

Adoption of HRM Practices: A Practical Model- Case Study of a hotel

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Abstract: Enterprises play an important role in India's economic process. Human resource efficiency and performance are the most significant reasons for any enterprises to be successful. This study was carried out to understand the Human Resource (HR) practices followed in the one single Hotel industry. There are four top models of HRM such as the Fombrun, Tichy, and Devana Model, the Harvard Model, the Guest Model, and the Warwick Model. Out of these models, the Fombrun, Tichy, and Devana Model of HRM have been adopted for this study. A case study approach was adopted wherein the HR practices of a hotel engaged in service activity was captured. In-depth interviews were held with the managers (HR manager, managerial staff etc). Similarly, matters such as incentives, challenges in the staff retention field bounds a huge crisis in the industry were observed. Information was sought about the existence of HR practices at their unit. Literature review helped to identify the framework (Fombrun, C.J., Tichy, N.M., & Devanna, M.A. 1984), this model was taken/identified as a tool to test whether the same works in the HR practices of the unit under study. The paper offers insights into what are the major difficulties faced by the Hotel industry with respect to their HR Practices. This paper is based on the findings from analyzing a single service industry in Dehradun (Uttarakhand). This paper is useful for both researchers and HR practitioners because it identifies the HR practices area in the Indian hotel industry.

Keywords: Human Resource Management, Hotel Industry, Qualitative Research, Case Study.

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I. Introduction

One of the most important challenges for hotels is the constant promotion of HRM. The task is challenging not only because of the size and various locations of hotel chains but also because of different regulations, customs and culture in regions worldwide. HR practices have been a major part of any industry or a specific organization, no doubt it has a major influence on the growth and performance of a firm. Human Resource Management as a discipline has been in existence for decades. However, researchers (Hoque, 1999; Chand, M., & Katou, A. A. (2007)) have continued investigating various HRM practices and whether these practices are influenced by various demographic factors pertaining to industries and organizations. HR practices are definitely influenced by the demographic, cultural and various other factors as well. Our basic motive was to identify the HR policies being practiced in the Hotel industry for which we had considered one of the oldest legacies of the tourism of Dehradun, Uttarakhand as our case study. This hotel has witnessed the complete generation of the hotel industry development in India and Dehradun specifically.

II. Findings from Literature are Analyzed to Identify a suitable Framework

The concept of Human Resource Management (HRM) emerged in the early 1980s and continues to evolve as a separate field of study. Extant literature suggests that (Beer et al. 1985) Harvard University and (Fombrun et al. 1984) Michigan University contributed to the initial frameworks on HRM (Truss et al. 1997). According to Schneider and Bowen (1993), effective utilization of human resources provides a competitive edge for organizations (Chand, M., & Katou, A. A., 2007). Thus, human resource management practices are an important component of the process of HRM and are important to investigate the adoption of human resource management practices in the service industry. Since the service industry is mainly driven by efficiency and effectiveness of employees in organizations. Current HRM literature identifies a significant and positive relationship between human resource management and organizational performance. Therefore, managing human resources in an organization is very important towards achieving organizational goals and objectives. The hotel industry is necessarily labor intensive and this makes HRM practices particularly important and it should develop effective human resource practices and policies to achieve competitive success (Alleyne et al. 2006).

Research on HRM practices in the Service sector industries are relatively few and the hotel sector is a major segment of the service industry (Collier, P., & Gregory, A. (1995).). According to Hoque (1999), the hotel industry has typically reported poor practices and a lack of interest in HRM among managers. However, interest in HRM within the hotel industry has significantly increased over the years and heterogeneity in the service sector is identified as an obstacle to investigating the sector as a whole (Hoque, 1999; (Chand, M., & Katou, A. A. (2007)).

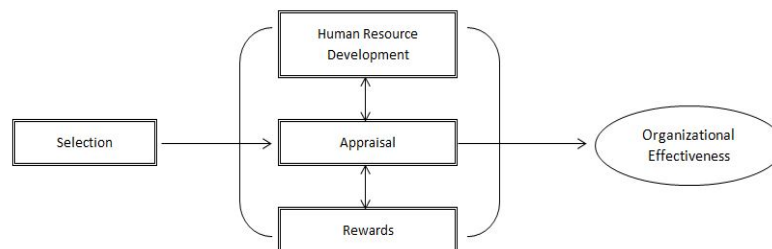
III. Models of Human Resource Management

The Human Resource Management model consists of all human resource activities. When these activities are implemented effectively, they will conclude in a deserving and enthusiastic workforce who will help achieve organizational goals. There is another component in the HR models - environment. It may be stated that the Human Resource function does not function in a vacuum. It is influenced by several internal and external forces like economic, technological, political, legal, organizational and professional conditions. They provide an analytical framework for studying HRM (for example, situational factors, stakeholders, strategic choice levels, competence). They legitimize certain HRM practices; a key issue here is the distinctiveness of HRM practices: "It is not the presence of selection or training but a distinctive approach to selection or training that matters." They provide a depiction of HRM that initiates variables and relationship to be researched. They serve as a heuristic device - something to help us discover and understand the world of explaining the nature and significance of key HR practices. Following are major HRM Models:

1. Matching Model of Fombrun, Tichy&Devanna
2. The Harvard Model
3. The Guest Model
4. The Warwick Model

Matching Model of Fombrun, Tichy&Devanna:

This model held that the HR system and the organizational structure should be managed in a way that is congruent with organizational strategy. The main focus was on the four functions of HRM i.e. selection, appraisal, development and rewards, and their interrelatedness. This is the first and very simple model that serves as a heuristic framework for explaining the nature and significance of the key HR activities. Being the first model (dates back to 1984), this emphasizes just four functions and their interrelatedness. The four functions are selection, appraisal, development, and rewards. These four constituent components of human resource management and are expected to contribute to organizational effectiveness.



The Fombrun Model of HRM (1984)

Precisely, the matching aspect of this model demonstrates that the model is inclined towards the harder side of HRM. This is because the matching model emphasizes more on “tight fit” between the HR strategy and the business strategy. It demands that available human resources must be matched with jobs in the organization. The HR strategy must be highly calculative in terms of the quantity of the human resources required to achieve the objectives enshrined in the business strategy. Business strategy takes the center stage in this model hence human resources are taken like any other resource which must be fully utilized together with the other resources to achieve organizational objectives. The matching model consists of the basic criteria an Enterprises should follow. Specifically, for a hotel industry, it is indeed important to fulfill the essential conditions of the “tight fit” under this model. Our purpose to analyze the HR practices gets an inclined angle towards it. For a hotel in our case, which has a history of four decades it should be expected that the concerned has its proficiency into it. Secondly, it is necessary to identify how the model has taken its shape in the current running hotel industry. Human resource strategy and the HR strategy must be highly calculative of the required human resources to achieve the goals and objectives of the organization. The business strategy is placed on the central stage and as

such, human resources are considered just like any other resource, which must be fully utilized together with others to achieve the target organizational goals. In fact, the business strategy must be achieved by means of obtaining labor at the lowest cost enhanced by the organizational structure in relation to performance appraisal and rewards. Michigan model seems to be based and focused more on the product market logic, which requires that in order to gain high profit, labor, has to be obtained cheaply and used sparingly, developed and fully exploited.

IV. Case Methodology

This research adopted a qualitative approach. A questionnaire was designed to collect data from the respective hotel. Hotel profile section of the questionnaire includes questions related to the demography of the hotels. The HR department profile section of the questionnaire includes questions on the size of the HR department, job designation of HR personnel, qualifications and experience of the HR personnel. HR practices section of the questionnaire includes questions on HR practices as used in the hotel. A personal interview was conducted with HR Manager of The concerned Hotel in January 2019 for the same. The case study method was used in this field study. Yin defines a case study as —an empirical inquiry that investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident. Triangulation of the information was achieved by interviewing individuals at different levels of the organization. The use of this research method is common in the management accounting literature, which is a widely accepted method. It is also said that the case studies fulfill also a descriptive role (Yin, R., 1994), particularly when they draw on (Fombrun, C.J., Tichy, N.M., & Devanna, M.A. 1984) frameworks to a mass and describe the evidence collected.

V. Testing the Framework

The interview session was concluded in a span of 20-25 minutes at the HR office of the concerned Hotel. etc are interviewed in-depth, using the Fombrun, Tichy, and Devana Model as the backdrop. These interviews aimed at capturing the process of Human resource practices, as in operation on a date. The case study was developed with inputs from HR manager in Hotel and on archival and other data collected from this organization. These questions were used in the interviews with the HR person and have found all key factors from the framework below. Initial 8 questions have been used for testing the framework and the last has been included for analyzing the current scenario.

Question no	Dimension	Testing the Framework
1	What are the major HR practices in your organization?	The HR practices followed by the hotel are recruitment, selection, training, and employee welfare. Following are implemented well with all the concerned supervision needed.
2	What is the process of recruitment in your hotel?	Following are implemented well with all the concerned supervision needed. The process initiates with advertising the vacancy details and is followed by selection procedures. It has walk-in interviews and direct entries. The process varies as per the post being offered.
3	Sources through which you advertise and recruit employees?	Various sources have been adopted by the Hotel management for the publicizing of the vacancies at a different level. They are Naukri.com, Indeed, LinkedIn, Dehradun classified and few consultants firm for the same.
3	What is the selection process for your employees?	Employees have to go through four steps for having final appointment letter these are first round with HR manager, second round with the Administration Council, third round with director, fourth round with General Manager. Being successful on which they receive the appointment letter.
4	Do you provide training for your employees?	Yes, they do provide training to employees by daily evening gathering and briefing and another part of training are done by its own institute which is an initiative by the hotel itself.
5	Which method of training and development do you adopt for your employees?	They have an institute which is an initiative by the hotel itself. It performs all training related activity for their employees.
6	What are the benefits provided by you to your employees other than salary?	The Hotel provides various benefits to their employees such as Provident fund, Medical insurance, ESIC, as a part of HR Practices.
7	How do your organization motivate the employees?	For motivating them they do meetings with their employees. They also create a family environment in which employees feel very comfortable to adapt the working conditions. As per the safety of women, it is indeed a very secure place.
8	What is the procedure of the promotion in your hotel?	Basically, promotion is done on a yearly basis. Firstly, by taking into consideration the performance of the employees. They also promote

		their employees by grading them from A to D (A=highest and B=lowest). If there is any special talent or performance done by any employee than promotion can be done on a half yearly basis as well.
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Question 9. According to you, what will be the challenges and opportunities for hotel industries in Uttarakhand in the next 5-10 years?

Answer: In this ever-advancing world every company is worried about their competitions, same is happening in the Hotel as well although they are the only 4-star hotel in Dehradun even though there are few brands who are entering in this market like Hotel TAJ etc, they have to be prepared to face the competition. At this time staff retention becomes a crucial point to be discussed and followed. Since the staff acquisition of newer and brighter opportunities increases, it is indeed a hectic task. Customers too lookout for brands and since the hotel has captured the market of Dehradun and Mussoorie it stands un-known for the upcoming generation of customers. A legacy as old as 44 years can be termed as a huge space for learning and that is what the newcomers look for. Employee retention is a high rated challenge for the hotel because employees after recruitment work here for few months take experience and then they start joining other bigger brands, even though there are few employees who are working there for 40 years as well. As the commencement of standard brands in Dehradun has started and now migration of employees will take place sooner. The hotel suffers a threat of turning into a training institution. There is also a challenge in the form of event management because clients rarely take the facility from the hotel's event manager, they prefer to appoint their own event manager. Customer's practice of hiring event managers on their own leaves less area of profit for the hotel as only the minor staff and place earns the money rest are being arranged by the event managers, which is somehow curbing their jobs. The coordination between the event managers and the hotel turns to be a great matter of concern as permitting someone external to work in their internal management create chaos.

VI. Discussion of HRM Practices in the Context of Existent Literature

The organization with its rich heritage has been able to sustain in this highly complicated industry. The various HR practices followed by them have kept the Hotel as one of the most prominent one in the Dehradun. Infrastructure and their policies with respect to the convenience have established a great bond between them and their employees. As a result of which there are employees working in the hotel for the past 40 years. That clearly portrays the policies adopted by them have been ultimately effective.

- The basic fundamentals of the model that is selection, appraisal, development, and rewards have been implemented successfully. The areas where the problems are being faced is development.
- It has been observed that staff retention is now becoming a challenge to sustain in the hotel. The experience and work space it offers is one of the best and due to which the hotel is the priority for many newcomers.
- The recruitment procedure provides a complete opportunity to the candidate.
- The training techniques are managed by its institute which is an initiative by the hotel itself. It provides the employees with an optimal level of training which is not only suitable for them but also has enhanced productivity.
- The schemes adopted for employee's welfare are highly appreciable. The family-like environment has kept many employees loyal in spite of the highly complex competition environment.

VII. Conclusion

Hotel's policy and way of working highlight its legacy of 44-year-old heritage. It has a strong connection with the local people. It has employees who have been associated with the brand since its initial days. The hotel with its glorious past has the strength to beat the competition equivalent to world-class brands. HR policies implement the "tight fit" and also has been adopted taking in care of the employees and their benefits. Extraordinary performances are given special recognition by giving them promotion on half yearly or yearly basis. The medical support from the Hotel to its employees is appreciable. This so-called invasion is a major matter of concern for all local brands which is now hampering their development strategies. The competition and staff retention are basic and one of the most important fundamental problems to be tackled. These problems act as the biggest hurdles. Invasion of new trends and brands have resulted in a complicated state for all the presently working and fully functioning hotels. The threat of losing their positions is clearly visible. Thus, for the same rewards policies are being focused on. New trends such as customers hiring their own event managers are leading the hotels into huge losses. As such hiring are reducing them from the hotel to place coordinators. They are left with no choice but to accept the unhealthy terms of the customers to be in the game. Invasions of new brands are pulling off the established employees from these hotels for the sake of acquiring or capturing the market with their earned experience. Thus, it definitely provides a threat to the hotels and specific like the one is taken as a case to be reduced as a training center.

VIII. Teaching notes

This case has been written to understand the existence of HR practice in the four-star hotel industry in India. It can be used as an example of —case writing exercise for qualitative researchers. Also, it serves as an example of applying an existing model for research and testing its validity. Hence, the case can be used as a tool in classroom teaching for courses like Business Research Methods, Comprehensive case Writing, Human Resource Management, Recruitment & Selection, Human Resources development, etc. questions were answered by the HR Manager who has been work with the organization. The history of the hotel goes around 44 years back. This illustrates that this organization has witnessed the complete level of tourism being developed in Dehradun. The HR policies of recruitment, selection, staff welfare and many more have been implemented and followed in the hotel. As a result of which the hotel staff has employees who are working for the past 40 years. The selection procedures incorporate majorly four steps those are a session with HR, Administration, Director and General Manager (GM). A procedure with such steps provides the complete opportunity to the candidate to showcase their talent. The incentives given to the employees on the performance basis has yearly implementation but in some case, half-yearly have also been implemented. Employees' State Insurance Corporation (ESIC), Provident Fund (PF), Medical help to the employees brings in them a sense of security and satisfaction. Training methods of the briefing are widely followed and the institute is wholesomely responsibly for the T&D methods. Various future challenges of competition with more brands, event manager, digital marketing were also discussed. This case study can help to enhance the HR policies and also students can analyze and understand the practical implications of the same. The time for the interview was limited, thus the extension for the same could uplift the results for better policies. Interaction with the rest of the employees is definitely to be covered, as practical is what we are concerned with. This case is of the hotel which has witnessed the complete tourism transition because of its long age of this organization. Thus, making it rich in terms of learning to understand. Many other hotels which function now in Dehradun have followed or looked up to the standards the hotel has been adopting. Hence, taking the hotel as a case study gives an outlook of what other hotels are acquiring and are working on. The concerns shared by the HR manager could be acquired as the area of research, specifically as the local brands which have acquired huge status and recognition now suffer these impactful invasions of huge brands

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