



Effectiveness of HRD in Hospitality Industry A Study of Selected Hotels in Andhra Pradesh, India.

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Abstract

This paper reviews the literature in the area of Human Resource Development of Hotels in Hospitality Industry. The survey conducted on both the male and female employees of top five organizations in Andhra Pradesh, India. In the analysis part, SPSS 17 version used to understand the HRD mechanism from the organizations, for this some statistical tools were applied simple frequency, percentages on Socio-economic variables and to hypothesis testing for how the employees are getting support from HRD, with one way Analysis of Variance (ANOVA), F-test, reliability test and t-Test. The study identified that Hospitality Industry support from HRD, due to improper implementation of HRD mechanism. Due to global competition, clients expect best hospitality from this industry. The industry recruits more manpower in this era and providing nominal HRD mechanism.

Key Words:HRD mechanism, SPSS, global competition, clients.

1 INTRODUCTION

Human Resources have been and will be the most important of all resources. From the ages, kings and politicians have ruled but only those have succeeded who have tactfully used their available resources. Developing human resources regarding their skills and intending their knowledge and competencies world lead to organizational development. Therefore, human resource development is the key to enhancing and effective utilization of intellectual technological and entrepreneurial skills of human resource.

HUMAN DEVELOPMENT REPORT 2010: UNDP on November 4, 2010 released its 20th human development report with the theme “The real wealth of nations: Pathways to Human Development”. According to this human development report 2010, India is one of the fastest progressing countries in the world in terms of its exponential economic growth. India has been classified in the medium human development category, placed at 119th rank out of 169 countries.

Manpower requirement for hotels is on the rise. Star hotels require specialized trained staff for their various departments: food and beverage, housekeeping, accounting, marketing, recreation and other services, computer applications, financial management, engineering, maintenance, security fire fighting and public relations. These jobs have become increasingly challenging and in recent times.

Human Resource Development (HRD) is the integrated use of training, organization and career development efforts to improve individual, group and organizational effectiveness. HRD develops the key competencies that enable individuals in organizations to perform current and future jobs through planned learning activities. Groups within organizations use HRD to initiate and manage change.

2 REVIEW OF LITERATURE

In 1982, **T.V. Rao** conducted a survey of HRD practices in Indian Industries. The survey indicated by and large a positive trend in the use of open appraisal system, improving the training function, taking up organization development and using employee counseling. However, no major breakthroughs were reported in potential appraisal and development, reward administration and promotion decisions. Only 17 out of 53 companies had formal policy focusing on HRD. All in all, HRD appeared to becoming a significant aspect of work life in many organizations.

Michelle Reynolds, 1993, the hospitality industry revolves around people: guests and the employees serving them. Combined with the fact that hospitality is highly competitive and fast-paced, it's no wonder human resources departments encounter myriad problems on a daily basis. The good news: HR can mitigate many challenging issues through preventative measures. Add leadership and employee appreciation, and you can keep problems in hospitality to a minimum.

Philip Lye, 2007, Many businesses in the hospitality industry - both small and large have difficulty in understanding their human resource and employment relations obligations whichever country or countries they operate in!. This is understandable given the raft of legislation and regulations governing (drowning) the employment environment in which governments seem to revel in. The hospitality industry is certainly no exception and in many cases is more complex than the average business. It has been reliably estimated that 75% of businesses do not have an employee agreements and employment related policies & procedures. In the event of a dispute the law will decide for you and this almost always goes against you, the employer.

3 OBJECTIVES

To assess the overall effectiveness of HRD strategies in view of employees in the hospitality industry

4 METHODOLOGY

The sample survey conducted on employees of Hotels in Hospitality Industry, Andhra Pradesh, India. The survey conducted on both the male and female employees of top five organizations with 842 respondents. Among 842, 200 are female respondents and 642 are male respondents. A structured Questionnaire used to collect data, in that to measure the attitude of respondents used Likert five point rating scale with Very poor to Very good and in depth interview was conducted on some of these respondents to understand the HRD mechanism. A non-probability convenience sampling techniques was adapted to selected sample from the population.

In the analysis part, SPSS 17 version used to understand the effectiveness of HRD in hospitality industry for this some statistical tools were applied like simple frequency, percentages of socio-economic variables and hypothesis testing for dependent variables with selected independent variables by using one way Analysis of Variance (ANOVA) and t-test at 5% level of Significance.

5 ANALYSIS AND INTERPRETATION

The selected HRD variables has been analyzed through the statistical techniques factor analysis, mean, SD, variable wise frequency and percentage, t-test and ANOVA.

5.1 RELIABILITY

The central assumption of reliability theory is that measurement errors are essentially random. This does not mean that errors arise from random processes. For any individual, an error in measurement is not a completely random event. However, across a large number of individuals, the causes of measurement error are assumed to be so varied that measure errors act as random variables.

Table 5.1a: Reliability Statistics

Cronbach's Alpha	N of Items
.815	5

The reliability value 0.815 that is close to '1' then all the selected five variables reliable and support to Physical & Emotional related variables. A useful property of the standard deviation is that, unlike the variance, it is expressed in the same units as the data. There are also other measures of deviation from the norm, including mean absolute deviation, which provide different mathematical properties from standard deviation.

In addition to expressing the variability of a population, the standard deviation used commonly to measure confidence in statistical conclusions.

Table 5.1b: Item Statistics

	Mean	Std. Deviation	N
How is HRD in your organization?	4.28	.943	842
Do you believe your organization make proper manpower planning?	4.09	1.208	842
Does your organization follow scientific recruitment and selection procedure?	4.20	1.032	842
Are you happy with your present wage structure?	4.50	.806	842
Does your organization provide employee counseling?	4.36	.911	842

The above **Table 5.1b** reveals that all the variables mean values are closely 4 and above three it indicates majority of the respondents are at agreed level on the 5 variables. And its standard deviation value is closely one it indicates based on their socio economic attributes their opinion varies on selected 842 sample size.

The information about the precision of the mean we obtained. One can obtain this by determining the standard deviation of the sampled mean. Assuming statistical independence of the values in the sample, the standard deviation of the mean is related to the standard deviation of the distribution;

Table 5.1c: Scale Statistics

Mean	Variance	Std. Deviation	N of Items
21.44	14.058	3.749	5

The above **Table 5.1c**, reveals that the combined mean, variance and standard deviation of the all the selected five variables under the Physical & Emotional related variables. The combined mean is 21.44 and moderate standard deviation is 3.7.

5.2 FREQUENCY TABLE

5.2.1 HRD IN WORKING ORGANIZATION

HRD may be defined as a continuous process to ensure the development of employee competencies, dynamism, motivation and effectiveness in a systematic and planned way. Researcher interest is to identify the strength of the HRD policies in the present organization under study.

Table 5.2.1: How is HRD in your organization?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Very Poor	28	3.3	3.3	3.3
Poor	164	19.5	19.5	22.8
Average	231	27.4	27.4	50.2
Good	379	45.0	45.0	95.2
Very Good	40	4.8	4.8	100.0
Total	842	100.0	100.0	

Table 5.2.1 indicates that 45% of the employees in hotel industry expressed that HRD policies in their organization were good. 27.1% of the employees felt they are having average HRD policies. 19.5% of the employees felt that HRD policies are poor in their organization. Only 4.8% of the employees in hotel industry felt very good about GRD policies in their organization and only 3.3% of the employees felt that HRD policies are very poor in their organization. This is shown graphically in the above Figure 5.2.1

5.2.2 WORKING ORGANIZATION MAKE PROPER MANPOWER PLANNING

Planning for future manpower need, the organization needs various lands of skills and competency and it is necessary to develop a manpower planning system to ensure that proper personnel are procured for the organization when they are required.

Table 5.2.2.2: Do you believe your organization make proper manpower planning?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Very Poor	120	14.3	14.3	14.3
Poor	124	14.7	14.7	29.0
Average	256	30.4	30.4	59.4
Good	246	29.2	29.2	88.6
Very Good	96	11.4	11.4	100.0
Total	842	100.0	100.0	

Table 5.2.2 indicates that 30.4% of the employees in hotel industry expressed that man power planning is average in their organization. 29.2% of the employees felt that man power planning is good in their organization. 14.7% of the employees felt that man power planning is poor in their organization. 14.3% of the employees in hotel industry felt very poor about man power planning in their organization and only 11.4% of the employees felt that man power planning is very good in their organization. This is shown graphically in the above **Figure 5.2.2**

5.2.3 DOES YOUR ORGANIZATION FOLLOW SCIENTIFIC RECRUITMENT AND SELECTION PROCEDURE

The recruitment process began after determining the quality & quantity of human resource needed by the organization as developed from job analysis information, including job description, job specification , & skills inventory. Providing an organization with needed human resources, both in quality & quantity, is one of the most determining functions in management for the continuing success of any organization. For selection process to be successful, the qualification /job simplification/ that are believed necessary for effective performance on the job should be specified. The qualification required should be work related & comes from the job specifications developed as part of job analysis process. These work related qualifications are referred as criteria.

Table 5.2.3: Does your organization follow scientific recruitment and selection procedure?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Poor	40	4.8	4.8	4.8
	Poor	156	18.5	18.5	23.3
	Average	343	40.7	40.7	64.0
	Good	199	23.6	23.6	87.6
	Very Good	104	12.4	12.4	100.0
	Total	842	100.0	100.0	

Table 5.2.3 indicates that 40.7% of the employees in hotel industry expressed that recruitment and selection procedure in their organization is average. 23.6% of the employees felt that recruitment and selection procedure in their organization is good. 18.5% of the employees felt that recruitment and selection procedure poor in their organization. 12.4% of the employees in hotel industry felt very good about recruitment and selection procedure in their organization and only 4.8% of the employees felt that recruitment and selection procedure is very poor in their organization.

5.2.4 ARE YOU HAPPY WITH YOUR PRESENT WAGE STRUCTURE

It is concerned with securing adequate related to wage surveys, establishment of job classification, job descriptions and job analysis, merit ratings, the establishments of wage and wage structure, wage plans and policies of wage systems, incentives and profit sharing plans and policies of wage systems. To solve day to day problems and human needs salary or wages to be good.

Table 5.2.4: Are you happy with your present wage structure?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Poor	8	1.0	1.0	1.0
	Poor	84	10.0	10.0	10.9
	Average	288	34.2	34.2	45.1
	Good	402	47.7	47.7	92.9
	Very Good	60	7.1	7.1	100.0
	Total	842	100.0	100.0	

Table 5.2.4 indicates that 47.7% of the employees in hotel industry expressed that present wage structure in their organization is good. 34.2% of the employees felt that present wage structure in their organization is average. 10% of the employees felt that present wage structure is poor in their organization. 7.1% of the employees in hotel industry felt very good about present wage structure in their organization and only 1% of the employees felt that present wage structure is very poor in their organization. This is shown graphically in the above **Figure 5.2.4**

5.3 ANOVA

The essence of Analysis of Variance (ANOVA) is that the total amount of variation in a set of data is broken down into two types, that amount which can be attributed to change and that amount which can be attributed to specified causes. There may be variation between samples and within sample items. Through ANOVA technique one can, in general, investigate any number of factors, which are hypothesized or said to influence the dependent variable

Hypothesis testing Null Hypothesis H0: There is no significant effect of dependent variables on socio economic variable.

Alternate Hypothesis H1: There is significant effect of dependent variables on socio economic variable.

If $P\text{-value} > 0.05$, then Null hypothesis is accepted at 5% level of significance, i.e. not significant (NS). If, $P\text{-value} < 0.05$, then Null hypothesis is rejected at 5% level of significance, i.e. data is significant (S) and if $P\text{-value} < 0.01$, then Null hypothesis is rejected at 1% level of significance, i.e. data is highly significant (HS).

Applying one way ANOVA, to find the significant relation among the testable variables based on the objectives, the researcher identified the main objective of the impact of age on these variables.

Table 5.3.1: One Way Anova for Physical & Emotional Related Variables by Employee Sex

		Sum of Squares	df	Mean Square	F	p-value
How is HRD in your organization?	Between Groups	5.428	1	5.428	6.147	.013
	Within Groups	741.733	840	.883		
	Total	747.160	841			
Do you believe your organization make proper manpower planning?	Between Groups	4.290	1	4.290	2.946	.086
	Within Groups	1223.206	840	1.456		
	Total	1227.496	841			
Does your organization follow scientific recruitment and selection procedure?	Between Groups	1.044	1	1.044	.980	.323
	Within Groups	895.228	840	1.066		
	Total	896.272	841			
Are you happy with your present wage structure?	Between Groups	.907	1	.907	1.397	.238
	Within Groups	545.592	840	.650		
	Total	546.499	841			
Does your organization provide employee counseling?	Between Groups	.423	1	.423	.509	.476
	Within Groups	697.540	840	.830		
	Total	697.963	841			

Null Hypothesis H0: There is no significant effect of Physical & Emotional Related Variables by Employee Sex

Alternate Hypothesis H1: There is significant effect of Physical & Emotional Related Variables by Employee Sex

Above **Table 5.3.1** reveals that all variables p-values > 0.05 , except 1st variable, that is Null Hypothesis has been accepted at 5% of significance. Showing that there is no significant effect of Physical & Emotional Related on Employee Sex in hotel industry. That is male and female employees have same opinion on the four Physical & Emotional Related Variables. Whereas 1st variable p-value is < 0.05 , hence null hypothesis has been rejected and alternate hypothesis has been accepted at 5 % level of significance. i.e., male and female employees have different opinion on HRD.

Table 5.3.2: One Way Anova for Physical & Emotional Related Variables by Employee Age

		Sum of Squares	df	Mean Square	F	p-value
How is HRD in your organization?	Between Groups	9.282	3	3.094	3.514	.015
	Within Groups	737.878	838	.881		
	Total	747.160	841			
Do you believe your organization make proper manpower planning?	Between Groups	6.034	3	2.011	1.380	.248
	Within Groups	1221.463	838	1.458		
	Total	1227.496	841			
Does your organization follow scientific recruitment and selection procedure?	Between Groups	19.072	3	6.357	6.073	.001
	Within Groups	877.200	838	1.047		
	Total	896.272	841			
Are you happy with your present wage structure?	Between Groups	28.112	3	9.371	15.148	.001
	Within Groups	518.386	838	.619		
	Total	546.499	841			
Does your organization provide employee counseling?	Between Groups	27.207	3	9.069	11.330	.001
	Within Groups	670.757	838	.800		
	Total	697.963	841			

Null Hypothesis H0: There is no significant effect of Physical & Emotional Related Variables by Employee Age

Alternate Hypothesis H1: There is significant effect of Physical & Emotional Related Variables by Employee Age

Above **Table 5.3.2** reveals that all variables p-values < 0.05 except 2nd variable, that is Null Hypothesis has been rejected. Hence, **alternate hypothesis H1 is accepted at 5% level of significance** showing that there is significant effect of Physical & Emotional Related Variables on Employee Age in hotel industry. That is different levels of age group persons have different opinions on the four Physical & Emotional Related Variables.

But 2nd variable p-value .248 > 0.05, hence null hypothesis has been accepted at 5% level of significance, i.e., all the age group employees in hotel industry are with same opinion on 'Improper man power planning in the organization'.

6 Conclusion

The effectiveness of HRD in the hospitality industry is good, but individual variables specify that the one fourth of employees is not satisfied with the current HRD mechanism in the hotel Industry.

The HRD mechanism to be strengthens in the hotels of Andhra Pradesh, because half of the employees are with the opinion of average to very poor.

Due to global competition, clients expect best hospitality from this industry. The industry recruits more manpower in this era and providing nominal HRD mechanism. Hotel industry employees providing high level of hospitality to the tourist and customers but employees are getting moderate HRD mechanism.

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