

# Factors Influencing Employee's Performance in Hotel Industry

SHIKHA

Assistant Professor

Department of Tourism and Hotel Management

Central University of Haryana, Mahendargarh

**Abstract:** The success of any organization generally relies on an employee performance. Poor performance will be harmful for the organization, and great performance is beneficial for the success and growth of an organization. It is very important for any organization to identify those factors that affect employee performance in hotel industry to increase productivity as well as smooth functioning of the organization which results in profitability in the organization. Nowadays, employers ought to be concerned regarding the factors that influence employee performance because of its impact on the whole organization as well. A successful organization should focus on how an employee performs their job, and what factors will influence an employee

performance in hotel industry. The study aims to examine the factors that influence employee's performance in hotel industry and to know how to improve their performance.

**Keywords:** Employee Performance, Hotel Industry, Success, Job.

**Introduction:** Every business has been set up with specific goals to accomplish. These goals can be accomplished by using the various resources like men, material, machines and money. Every one of these resources is significant yet out of these the human resources is one of the most important. Manpower plays a significant role in performing tasks for achieving the goals. For every business it is challenging to begin, survive, stabilize and exceed in the



business. The firm that gets the benefit over different competitors through their skilled and devoted human resources can take the lead in the market. The commitment of human resources on job is the most vital element for expansion and growth of the business. The performance of employees on various jobs in close coordination is required for accomplishment of the organization.

Human resources are carrying out various jobs based on the nature of the business. They generally complete tasks like storage, production, transportation, purchasing, marketing, distribution, promotion of business, human resource, finance and accounting, research and public relations. These activities are inter-related to attain the goals. These are to be completed by the manpower appropriately so they can give their best result at the job. This will have incredible effect on the profit, sales, total production, progress and market position of the organization in the market. To inspire the employee to work sincerely and contribute their best yield there are several factors responsible such as management

policies, salary and package, skills, training, dedication, motivation, promotion, welfare, fringe benefits, communication etc. The significance of employees' performance must be comprehended by the management and sincere endeavor must be placed towards that path. The management of the organization taking appropriate steps in that direction will be in position to improve and inspire the employees to do so. Employers work as a guideline and concept in order to build up employee performance for business efficiency and able to accomplish aims of organization. Consequently, managers can concentrate on those determinants which can really influencing employee performance and supports in organization for earning higher benefits in the future. To retain existing customer, company should improve employee performance to offer high quality of services. So that, employers are need to identify the determinants that influence employee performance.

Employee performance is described as whether an individual performs their job responsibilities and tasks well. Several



organizations measure their employee's performance on annually or quarterly basis in order to describe definite areas that require improvement. Performance is a critical element in the success for an organization. Employee performance will influence the development of an organization either. It is because organizational development is depends on how employee performing in the corporation, if employees perform well in organizational development, organization may be great being developed such as changes of organizational culture. Therefore, employers, managers and human resource department need to take thought on factors towards employee performance.

The service sector in India is continuously growing, particularly for tourism and hospitality industry. In fact, tourism and hospitality industry has significantly contributed to the economic development in India. In this few years, the number of tourists is continuing growing alongside mass promotion activities that are effectively promoting Indian tourism. As an

outcome, the expansion tourists numbers will usually support thus stimulate the development of Indian hotel industry. Therefore, in hotel industry high performance will become one of the important indicators of advancing the overall Indian economy.

One might say that human capital decides the success and growth of hotel industry. It is because the hotel industry is also measured as labor-intensive sector that depends vigorously on human collaboration or activities. In addition, high demand of qualified manpower is important in order to offer a better quality of services to their customers (C. Wah et al., 2013). The higher intention to leave they are, the poorer of the quality of services provided. Subsequently, hotel industry is urged to retain those significant employees as would be prudent. Not simply for that, the hotels likewise need to understand that excessive turnover rate is unfavorable to them since it is expensive for them to select, recruit, procure, manage and supervise new comers than preparing existing employees (C. Wah et al., 2013).



**REVIEW OF LITERATURE:** Literature review is a procedure of gathering the significant information from various sources such as article, newspaper, journals, internet, books and others. In this research article all information acquired with the help of secondary data.

Mwita(2000) concludes that performance is a most important multi-dimensional concept aimed to accomplish out comes and has a strong connection with the strategic goals of an organization. Stephen J. Motowildo (2003) had mentioned “Job performance is defines as the total expected value to the organization of the discrete behavioral episodes that an individual carries out over a standard period”.

Kiruja and Mukuru (2013) justifies that the overall achievement of an association in accomplishing its strategic goals depend intensely on the employees performance level. Employee performance is a task of motivation and ability, where ability is consist of the skills or training and resources essential for carrying out a task

and motivation is defined as an internal force that drives individual to act towards something. Flippo (2001) identified that, employee performance in corporation effects in a more motivated work force that has the drive for higher output, quantity, quality, commitment and drive. Ouchi (2001) highlighted that organizations would be more dedicated, competent, effective, flexible and profitable as a consequence of an importance on trust, which goes hand in hand with productivity; less hierarchical and administrative structure; a high level of worker participation; all of which would make an employee and organization management systems.

Barney (1991) analyzed in their study that, the level of employee’s performance depend on not only on their actual abilities as well as on the level of motivation each person shows. Motivation is an internal drive or an external instigation to perform in some specific way, usually a way that will lead to rewards. Dessler (2003) found that, over-achieving, talented employees are the main impetus of all associations so it is important that, associations endeavor to



motivate and retain the best employees. The quality of human resource management is a basic impact on the performance of the organizations.

Ul Afaq, Yusoff, Khan, Azam and Thukiman,(2011) explored that one of the most vital perspective in the modern hotel industry is employees' associate with new strategies and procedures of hotel management over and done with training. There are two processes of training formal as well as an informal, which is done for enhancing the employee's performance. Consequently, the execution of an effective training process at all levels of organization significantly effects on the performance of the employees.

Robbins (2003) highlighted the significance of employee job satisfaction as an element impacting, among others, employee performance. He contends that, happy workers are not really gainful employees. This contention is in accordance with Poizat's (2006) reasoning that, satisfied employees are not essentially productive employees. Robbins (2003), however,

recommends that the reverse may be more correct that productivity will possibly lead to satisfaction. Spreitzer and Quinn (2001) addresses the inclination employees have of losing control over their work when they contend that, it has turned into a challenge for corporation to make an organizational culture where all employees would need to work with their maximum capacity and where they can step up and act as an owner of the organization. They claim that, organizations that can make such a culture will entice and keep the best and the brightest employees who perform highly and thus create an essential competitive benefit.

Oldham and Cummings (1996) recognized that, creating a work place which is non-controlling and considerate by supervisor's promoted creativity. Moreover, Tierney, Farmer and Graen (1999) reveal that, open communications with supervisors and the acceptance of inspiration and support lead to improved employee creativity.

Danish and Usman (2010) concludes that a circumstances where employees of the



company are rewarded in light of various status is called recognition. Employees job satisfaction and high performance would be ascribed to essential factors or rather rewards like as recognition, opportunities, feedback and growth.

Anil Kumar et al (2012) concludes that power can empower the transfer of control with appropriate training and changing the entire company into an empowerment model. It might give a specific level of authority to definite trusted employees so that the employees have the capability to create their particular decision making in order to complete the undertaking. It implies that the selected employees have adequate liberty to implement any techniques or ideas which he or she consider powerful in carrying out a given task. Michal, (2011) highlighted that employee empowerment has established and recognized as a well-known managerial concept, various studies and researches had justified that empowerment has the potential to offer advantages like improving organizational performance, stronger task obligation, higher levels of

creativity in carrying out role responsibilities, more advancement and learning, higher employment satisfaction and reinforced the organization culture.

Akinyele, (2010) reveals that employees and work environment is interconnected with each other. Employees will work harder and enhance performance once they have perfect working conditions. According to Akinyele (2010), the capability for workers to share knowledge with each other is relies on upon how the environment use. This assist organization to enhance efficiency in terms of benefits, level of competitiveness and so on. Safety and healthy work environment is one of the elements that organization needs to take deliberation of. It is because some of working responsibility will cause accident, disease and injuries. Safety implies danger free from injuries and harm. Employee's safety is to safeguard of employees from danger.

Manzoor, S. R., Ullah, H., Hussain, M., & Ahmad, Z. M. (2011), defined teamwork as the association between groups of people who have certain level of knowledge,



competency and capability to accomplish tasks together, in the mean time they also are accountable for the results also. Normally, teamwork is established through three major phrases, which are team inputs, team processes, and team outputs. By building up teamwork, employees will have greater chance to search new and inventive ideas as an outcome from the collaboration between co-workers (Kakayi S., 2012). Team inclines to come up with more exclusive and broader ideas than perform those tasks by individual. It tends to encourage development (Khalid, 2008).

Muogobo (2013) has been observed throughout the years to be one of the strategies the organization can implement to enhance their workers performance and in that way enhance the organizations productivity. Additionally, with the present worldwide economic trend, most employers of labor have understood the way that for their organizations to contend positively, the enactment of their employees goes far in determining the success and growth of the organization. Muogobo (2013) justifies that good remuneration or rather **salaries**

that is paid at the accurate time has been observed throughout the years to be one of the strategies the organization can implement to enhance their employees performance and in that way enhance the organizations productivity.

Henderson,(2006); Williams, (1995) reveals that, when organizations allocate the varieties of benefits accurately, this may impact on employees“ results, mainly employee performance. For example, medical benefits, official obligation claims and promotion are perceived just like the most important forms of benefit. Distribution of these benefits depends on job and individual performance would lead to the whole organizational performance. Beam and McFadden, (2004) underlined that medical insurance as an employee benefit, generally covers surgeon fees, physician costs, hospital accommodation and drugs recommended by the doctor . Furthermore, as part of overall benefits package, dental care and visual care could similarly be offered. Dohmen and Falk, (2007) analyzed that the effect of providing bonus to the employees is that, employees



remind themselves seemingly endless period of time that their hard work and endeavor will be compensated towards the end of the year. An organization that gives its employees bonuses as a reward will undoubtedly inspire them to perform highly. Jerris,(1999) concludes that free meals are thought to be of vital significance to maximum employees who work in hotel industries, since they enhance morale of employee. Hence, employers effort however much as possible to offer free meals per day, unrestricted amount of soft drinks and coffee for the employees.

Panwar and Gupta (2012) summaries in their study that Leave travel allowances are benefits which are provided the hotels to their employees. Employees are given additional amount in the form of travel allowance and vacations with pay. Furthermore, to make sure the welfare of an employee, vacations become energetic. Additionally, such advantage support employees who want to devote their time with family and who want time to care for their aging parents. Beam et al., (2004) explored that retirement benefits are funds

which are put aside to benefit people with pension or income pay after the completion term of their job. The common classifications suitable in retirement plans comprise well-defined benefit plans and defined contribution plans.

**Objective of the Study:** The main objective of this paper is to identify the factors influencing employee's performance in hotel industry on the basis of review of academics and popular employee's performance literature.

**Research Methodology:** The study is mainly based upon the collection of secondary data. In our research, we search data through the journals, online articles and text books as the proposal references and extra information. Besides, we also use the search engine such as Google in order to access more information for our research.

**Findings:** There are some key factors influencing employee's performances in hotel industry:

- 1. Motivation:** It is the process of inspiring employees to actions to accomplish the objectives of the





organizations. To get the best performance from employees, there should be requirement of some kind of motivation. Effective motivation can make a beneficial work force, yet an absence of inspirational elements can leave employees looking for causes to give their extreme efforts. Motivation is essential as human nature wants some kind of encouragement, inspiration or incentive in order to improve performance. Motivated employee is a profitable resource to the organization which provides huge value in keeping and firming up its business and revenue growth.

2. **Job Satisfaction:** Job satisfaction can influence an individual's level of commitment towards the organization. It can also influence employee's readiness to contribute in problem solving, performance levels and the amount of effort employees put in to perform activities outer their job description.

At the point when employees are happy with the effort they are doing, then their occupation feels less like work and is a more pleasant experience. Employees who are satisfied in their work generally do not think that it's tough to get up and go to work.

3. **Employee Empowerment:**

Empowerment occurs when an employee is given the liberty, authority, autonomy, trust and inspiration to carry out job-related responsibilities. Empowerment can furnish an employee with a feeling of pride and rights over their work. additionally its gives employees a specific level of self-sufficiency and accountability for decision-making with respect to their particular organizational responsibilities and allows decisions to be made at the lower levels of an association where employees have an extra ordinary perspective of the issues and



difficulties confronting the organization at a specific level.

4. **Team Work:** Working in the hotel industry implies working in a team, and turning into a competent team player is very important for the achievement of the team itself as well as of the business as a whole. Teamwork is enormously significant in the hotel industry. Excellent teamwork will be noticeable by the customers so it is not something that can be ignored. On the off chance that team members cannot work admirably together it might put customers off. Teamwork is an essential to any effective hotel operations as it takes continuous adaptive planning, cooperation and communication.

5. **Working environment:** The term work environment is utilized to define the surrounding conditions in which an employee works. The work environment can be made out

of physical conditions, for example office temperature and equipment, for example personal computers. It can likewise with variables like work processes or procedures as well as includes the interactions with managers, subordinates and peers. Hotel industry works 24 hours a day, 365 days a year. Hotels employers ought to attempt to associate with employees by giving them a friendly, healthy, learning and growing work environment and a cooperative social platform which can help in improving the employee's performance.

6. **Remuneration:** Employee Remuneration states to the reward or benefit given to the employees for their work enactments. Remuneration offers fundamental appreciation for an employee to perform work productively and viably. Remuneration prompts employee inspiration. For employees' salaries constitute an



essential source of income and define their living standard. Salaries influence the employee's performance. Hence the amount and technique of remuneration are very significant for both employees and management.

7. **Training and development:** Offering regular training and executive development programs to bring up to date the employees with the invention in the industry is advantageous to the employees as it satisfied them, make them learn new skills and improve their productivity. Employees require to be upgraded with latest front office software, equipment's of housekeeping, cooking equipment's and methodology etc.to persist in this competitive situation. So the organizations which give learning and development platform will probably improve the performance of employees.

8. **Effective supervision:** Supervision is a function that can have a assortment of influence on employees' performance. In a few some circumstances, supervision can help enhance results, while in others it can take away from the efficiency of your staff. By means of suitable supervisory involvement in the working environment, can regularly enhance performance. One of the most significant objective of supervision is to give a understanding and comfortable atmosphere where employees can feel great at work. Offering help, listening and relating to stress and problems, inspiration and sharing individual experience are important responsibilities supervisors need to enhance productivity.

9. **Employees Evaluation:** employee evaluation is an interactive process where the employer's provides his contribution on the employee's performance, and the employee find

the opportunities to call attention what he/she has learned during the year. Employers make a plan along with the employee for the coming year on how the employee can improve and develop their performance. Additionally, employee evaluations are significant to the ongoing performance of employees.

**10. Employees recognition:** Employee recognition is the opportune, formal or informal acknowledgement of a individual's or group's behavior, work or business outcome that supports the organization's objectives and values, and which has obviously away from normal expectations. Appreciation is an essential human need. Employees react to appreciation conveyed through recognition of their great work since it affirms their work is appreciated. Whenever employees and their work are appreciated, their satisfaction and productivity

increases, and they are inspired to keep up or enhance their good work.

**Conclusion:** In an organization Employees are the real assets because the achievement or failure of any organization relies on its employee as well. The significance of an employee in hotel industry turns out to be more important as of its nature- manpower concentrated industry. In hotel industry it is very imperative for organizations to remain concentrated on employee performance thus how to get improvement in the performance of employee. Employee performance is more significant in this industry as employees are having direct contact with the customer and also it is employee of the hotel industry that pleases its customers. To inspire the employee to work sincerely and contribute their best yield there are several factors responsible such as training and development, effective supervision, motivation, employees benefits, employees recognition, job satisfaction, working environment, team



work and employee empowerment etc. So it is imperative for the hotel employers concerned to know the factors influencing employee performance.

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