

A Study of Human Resource Management Practices in Travel & Tourism Industry in Pune Region



Management

KEYWORDS :organizational effectiveness, performance, capability development, Travel and tourism

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ABSTRACT

Travel and Tourism Industry is booming now days. Even Human Resource is also considered as a backbone of any industry. The present cut throat competition in the business environment resulting from liberalization and globalization has led organizations to bring a new focus on how human resource should be organized and managed. HRM contributes to the organizational effectiveness, performance, capability development, employment relationship, change management and competitive advantage.

Travel and tourism services are about marketing destinations and providing bundle of allied services to facilitate travelling which includes services like tourism marketing, lodging and boarding, travel services, ticket booking services, food and beverages services, etc.

The present study will particularly contribute to understand the human resource management practices adopted by travel and tourism industry in Pune region and its impact on the overall performance of these organizations.

Introduction:

The particular study is consisting of two essential concepts as Human Resource Management Practices and Travel and Tourism Industry.

Various authors have defined "Human Resource Management" in various aspects.

In simple words we can say Human Resource Management is Everything to manage about People right from entry till exit like Recruitment, selection, ,salary ,rewards ,promotions ,transfers and so on.

Travel and tourism is not generally classified as a separate industry in economic data sources. Travel and tourism is normally for not more than one year and is done for leisure, business and other purposes. Travel and tourism can be used interchangeably and still have the same meaning. Technically there is no single definition available from the authentic sources which provide definition of travel and tourism industry. However, researcher is intended to give working definition for travel and tourism industry as 'it is an activity where a person travels to and stays in a place that is outside his/her usual environment'.

Review o literature

Study titled ' HRM practices and their impact on company performance in Chinese enterprise' by Syed Akhtar, Daniel Z Ding, and Gloria L Ge examined the factorial validity of human resource management practices and their effects on company performance in Chinese enterprises. The findings of the study indicated that a valid set of HRM practices (training, participation, results-oriented appraisals, and internal career opportunities) affect product/service performance and financial performance. However, the study was limited to perceptual performance measurement and geographical reach in China.

Study conducted by Olumide Ijose titled 'human resource management, small and medium sized enterprises and partnership capability' laid out a conceptual framework for studying the relationship between the human resource management practices of small and medium sized businesses and their performance as corporate partners, as industry and competitive condi-

tions change. The study has found that institutionalization and the resultant job satisfaction and psychological ownership of HRM practices are keys towards building the core competencies and internal organizational capabilities that enables an SME to become a valued strategic ally.

Research conducted by Paul Gooderham, Emma Parry and Kristen Ringdal labeled 'the impact of bundles of human resource management practices on the performance of European firms' reveals that the overall effect of HRM practices on performance was relatively modest. The limitation of the study is its cross-sectional data.

Working paper of Edward W Rogers and Patric M Wright titled 'measuring organizational performance in human resource management: problems and prospects' describes the variety of measures used in current empirical research linking human resource management and organizational performance.

Objectives of the study:

- 1] To study the various human resource management practices adopted by travel and tourism industry in Pune region;
- 2] To study the impact of HRM practices & there influence on organizational activities & performance.

Research Methodology:

Sampling Design

This research is descriptive. Research includes surveys and fact findings, enquiries of different kinds.

- Research Instrument: Questionnaire.
- Sample Unit: Travel & Tourism Industries
- Sample Method: Stratified sampling method.
- Universe/Population: 200
- Sample size: 40

Sources of Data Collection

1. Primary Data:

- Questionnaire
- Interview

2. Secondary Data:

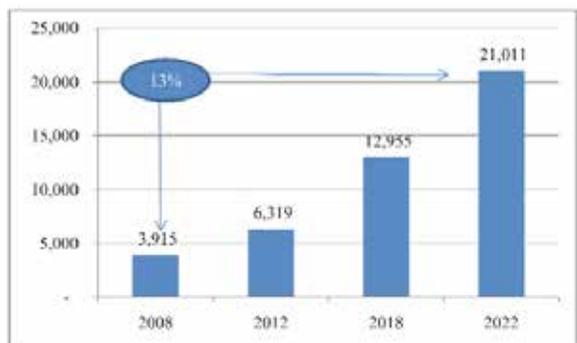
- Websites
- Journals
- Books And Reports
- Company magazines
- Articles

Data Interpretation & analysis

Following is the range of HR practices which are being adopted for organizational strategies aimed at securing high-quality service:

- Recruitment and selection: Recruiting and selecting staff with the correct attitudinal and behavioral characteristics. A range of assessments in the selection process is utilized to evaluate the work values, personality, interpersonal skills and problem-solving abilities .
- Retention: The need to avoid the development of a ‘turnover culture’, which may of course, be particularly prevalent in tourism and hospitality. For example, the use of ‘retention bonuses’ to influence employees to stay.
- Teamwork: The use of semi-autonomous, cross-process and multi-functional teams.
- Training and development: The need to equip operative level staff with team working and interpersonal skills to develop their ‘service orientation’ and managers with a new leadership style which encourages a move to a more facilitative and coaching style of managing.
- Appraisal: Moving away from traditional top down approaches to appraisal and supporting things such as customer evaluation, peer review, team-based performance and the appraisal of managers by subordinates. Generally, all of these performance appraisal systems should focus on the quality goals of the organization and the behaviours of employees needed to sustain these.
- Rewarding quality: A need for a much more creative system of rewards and in particular the need to payment systems that reward employees for attaining quality goals.
- Job security: Promises of job security are seen as an essential component of any overall quality approach.
- Employee involvement and employee relations: By seeking greater involvement from employees the emphasis is on offering autonomy, creativity, co-operation and self-control in work processes. The use of educative and participative mechanisms, such as team briefings and quality circles are allied to changes in the organization of work which support an ‘empowered’ environment.

Projected Size of Tourism Industry(Rs. billion)



**Table No 1
Projected Human Resource Requirement for Tourism Industry**

: World Travel & Tourism Conuncil; IMAcS analysis

Direct and Indirect Employment in Tourism Industry ('000 jobs) – 2008-2022

Particulars	2008	2012	2018	2022	Incremental (2008-2022)
Direct Industry Employment*	12,602	13,730	15,614	17,011	4,409
T&T Economy Employment	30,330	33,552	39,039	43,187	12,857

Table No 2

Source *Direct industry employment includes all the revenue generating activities related to the Tourism industry

The overall employment by 2022 in the Tourism Industry (in Hotels and Restaurants and Tour Operators) is estimated to be about 7.2 million persons. Segment wise details are given below.

Human Resource Requirements in Tourism Industry (in '000s)

	2008	2012	2018	2022	Incremental (2008-2022)
Hotels	1,289	1,869	2,939	4,065	2,775
Restaurants	2,112	2,481	2,639	2,834	723
Tour Operators	129	164	220	273	144
Total	3,530	4,514	5,798	7,172	3,642

Table No 3

Source: Ministry of Tourism, Government of India and IMAcS Analysis

Apart from the above there are substantial numbers of eating places, to cater to both the commercial as well as leisure road travellers along the national and state highways. These units are estimated to employ 1,300,000 employees in 2002.

It should be kept in that apart from the employment generation for skilled/trained manpower arising out of new establishments, there would be additional employment generation for skilled/trained manpower from the conversion of the unorganized sector to organized sector.

As seen in the above table, the employment in the hotel category (excluding motels along the highway) is forecasted to increase to over 1.9 million in 2012, 2.9 million by 2018 and 4 million in 2022.

Findings:

It is found that various Human Resource Practices are adopted by India’s Travel & tourism industry like, Recruitment and selection, Training & Development, Retention, Performance Appraisal, Team work, job security, Reward Management

It is found that there is a positive impact on travel & tourism industry of adoption of Human Resource Practices.

By adopting Human Resource practices the organizational performance is effectively increased.

Suggestions:

In order to achieve best result in travel & Tourism industry through Human Resource practices we have to advo-

cate a close fit between competitive strategies and HRM, those in favor of best practice approaches to HRM suggest that there is a universal 'one best way' to manage people. By adopting a best Human Resource practice approach. Travel & Tourism industries will see enhanced commitment from employees leading to improved organizational performance, higher levels of service quality and ultimately increases in productivity and profitability, Usually couched in terms of 'bundles', the HRM practices that are offered in support of a high commitment and performance model are generally fairly consistent.

Conclusion:

In simple terms best practice is likely to entail attempts to enhance the skills base of employees through HR activities such as selective staffing, comprehensive training and broad developmental efforts like job rotation. Additionally, it also encourages empowerment, participative problem-solving, teamwork as well as performance-based incentives.

Human Resource Practices in Travel & Tourism Industry are satisfactory for its effective management and evaluation of employees. They are helping individuals to develop, improve organizational performance and feed into business planning. It enables management in setting standards, monitoring performance, behavior and delegating responsibilities. Performance appraisals also identifies individual training needs both soft skills as well as technical skills required to perform the work.

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