A Study on the Operational Problems and Management of Human Resources in Hotel Industries in Tamil Nadu

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ABSTRACT

The Hotel Industry is one of the fastest growth sectors of the Indian economy its significant contribution is seen to be on an upward trends as evidenced in Tamil Nadu where international hotel chains are opening its branches to reap the market rewards from this competitive industry. The purpose of this research project was to examine the operational problems and management of Human Resources in the hotel industry of Tamil Nadu that influence the overall performance of the hospitality sector. These research findings suggested some appropriate hotel strategies that may enhance the operational and human resource management qualities of the industry.

INTRODUCTION

Hotel industry is the most important supportive industry to the vital Tourism Sector. Therefore, the growth of hotel industry is very closely associated with the growth of Tourism. Research studies have provided that atleast 60 percent of expenditure of tourist is on accommodation, and food and beverages, which are supplied by hotel industry and ascertaining its projected growth is very much significant. This is more pertinent as far as Tamil Nadu is concerned because the state is fast growing as a tourist centre. Hotel have long been an important element in the economics of many countries. Hotels are directly linked to and are integral part of many other economic activities. In particular the relationship between tourism and hotels is very crucial in understanding the role of hotels in the process of economic development of a state. Hotel industry is indispensable for the success of tourism. It is said, "no hotels, no tourism". The relationship between hotels and tourism can be expressed in two ways;

- Firstly Hotel Industry provides the basic ingredients of the total supply of the Tourism sector.
- Secondly the Bulk of Business demand of Hotel industry comes from Tourism.

Hotel Industry is an essential part of Tourism. The expansion of Tourism will inevitably bring about the development of the hotel industry. Hotel Industry is so closely linked with the tourist industry that it is responsible for about fifty percent of foreign exchange earnings from tourism. Thus hotels have major contributions to make towards trade and enterprise. The rising volume of the Tourist influx brought into light the shortage of hotels in important tourist centers. Keeping in view the changing standard in the International Hotel keeping, the industry has to make a number of improvements. It is not enough to have adequate hotel accommodation, it is equally necessary to have hotels at various levels low priced, moderately priced, highly priced and lastly a few luxury hotels. Hospitality may have four attributes which are that must have a relationship between individuals who take the roles of host or guest, this relationship maybe commercial or private (social), the keys to successful hospitality in both the commercial and private sectors include knowledge of what would evoke pleasure in the guest and hospitality as a process that includes arrival, providing comfort and fulfillment of guest's wishes, and departure. Tourism industries are not the same as other industries. It is because we provide services to the customer while some industries provide the tangible product. Hospitality and tourism cannot be separated as hospitality is the key to success in the tourism industry. This will be the importance of hospitality in relation to the tourism industry. An attempt has been made to analyze the Socio-Economic characteristics of sample Hotel proprietor in Chennai, Kanyakumari, Madurai, Ooty, Kodaikanal of Tamil Nadu. The present study includes the profile of the owner of a Hotel, the business profile of the star, Non-star and Resort activities to provide basic information to the study.

The present study confines to the Socio-economic factors, Impact of Socio-economic factors, Factors that motivate to Start Hotel Industry and to analyse the association between Personal profile and Operational problems of Hotel Industry.

1.1 Literature Review

The term Hotel in British law is defined as the place where a bonafide traveler can receive food and shelter provided he is in a position to for it and is fit condition to receive (Yashroy.U,2008).

S.Mohamed Saleem and Dr.Syed Khalid Perwaz (2012), stated that in Tamil Nadu Organizations in the Hotel sector particularly in Kanyakumari are facing problems that emanate from poor working conditions, increased labour court cases, low remuneration, high labour turnover, poor or Non-existent carrier structures and lack of professionalism. The above state of affairs questions the significance given to the human resources role in the hotel sector in Kanyakumari. Therefore this research sought access the level of significance given to the human resources function in order to find meaningful solutions to employment practices and personal problems experiences in the sector. The research focused on the 5 star rated and registered hotels in Kanyakumari.

Soultana(tania)Kapiki(2012), said that the suggestions to the hoteliers include careful analysis of the current and future trends and application of the proper adaptations, investing in exceptional services and sustainability of their lodging, as well as utilizing the

new technologies and the social networks. Moreover, the hotel owners should consider the retires as their potential guests and, finally, they must seek ways to retain effective, diverse and competent staff.

K. T. P. Radhika (2016), said that every 3-4 months, one new 5 star hotel is opened in Chennai. Premium hotels from International and National groups come to Chennai in tandem with the business growth the city has witnessed in recent years, this has made the hospitality industry very much competitive. Today, Chennai has around 7,000 rooms in the 5 star and above category. Some of the research works on hotel industry pertain to guest relationship management, use of information technology, in hotel industry, employees perceptions, effectiveness of training programmes while others are survey reports, financial reports of well-known Hotels, chains of Hotels or Star Hotels. The research works carried out in Indian contest refer to a single hotel or a group of star hotels in the form of survey reports and their analysis. Hotel industry really suffers from various problems like higher taxation, government laws, availability of trained workforce, shortage of water and electricity and above all peaceful and original environment. So that the tourist can visit a hotel. The study makes a humble attempt to review the existing relevant literature concerning hotel industry with special reference to Tamil Nadu.

Suja Sundaram, Dr. P. Kavitha (2016), said the important and vital component of an effectual organization is training and development. Training enhances the performances of the organization. It requires valuable time and resources for assessing the effectiveness of training programs. The prime purpose of the study is to know the effectiveness of training, which is an important tool to increase the productivity of organization. Thus, the purpose of the study is to know the effectiveness of training in improving performance.

1.2 Statement of the Problem

Research on the hotel industry has undoubtedly grown in recent years but no major work in terms of operating and financial performance of Hotel industry is being carried out. Keeping in view the aspects which are not covered in the earlier studies, the present study has given more emphasis on such neglected aspects.

The present work is an attempt to deal with the growth of Hotel industry in Tamil Nadu in terms of Profitability, Occupancy, Long Term Solvency, Short Term Solvency. etc. , it is hoped that the findings of this study will enable the union and state government to reconsider the different aspects of their respective tourism policies. It would also enable the financial institutions and commercial banks to lay down more precisely their financing policies toward hotel industry. It will also help the shareholders, hotel managements, investors, and creditors who are directly or indirectly related with the hotel industry.

1.3 Objectives of the Study

- To analyse the of Socio-Economic profile of the respondent.
- To identify the factors to start Hotel Industry.
- To analyse the association between Personal profile and Operational problems of Hotel Industry.

METHODOLOGY

To meet up with the objectives of study, 312 respondents were selected as sample unit. So, the questionnaires were filled by 312 respondents which were structured with questions of demographic profile, Socio-Economic Profile and Business Profile. Secondary data will be used to supplement information and develop a theoretical framework on the significance of hotel industry and various welfare measures adopted and the collected data will be analyzed with suitable statistical tools to fulfill the objectives of the study. For further clarifications archival information was collected from concerned institutions, hotel organizations and libraries.

2.1 Limitations of the Study
- The survey results are based on the information gathered from the respondents.
- The study analyses only Socio-Economic and business profile of the hoteliers among various categories of the Hospitality Industry.
- The Time schedule given to the researcher was too short; due this constraint the researcher was not able to meet more number of Hoteliers.

ANALYSIS OF DATA AND INTERPRETRATION

Table – 1.1: Age wise Analysis of Respondents

Age(in Years)	Category of Hotel			
	Non-Star Category	Star Category	Resort	Total
Less than 30	26 (19.5)	10 (8.6)	13 (21)	49 (15.7)
30 - 40	52 (39.1)	80 (68.3)	13 (21.0)	145 (46.5)
40 – 50	42 (31.6)	22 (18.8)	30 (48.4)	94 (30.1)
50 and Above	13 (9.8)	5 (4.3)	6 (9.6)	24 (7.7)
Total	133 (100.0)	117 (100.0)	62 (100.0)	312 (100.0)

Source: Primary Data
Note: Figures in Brackets show Percentage to Total.

The above Table states that of the 312 respondents, a majority of 145 who constitute 46.4 percent belong to '30-40' years category whereas 94 hotel respondents (30.1) were in the '40-50' years category. There is 49 hotels who constitute (15.7) percent of the total were in 'Less than 30' years category. The analysis shows that the respondents who were in the '50 and above' years category of less in all the 3 categories. On the whole substantial number of respondents in all 3 categories were in age category of '30-40' years with sufficient experience and efficiency to perform well in the Hotel Industry.

Table – 1.2: Gender of the Respondents

Gender	Category of Hotel			
	Non-Star Category	Star Category	Resort	Total
Male	120 (90.2)	104 (88.9)	61 (98.4)	285 (91.3)
Female	13 (9.8)	13 (11.1)	1 (1.6)	27 (8.7)
Total	133 (100.0)	117 (100.0)	62 (100.0)	312 (100.0)

Source: Primary Data

Note: Figures in Brackets show Percentage to Total.

The above table presents details about the distribution of respondents based on their Gender and it is found that Male Constitutes (91.3) percent and their female counterparts constitutes only a very mean of (8.7) percent of the total. In all the three categories of Hotel industry namely Non-Star, Star, and Resort, only the male pre-dominates with (90.2) percent, (88.9) percent, and (98.4) percent respectively. This trend reveals the fact that hotel industry is an exclusive domain of the male in our society and because of the nature of the works involved in such ventures. Female is with less representation in all the three categories of the Hotels with (9.8) percent, (11.1) percent, and (1.6) percent respectively.

Table – 1.3: Education Level of the Hoteliers

Education Qualification	Category of Hotel			
	Non-Star Category	Star Category	Resort	Total
Degree	107 (80.5)	39 (33.3)	49 (79.0)	195 (62.5)
Professional	26 (19.5)	78 (66.7)	13 (21)	117 (37.5)
Total	133 (100.0)	117 (100.0)	62 (100.0)	312 (100.0)

Source: Primary Data

The above table reveals that majority of the respondents had education up to degree level constituting (62.5) percent respondents. The professional is with less representation in all the three category of hotels with (19.5) percent, (66.7) percent, and (21.0) percent respectively in education level of Hotel Industry.

Table – 1.4: Monthly Income of the Hotelier

Income Per Month	Category of Hotel			
	Non-star Category	Star Category	Resort	Total
Up to 50,000	98 (73.7)	42 (35.9)	26 (41.9)	166 (53.2)
50,000 -70,000	29 (21.8)	26 (22.2)	20 (32.3)	75 (24.1)

70,000 -1,00,000	4 (3)	39 (33.3)	7 (11.3)	50 (16)
Above 1,00,000	2 (1.5)	10 (8.6)	9 (14.5)	21 (6.7)
Total	133 (100.0)	117 (100.0)	62 (100.0)	312 (100.0)

Source: Primary Data

Note: Figures in Brackets show percentage to Total.

The Information categorized in the above table classifies the respondents into four levels of monthly incomes, where hoteliers earning a monthly income of up to 50,000 constitute the majority with (53.2) percent, followed by hoteliers earnings in the range of 50,000-70,000 constituting (24.1) percent, followed by hoteliers earning between the range of 70,000-1,00,000 constituting (16) percent and by hoteliers earning above 1,00,000 constituting (6.7) percent respectively.

3.1 Factors that Motivate to Start a Venture in Hotel Industry:

The second objective is to identify the factors to start Hotel Industry. This objective was analyzed with different statistical tools and it is revealed that the amount of greater autonomy given to an independent hotelier has a profound impact on the productivity and performance of a hotelier in starting a venture in hotel industry. The factor revealed 5 distinct motivating factors under which "Autonomy and Power Motive" has highest Eigen value of 5.027. Comprehensive findings show that there is a immediate association between a hotelier and the various motivating factors. The respective motivating factors with their Eigen value, Percentage of Variance and Cumulative percentage of Variance is given below.

Table – 1.5: Factors Motivating to Start Hotel Industry

Sl. No.	Factors	Eigen Value	Percentage of Variance	Cumulative Percentage of Variance
1.	Autonomy and Power Motive	5.027	29.572	29.57
2.	Self Actualization	3.762	22.128	51.70
3.	Nature of Work Motive	1.819	10.702	62.40
4.	Affiliation Motive	1.594	9.379	71.78
5.	Status Motive	1.356	7.979	79.76

Source: Computed data

3.2 Key Factors that Drive to Start Hotel Industry

In order to identify the factors that motivate to Start Hotel Industry by Hoteliers, the selected seventeen variables were analysed with the statistical tool 'factor Analysis'. Factor analysis is a very useful method of reducing the composite nature of the data by reducing the number of variables. Bartlett's test of Sphericity and Kaiser Meyer Olkin(KMO) measures of sample adequacy are used to test the factor model and its results are shown below.

Table – 1.6: KMO and Bartlett's Test

Tests	Values
Kaiser-Meyer-Olkin measure of Sampling Adequancy	0.744
Bartlett's Test of Sphericity: Chi-Square	5383.456
Degree of Freedom	136
Significance	0.000

Source: Computed data

Bartlett's test is used to test null hypothesis that the variable are not correlated. Since the approximate Chi-square value is 5383.456 at 136 degree of freedom which is significant at 1 percent level, leads to the rejection of null hypothesis. The value of KMO statistics (0.744) is also high. Thus the factor analysis maybe considered as an appropriate technique (Rotated Component Matrix)

Table – 1.7: Factors that Motivate to Start Hotel Industry

Variables	Factors				
	1	2	3	4	5
Desire of Independence	.924	.144	-.051	-.200	-.088
Preside over a Big Business	.921	.114	-.089	-.205	-.108
Temperament	.903	.041	-.073	.021	.189
Flexibility of Balancing work	.898	-.002	-.149	-.012	.172
Passion	-.239	.818	-.036	.218	-.058
Money Motives	.147	.798	.166	.087	.291
Innovative and Path Breaking	.223	.741	.373	-.157	.069
Optimizing one's ability	.143	.638	-.433	.021	.338
Creativity and Ingenuity	.424	.632	.351	-.298	.029
Philanthropic to the Society	.039	.031	.856	.192	.261
Enjoyable Work	-.253	.225	.742	.220	.134
Consistent Work	-.487	.150	.599	.266	-.214
Sense of Achievement	-.121	.029	.179	.927	-.042
Financial Security of Family	-.116	.032	.205	.921	.047
Reputation and Recognition	.038	.010	-.032	-.048	.915
Scaling New Heights	-.045	.230	.189	.004	.659
Ascendancy in Society	.490	.141	.148	.093	.608

Source: Computed data

3.2 Factors that Analyse the Association between Personal Profile and Operational Problems of Hotel Industry

The third objective is to analyse the association between personal profile and operational problems of Hotel Industry. This targeted aim was achieved through various statistical analysis. Overall findings show that there is a close association between personal profile and working hour, life style and guest influence.

Age, Education, Community, Marital Status and Monthly Income of the Family of Respondent have association with social influence, economic influence, working hour influence, life style influence, guest influence, risk management influence, investment capital influence and brand influence.

Gender of the hotelier have association with Social influence, working hour influence, life style influence, guest influence, risk management influence, investment capital influence and brand influence and has no association with Economic Influence.

Religion of the hotelier have association with economic influence, working hour influence, life style influence, guest influence, risk management influence, investment capital influence, brand influence and has no association with Social Influence.

Income per Month of the hotelier have association with Economic influence, Working hour influence, Life style influence, Guest influence, Risk Management influence, Brand influence and No association with Social Influence and Investment Capital Influence.

Family of the hotelier have association with Social influence, Economic influence, Working hour influence, life style influence, Guest influence, Risk Management influence, Investment capital influence and No Association with Brand influence.

Number of members in the family of a hotelier have association with Economic influence, Working hour influence, Life style influence, Guest influence, Brand influence and No Association with Social influence, Risk management influence and Investment capital influence.

Table-1.8: Association between Personal Profile and Operational Problems of Hotel Industry

Personal Profile	Social Influence	Economic Influence	Working Hour Influence	Life Style Influence	Guest Influence	Risk Management Influence	Investment Capital Influence	Brand Influence
Age	3.782*	16.480**	26.218**	21.798**	21.722**	19.168**	5.305**	23.799**
Gender	8.494**	1.743NS	7.689**	4.802**	9.990**	8.688**	8.678**	15.262**
Education	38.710**	25.303**	16.020**	11.029**	18.469**	10.898**	31.946**	9.972**

Religion	2.152^{NS}	8.727^{**}	14.688^{**}	26.185^{**}	13.088^{**}	12.845^{**}	7.719^{**}	31.610^{**}
Community	15.354^{**}	46.218^{**}	119.638^{**}	81.939^{**}	117.814^{**}	16.142^{**}	16.458^{**}	87.375^{**}
Marital Status	105.947^{**}	92.222^{**}	967.396^{**}	637.295^{**}	640.424^{**}	105.474^{**}	105.487^{**}	283.660^{**}
Income per Month	0.754^{NS}	6.447^{**}	9.245^{**}	4.544^{**}	6.682^{**}	8.092^{**}	0.311^{NS}	22.833^{**}
Family	12.258^{**}	20.331^{**}	4.935^{**}	7.754^{**}	4.111^{**}	8.735^{**}	4.275^{*}	1.299^{NS}
No. of Members	0.218^{NS}	19.510^{**}	20.279^{**}	34.082^{**}	4.577^{**}	2.160^{NS}	0.657^{NS}	6.707^{**}
Monthly Income of Family	11.206^{**}	24.854^{**}	36.554^{**}	10.842^{**}	18.335^{**}	11.304^{**}	10.736^{**}	27.641^{**}

Source: Primary data

* - Significant at 5% level

** - Significant at 1% level

NS – Not Significant

SUGGESTIONS

The following suggestions are recommended,

- It is advised that hoteliers with high profile in a Socio-Economic atmosphere will be sound in the application of all managerial and Technical aspects in their Hotel activities with inherent ability to manage any technical and family problems.
- To give individualistic freedom and reinforce support in order to optimize a hoteliers talent and serve as a motivating factor to start hotel industry.
- To build an operational platform and then evolve from that platform to offer an association between personal profile and operational problems of hotel Industry.

CONCLUSION

The study on the operational problems and management of human resources in the hotel industry has tempted many researchers to delve into this particular area of study. It is apparently noticeable from the review presented that attempts are being made to study the factors that influence to start hotel industry. Recent Reviews suggest that gradual

efforts are being made in Tamil Nadu to solve this paradox. The study therefore has concentrated in plugging the gaps, respectively.

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