotional and environmental factors affecting employees' performance.

According to SOR model, the psychological and emotional stability of an individual is influenced by sudden changes in environment which leads to the change in behavior of that individual (Donovan & Rossister, 1982). The SOR model was used by Pandita et al. (2021) to understand the psychological impact of COVID-19 crisis on students. Similarly, this study used the SOR model to understand the impact of COVID-19 on hotel employees.

In order to implement SOR, this study set COVID-19 as an environmental stimulus that can cause psychological (mental health issues included) among hotel employees. The job insecurity and salary reduction based on the perception of hotel employees developed by COVID-19 were treated as rational and emotional reactions (organism). Because of the perception of job insecurity and salary reduction, the hotel employee suffering from mental health issue is treated as behavior response. In the study of Pandita et al. (2021) similar to this study, COVID-19 pandemic was taken as stimulus, internal emotional response was taken as organism, and student's behavior outcome was taken as response. Similarly, Yin et al. (2021) also used this theory to explore the impact of COVID-19 on turnover intention of hotel employees. Thus, this study explores the impact of COVID-19 on economic and psychological impact based on the SOR model.

Methodology

The respondents for this study were five star hotels' employees working in different job positions in Kathmandu. The data is collected by researcher primarily. Data are statistical in nature. This study applied quantitative approach following the post-positivist philosophy guided by SOR model. The post positivist paradigm adopts a deterministic approach to study the relationship between cause and effect, and follows quantitative approach (Creswell, 2009). As Creswell (2009) suggested that survey approach is non-experimental method which is useful approach for quantitative methodology, the researcher collected the data using same method.

The researcher visited all the six five star hotel. With consulting human resource department of each hotel, the population was 1921 for this study. This study at first implemented the Cochran's formula for unlimited suggested by Israel (2009) which is $n_0 = \frac{Z^2 pq}{p^2}$ Where, n_0 =sample size; p =estimated proportion of success. Similarly, the value of p is 0.5 which ensures maximum sample size (Krejcie & Morgan, 1970). Thus, the value of q ($1-p$) is 0.5. For 95% confidence interval, the value of Z is 1.96. Putting all these values, the value of n_0 is estimated to be 97. Bartlett et al. (2001) suggested that if the value of sample estimated above is equal or more than 5% of the population, Cochran's formula can be corrected with known population using formula $n = \frac{n_0 N}{n_0 + N - n_0}$, where n_0 =sample size without finite population correction factor; n =corrected sample size; N = total population which was 1921 for this study. Putting all the values, this study estimated the sample size of 92. This study applied proportionate sampling process. The proportionate of employees of each hotel is shown in Table 1.

Table 1: Proportionate of employees

Hotel	Percentage of employees	Frequency
Hotel 1	18.80	18
Hotel 2	18.20	17
Hotel 3	14.90	13
Hotel 4	15.30	14
Hotel 5	23.40	21
Hotel 6	9.40	9
Total	100	92

In order to collect data self-constructed questionnaire was sent to respondents for survey purposes. At first, the human resource manager was contacted via telephone for permission to collect the data. However, the human resource manager of six hotels only allowed us to collect data. Then, researchers went to each hotels that provided consent to collect data. Thus, the respondents from six five-star hotels (Out of 10 hotels) responded to the survey. Researchers collected data proportionately from employees of each hotel as shown by Table 1. The Cronbach alpha was calculated as 0.567. This suggests questionnaire was moderately reliable (Ekolu & Quainoo, 2019). To check validity, researchers checked content validity, construct validity, and criterion validity as suggested by Cohen et al. (2007). To ensure construct validity, the questionnaire was created using previous literature. To ensure construct validity, this study used the theoretical lens of SOR. And criterion validity is ensured by comparing results with similar kinds of previous studies. The number of employees for data collection from each hotel is explained in the result section of this study.

Statistical Package for Social Science (SPSS) version 25 was used for the data analysis. The study examined the economic and psychological impact of COVID-19 on hotel employees using descriptive statistics (mean value) to summarize the data. Furthermore, the study employed t-test (for control variables with two groups) and ANOVA (for control variables with more than two groups) to explore the impact of COVID-19 on hotel employees based on gender, age, years of experience, and position.

For ethical considerations, researchers followed three tenets suggested by Gallardo (2012). They are respect for personal informed consent, non-maleficence and beneficence, and justice. With respect to personal informed consent, researchers provided enough information regarding the survey and took consent to participants in the survey voluntarily. Similarly, researchers did not disclose the name of the hotels and did not ask names and email address of participants. Likewise, for non-maleficence and beneficence, researchers did not harm anyone during the survey and did not provide any kind of benefits for participating in the survey. Finally, for justice, every participant was treated equally irrespective of age, gender, ethnicity, and position.

Results

At first, this section presented the distribution of data according to control variables or demographic variables.

Distribution of respondents

The researchers collected the data through random sampling from six five-star hotels located in Kathmandu. Table 1 above shows the name of the five-star hotels and the number of the respondent from each five-star hotels.

Table 1 shows the maximum respondents are from Hotel5 and minimum number of respondents is from Hotel 6.

Similarly, the characteristics of respondents collected from the questionnaire indicate that majority of respondents were male (69.6%) compared to their female counterparts (30.4%). The distribution of respondents based on gender is shown in Table 2.

Table 2: Distribution of respondents based on gender

Gender	Frequency	Percent
Male	64	69.6
Female	28	30.4
Total	92	100

Own work

Furthermore, respondents belong to different age groups which are shown in Table 3 from different five-star hotels in Kathmandu.

Table 3: Age group of respondents

Age Group	Frequency	Percent
Less than or equal to 25 years	29	31.5
From 26 to 35 years	55	59.8
From 36 and above	8	8.6
Total	92	100

Own work

From Table 3, most of the respondents were aged between 26 years to 35 years. The total number of respondents in this age group was 54. Likewise, the least number of respondents belongs to age group between 36 years and above with 8 respondents.

In addition, Table 4 presents the different job positions of the respondents from the different hotels.

Table 4: Job position of the respondents

Designation	Frequency	Percent
Staff	58	63
Supervisor	29	31.5
Head of Department	5	5.4
Total	92	100

Own work

Table 4: Presents that the majority of respondents were in the position of staff.

Besides, Table 5 includes the year of working experience in the hotel industry among the respondents.

Table 5: Year of experience of the respondents

Experience	Frequency	Percent
<5 yrs	64	68.9
6 yrs - 10 yrs	16	17.8
11 yrs – 15 yrs	10	10.0
16yrs<	2	3.3
Total	92	100.0

Own work

Table 5 indicates most of the respondents have working experience of less than 5 years. Very few respondents have more than 16 years of experience. The next section discusses about the financial and psychological impact on five-star hotels’ employees during COVID-19.

Financial impact on five-star hotel employees

To measure the financial impact on five-star hotel employees, researchers administrated a a five-point Likert scale, where 1 represented strongly agree and 5 represented strongly disagree. Thus, the lower mean value of each item for financial impact represents employees who were financially impacted by COVID-19. Table 6 shows the 5 items and their mean value.

Table 6: Financial impact on five-star hotels’ employees

Items	Mean Value	SD
I have Shifted my hotel during COVID-19.	3.09	1.39
The daily work schedule was affected during COVID-19.	1.64	0.80
Hotel shut down some part of its facilities during COVID-19.	1.40	0.56
The working hour was affected during COVID-19.	1.43	0.76
Salary was reduced by some percentage during COVID-19.	1.55	0.92

Note. Five-point Likert scale questions

From the Table 6, the majority of the five-star employees agreed that their daily work-schedule was affected during COVID-19. Likewise, they agreed that hotels have closed some part of its facilities and their working hour was affected. Finally, the majority of the five-star employees agreed that their salary was reduced by some percentage during COVID-19. However, table 6 shows employees were somehow reluctant to change hotels during COVID-19. The financial impact may lead to psychological impact among five-star hotel employees.

Psychological impact on five-star hotel employees

In order to measure the psychological impact on five-star hotel employees, researchers asked five questions with a five-point Likert scale, where 1 represented strongly agree and 5 represented strongly disagree. Thus, a lower mean value means the respondent agrees on the items. Table 7 shows the psychological impact on five-star hotels’ employees.

Table 7: Psychological impact on five-star hotels’ employees

Items	Mean Value	SD
Mental health was affected during COVID-19.	1.85	0.84
I felt my job was secured than other works during COVID-19.	2.86	1.39
Family relationship was affected during COVID-19.	2.64	1.65
I felt my profession is good during COVID-19.	2.80	1.18
I have learnt that I need to be financial prepared to cope up with such types of pandemics from this COVID-19,	1.19	0.45

Note. Five-point Likert scale questions

From Table 7, the majority of respondents agreed that COVID-19 affected their mental health and family life. However, they also felt that their job was secured and felt good about their profession during COVID-19. Findings above show that employees were financially impacted during COVID-19. As a result, Table 7 shows that they learnt to be financially prepared for the crisis like COVID-19 pandemic. Next section revealed the impact of control variables on financial and psychological impact.

Influence of demographic variables on financial and psychological impact

For t-test and ANOVA, the four assumptions need to be fulfilled (Hanneman et al., 2012). They are i) data must be continuous, ii) data must be random and independent, iii) normality of dependent variables, and iv) presence of homoscedasticity. Data was collected using 5 likert scale questionnaire, this ensure assumption 1. Data was collected randomly using proportionate sampling, this ensures assumption 2. For assumption 3, Kurtosis and skewness value was calculated. The skewness and kurtosis of financial impact are 0.728 and 0.374 respectively. Similarly, the skewness and kurtosis of psychological impact are 0.187 and 0.956 respectively. This ensures the assumption 3. According to George and Mallery (2016),

the Skewness and Kurtosis value within ± 1 is highly acceptable for data normality. For the fourth assumptions, researchers conducted Levene’s test for equal variance. The Table 8 shows the result for Levene’s test.

Table 8: Leven’s equal variance test

Attributes	Levene Statistics	Df	Sig.
Financial Impact			
Position	1.639	89	0.200
Gender	0.040	90	0.842
Experience	1.318	88	0.274
Psychological Impact			
Position	2.346	89	0.199
Gender	3.994	90	0.059
Experience	4.433	88	0.060

Own work

From Table 8, under financial impact: position, gender, and experience fulfill the presence of homoscedasticity ($p>0.05$). Similarly, under psychological impact, position, gender, and experience fulfill the presence of homoscedasticity ($p>0.05$).

Gender difference on financial and psychological impact of COVID-19

To check gender differences on financial and psychological impact of COVID-19, the researchers performed the t-test .Table 9 shows the result of the independent sample t-test for gender with financial impact and psychological impact.

Table 9: Financial impact and psychological impact across gender

Variables	Gender Types	N	t-value	Sig. (two-tailed)
Financial impact	Male	64	-1.811	0.071
	Female	28		
Psychological Impact	Male	64	-2.709	0.008
	Female	28		

Equal variances assumed

The result of the independent sample t-test from Table 9shows that there is no significant statistical mean difference ($t=-0.948, p>0.05$) in financial impact among gender of five-star hotels employees in Kathmandu. However, there isa significant statistical mean difference ($t=-0.128, p<0.05$) in psychological impact among gender of five-star hotels’ employees in Kathmandu.

Job position difference on financial and psychological impact of COVID-19

To check job-position differences on the financial and psychological impact of COVID-19 the ANOVA was performed. The result of one-way ANOVA for a position with financial impact and psychological impact is shown in Table 10.

Table 10: Financial impact and psychological impact across job position

Variables	F	Sig.
Financial Impact	1.081	0.373
Psychological Impact	13.873	0.000

Own work

From Table 10, the result of one-way ANOVA reveals that there is no statistical difference in financial impact ($F=0.997, p>0.05$). However, there is a statistical difference in psychological impact ($F=13.839, p<0.05$). Post hoc analyses were conducted using Tukey’s post-hoc test for psychological impact using honest significant difference (HSD). The result of Tukey’s post hoc test for psychological impact is in Table 11.

Table 11: Post Hoc test for multiple comparison^{ab}

(I) Position	(J) Position	Mean Difference (I-J)	Sig.
Staff	Supervisor	.32069*	0.034
	Head of Department	-1.12621*	0.000
Supervisor	Staff	-0.32069*	0.034
	Head of Department	-1.44690*	0.000
Head of Department	Staff	1.12621*	0.000
	Supervisor	1.44690*	0.000

*. The mean difference is significant at the level 0.05 level. MD= Mean Difference

a. Dependent variable: Psychological Impact

Table 11 above revealed the result of the Tuckey test with multiple comparisons to assess the difference between groups is statistically significant or not. The result of the test shows that all the comparisons are statistically significant ($p<0.05$). Hence, the result suggested that the designation of employees influences their corresponding psychological impact.

Experience differences on financial and psychological impact

To check gender differences in the financial and psychological impact of COVID-19, one-way ANOVA was performed. The result of one-way ANOVA for a position with financial impact and psychological impact is shown in Table 12.

Table 12: Financial impact and psychological impact across job experience

Variables	F	Sig.
Financial Impact	3.710	0.015
Psychological Impact	1.769	0.159

Own Work

From the table 12, the result of one-way ANOVA reveals that there is statistical difference in financial impact ($F=3.713, p<0.05$). However, there is no statistical difference in psychological impact ($F=1.663, p>0.05$).

Post hoc analyses were conducted using Tukey’s post-hoc test for financial impact using honest significant difference (HSD). The result of Tukey’s post hoc test for financial impact is shown Table 13.

Table 13: Post Hoc test for multiple comparison^{ab}

(I) Year of Experience	(J) Year of Experience	Mean Difference (I-J)	Sig.
< 5 Years	6 years-10 years	0.03125	0.995
	11 years -15 years	0.37625	0.093
	>15 years	-0.74375	0.130
6 years-10 years	< 5 years	-0.03125	0.995
	11 years-15 years	0.34500	0.270
	>15 years	-0.77500	0.131
11 years-15 years	< 5 years	-0.37625	0.093
	6 years-10 years	-0.34500	0.270
	>15 years	-1.12000*	0.014
>15 years	< 5 years	0.74357	0.130
	6 years-10 years	0.77500	0.131
	11 years-15 years	1.12000*	0.014

*. The mean difference is significant at the level 0.05 level. MD= Mean Difference

Dependent variable: Financial Impact

Table 13 revealed the result of Tuckey test with multiple comparisons to assess if the difference between groups is statistically significant. The result showed that there is a significant difference in financial impact among employees having experiences ranging between 11-15 years compared to employees having more than 15 years of experience ($p<0.05$). The result of the test showed that all the other comparisons are statistically insignificant ($p>0.05$).

Discussion

Similar to the SOR (Stimulus-Organism-Response) theory, this study also revealed that the COVID-19 pandemic had a financial impact on a five-star hotel in Kathmandu, which in turn led to psychological effects among its employees.

The hotels were forced to close their business which led to the reduction of working hours and the daily schedule was also disturbed during COVID-19. Aligning with this the study of Harvie et al. (2022) also claimed that there was a salary reduction of Hotel employees in the Greater Accra region of Ghana. They claimed that 80% of their respondents had suffered from reduced salaries and altered work schedules and working hours. The hotel sector employees were also financially impacted due to job loss during COVID-19 which was also the claim of many studies across the world. In this regard, the study by Godinic et al. (2020) also alleged that many hotel employees lost their job due to the impact of COVID-19. Likewise, many hospitality jobs were at risk. The study by Nichola et al. (2020) stated more than 50 million hospitality jobs around the world were at risk due to the pandemic. In a similar line, the study made by Khatiwada et al. (2021) asserted that tourism was one of the highly affected businesses leading to the closure of a high number of hospitality businesses and employment loss in Pokhara Nepal. To add more, the study of Shivakoti (2019) asserted that tourism and hotel industry in Nepal faced significant challenges, resulting in extensive direct and indirect job losses these sectors. Thus, the findings of this study highlighted the financial impact of COVID 19 on hotel employs, which is in line with previous studies.

As financial impact causes psychological impact i.e. mental health issues, similar was the finding of this study. The study revealed that five-star hotel employees were psychologically impacted due to COVID-19 which was a similar claim to the previous study. Mehta and Sharma (2021) affirmed that COVID-19 created a destructive effect on the socio-economic sustainability of the hotel industry in India. Similarly, Yan et al. (2021) claimed that job satisfaction was lessened among hotel employees due to COVID-19. Likewise, Abbas et al. (2021) showed the psycho-economic impact of COVID-19 on hotels employees of Pakistan. They claimed that job uncertainties reduced self-esteem and increased economic hardship among employees. Furthermore, Bajrami et al. (2021) pictured that job uncertainties due to COVID-19 decreased job satisfaction. Also, the study by Yan et al. (2021) claimed that the hotel employee survivors from COVID-19 caused COVID-19-related anxiety. Thus, the major findings of this study are consistent with the findings of many researchers. However, as claimed by other researchers that job satisfaction decreased due to COVID-19, this study figured out that five-star hotel employees were happy with their hotels and felt that their job was secured.

Similar to the findings of Seddighi (2020) and Chanana (2021), this study also found gender difference in impact of COVID-19 on hotel employees. Epidemiological studies suggesting women develop higher level of anxiety symptoms (Lim et al., 2018). Women develop more negative emotions compared to men. This was also suggested by the biopsychosocial model

developed by Chaplin (2015). Further, this study found that impact of COVID-19 differs according to the job position as suggested by Wong et al. (2021). Finally, this study found that the impact of COVID-19 differs across work experience in current hotels as suggested by Weber and Newhouse (2021).

Conclusion

In conclusion, the tourism and hospitality sector was one of the hardest hit sectors due to COVID-19. COVID-19 pandemic has adversely affected hotel sector socially, psychologically, socio-economically, and culturally. The hotel sector will suffer the impact of COVID-19 for a longer period. Due to travel and mobility restrictions many hotels were fully closed or could not operate at their full potential. Thus, they were forced to cut the employees and altered the working schedules and working hours. This has caused huge employment losses in hotel sectors around the world including Nepal. Because of the job cut and altered work schedules, many hotel employees were financially impacted. This leads to psychological impact like mental health issues among hotel employees. The impact of COVID-19 is seen differently across gender, job position, and number of years working in a hotel.

Recommendations

The hotel industry must learn from the pandemic of COVID-19. Most of the hotels suffered financially during COVID-19. So, one of the recommendations for the hotel sector is to create an emergency fund from their profits from now onwards to operate their business in a crisis situation like COVID-19. This will help them to sustain during situations like pandemic. Likewise, the findings of this study might be helpful for employees of the hotel sector to save money for events like the pandemic. Similarly, the hospitality sector must provide counseling and training for their staff regularly to be prepared for future crisis. This makes them mentally strong and adjusts to the crisis. Hotel sectors should invest in research on COVID-19 and other diseases in order to mitigate the future impact of the crisis.

References

- Abbas, J., Mubeen, R., LoreMBER, P. T., Raza, S., & Mamirkulova, G. (2021). Exploring the impact of COVID-19 on tourism: transformational potential and implications for a sustainable recovery of the travel and leisure industry. *Current Research in Behavioural Science*, 2. <https://doi.org/10.1016/j.crbeha.2021.100033>
- Bajrami, D. D., Terzić, A., Petrović, M. D., Radovanović, M., Tretiakova, T. N., & Hadoud, A. (2021). Will we have the same employees in hospitality after all? The impact of COVID-19 on employees' work attitudes and turnover intentions. *International Journal of Hospitality Management*, 94, 102754.
- Bartik, A. W., Bertrand, M., Cullen, Z. B., Glaeser, E. L., Luca, M., & Stanton, C. T. (2020). *How are small businesses adjusting to COVID-19? Early evidence from a survey* (No. w26989). National Bureau of Economic Research.

- Basnyat, S., & Sharma, S. (2021). Effects of COVID-19 crisis on small and medium sized hotel operators: insights from Nepal.
- Chanana, N. (2021). The impact of COVID-19 pandemic on employees organizational commitment and job satisfaction in reference to gender difference. *Journal of Public Affairs*, 21(4). <https://doi.org/10.1002/pa.2695>
- Cohen, L., Manion, L., & Morrison K. (2007). *Research methods in education* (6th ed.). Routledge.
- Chaplin, T. M. (2015). Gender and emotion expression: a developmental contextual perspective. *Emot, Rev*, 7,14-21. <https://doi.org/10.1177/1754073914544408>
- Creswell, J. W. (2009). *Research design: Qualitative, quantitative and mixed methods approaches* (3rd ed.). Sage.
- Donovan, R. J., & Rositter, J. R. (1982). Store atmosphere; an Environmental Psychology Approach” journal of Retailing, vol. 58. *Journal of Business & Management*, 4(6), 22-39.
- Ekolu, S. O., & Quainoo, H. (2019). Reliability of assessments in engineering education using Cronbach's alpha, KR, and split-half methods. *Global Journal of Engineering Education*, 21. <http://www.wiete.com.au/journals/GJEE/Publish/vol21no1/03-Ekolu-S.pdf>
- Fang, J., Collins, A., & Yao, S. (2021). On the global COVID-19 pandemic and China's FDI. *Journal of Asian Economics*, 74. <https://doi.org/10.1016/j.asieco.2021.101300>
- Gallardo, D. (2012). *Understanding research ethics from Davis Gallardo's straight talk about communication research methods* (2nd ed.). Kendall Hunt.
- George, D., & Mallery, P. (2016). *IBM SPSS statistics 23 step by step: A simple guide and reference*. Routledge.
- Godinic, D., Obrenovic, B., & Khudaykulov, A. (2020). Effects of economic uncertainty on mental health in the COVID-19 pandemic context: Social identity disturbance, job uncertainty and psychological well-being model. *International Journal of Innovation and Economic Development*, 6(1), 61-74.
- Haider, I. L., Tiwana, F., & Tahir, S. M. (2020). Impact of the COVID-19 Pandemic on Adult Mental Health. *Pakistan Journal of Medical Sciences*. 10.12669/pjms.36.COVID19-S4.2756
- Hervie, D. M., Amoako-Atta, E., Hossain, M. B., & Illes, C. B. (2022). Impact of COVID-19 pandemic on hotel employees in the Greater Accra region of Ghana. *Sustainability*, 14. <https://doi.org/10.3390/su14052509>
- Kani, Y., Aziz, Y., Sambasivan, M., & Bojei, J. (2017). Antecedents and outcomes of destination image of Malaysia. *Journal of Hospitality and Tourism Management*, 32, 89-98.
- Khatiawada, S. S., Sharma, R., & Ranabhat, S. (2021). Impact of COVID-19 on Tourism

- business in Pokhara, Nepal. *Janapriya Journal of Interdisciplinary Studies*. <https://www.nepjol.info/index.php/JJIS/article/view/42617/32452>
- Kim, M. J., Lee, C. K., & Jung, T. (2018). Exploring consumer behavior in virtual reality tourism using an extended stimulus-organism-response model. *Journal of Travel Research*, 59(1), 69-89.
- Levine, L., Kay, A., & Shapiro, E. (2022). The anxiety of not knowing: diagnosis uncertainty about COVID-19. *Current Psychology*. <https://doi.org/10.1007/s12144-022-02783-y>
- Lim, G. Y., Tam, W. W., Lu, Y., Ho, C. S., Zhang, M. W., & Ho, R. C. (2018). Prevalence of depression in the community from 30 countries between 1994 and 2014. *Sci. Rep.*8. <https://doi.org/10.1038/s41598-018-21243-x>
- Mehrabain, A., & Russell, J. A. (1974). *An approach of environmental psychology*. The MIT Press.
- Mehta, K., & Sharma, S. (2021). Analyzing employee perspectives on the impact of COVID-19 on sustainable practices: A study of five-star hotels in India. *Worldwide Hospitality and Tourism Themes*, 13(5), 636-645.
- Majumdar, R. (2021) Surviving and growing in the post-COVID world: the case of Indian hotels. *Worldwide Hospitality and Tourism Themes* 13(5): 584–598.
- Nicola, M., Alsafi, Z., Sohrabi, C., Kerwan, A., Al Jabir, A., Iosifidis, C., Agha, M., & Agha, R. (2020). The socio-economic implications of the coronavirus pandemic (COVID-19): A review. *International Journal of Surgery*, 78, 185-193.
- Pal, I., Shaw, R., & Dhungana, G. (2022). COVID-19 pandemic, global spread, issues, and challenges. In I. Pal & R. Shaw (Eds.), *Pandemic Risk, Response, and Resilience* (pp. 3–12). Elsevier. <https://doi.org/10.1016/B978-0-323-99277-0.00021-8>
- Pandita, S., Mishra, H. G., & Chib, S. (2020). Psychological impact of COVID-19 crisis on students through the lens of Stimulus-Organism-Response (SOR) model. *Child Youth Serv. Rev.* 10.1016/j.chilyouth.2020.105783
- Seddighi, H. (2021). COVID-19 as a natural disaster: Focusing for exposure and vulnerability for responses. *Disaster Med. Public Health Prep*, 14, 42-43. <https://doi.org/10.1017/dmp.2020.279>
- Shivakoti, A. (2021). Impact of COVID-19 on Tourism in Nepal. *The Gaze Journal of Tourism and Hospitality*, 12 (1),1-22. <https://www.nepjol.info/index.php/GAZE/article/view/35674>
- Shrestha, A. (2021, December 2020). *The impact of the pandemic on the hospitality and tourism sector, and its recovery*. Nepal Economic Forum. <https://nepaleconomicforum.org/the-impact-of-the-pandemic-on-the-hospitality-and-tourism-sector-and-its-recovery/>

- Ulak, N.(2020). COVID-19 pandemic and its impact on tourism industry in Nepal. *Journal of Tourism and Adventure*,3 (1),50-75
- Weber, M. & Newhouse, D. (2021, September 23). *These types of workers were most impacted by the COVID-19 pandemic*. World Bank Blogs. <https://blogs.worldbank.org/jobs/these-types-workers-were-most-impacted-covid-19-pandemic>
- Wong, A. K. F., Sim, S., Kim, J, & Han, H. (2021). How the COVID-19 pandemic affected hotel employees stress: Employee perceptions of occupational stressors and their consequences. *International Journal of Hospitality Management*, 93.<https://doi.org/10.1016/j.ijhm.2020.102798>
- Woods, E. C., Schertzer, R., Greenfeld, L., Hughes, C., & Miller-Idriss, C. (2020). COVID-19, nationalism, and the politics of crisis: A scholarly exchange. *Nations and Nationalism*, 1-19. <https://doi.org/10.1111/nana.12644>
- World Bank (2021, October 8).*COVID-19 impact on Nepal's economy hits hardest informal sector*. World Bank. <https://shorturl.at/BFOQW>
- Yin, J., Bi, Y., & Ni,Y. (2022). The impact of COVID-19 on turnover intention among hotel employees: a moderated mediation model. *Journal of Hospitality and Tourism Management*, 51, 539-549.