

INNOVATIVE HR SOLUTIONS: ENHANCING HOTEL STAFF PRODUCTIVITY

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²University of Maribor, Maribor, Slovenia Abstract:

In the increasingly turbulent and demanding job market related to hotel professionals, the role of HR in designing and implementing strategies to create an appropriate work environment for hotel experts is crucial. For companies to keep up, position themselves, and face challenges in the tourism sector such as attracting and retaining experts and talents, it is necessary for the HR sector to take on many initiatives and activities to fully meet their expectations. Therefore, it is important to emphasise that adjusting HR practices according to the trends and needs of the hotel sector should be very frequent. For these reasons, it is necessary to create an organisational culture in companies that encourages innovation, motivation, and engagement of hotel professionals. Continuous care for these experts in companies becomes a necessity and one of the essential conditions for their retention.

Keywords:

hotel, employees, HR, productivity, innovations.

1. INTRODUCTION

To gain a competitive advantage in today's market, it is crucial to offer guests something unique that sets you apart and exceeds their expectations. At least one additional competitive edge can be very important: for example, prime location, competitive pricing, modern technology, or offering a product or service not easily replicable by others in the same business. In an era where differentiation is key, the quality of services and the competence of human resources—particularly skilled personnel—emerge as paramount factors in influencing tourists' choice of accommodation.

However, securing a prime location is not always feasible, lowering prices is a common strategy used by hotel businesses to cover costs during the off-season, technology spreads quickly and is accessible to almost all modern hotel companies, and the amenities offered by hotels are well-known and rarely differ. This brings us to two very important factors that can significantly influence tourists' choice of accommodation: the quality of services (products) and human resources, specifically skilled personnel, without whom quality would not be possible.

The current reality of every company, especially in the tourism and hotel industry, has become more demanding with each year because of attracting, retaining, and developing employees in different positions. The current reality of every company, especially in the tourism and hotel industry, has become more demanding with each year because of attracting, retaining, and developing employees in different positions. Addressing these challenges requires a strategic approach to human resource management that emphasises adaptability and innovation.

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2. LITERATURE REVIEW

Productivity is crucial in the hotel industry as it directly impacts operational efficiency, service quality, and overall profitability. The high level of productivity will help hotels control their labour costs while still maintaining the standards of service so important for customer satisfaction and retention. This is particularly important because it is predicted that by 2024, labour costs will represent 1/3 of the total hotel revenue (STR, 2024). Efficient management of human resources and operational processes ensures that hotels can meet customer expectations consistently, thereby enhancing their competitive edge in the market (Kleefstraet al., 2020;Simpao, 2018).

For a hotel, it is always more profitable to retain existing guests than to attract new ones. Guests are the ones who generate revenue for the hotel, without whom the hotel business could not exist. Considering that today's guests are more educated, experienced, and demanding, with expectations much higher than in previous times, we conclude that the key to success lies in effective human resource management, which will later reflect in their overall performance.

In the hospitality sector, productivity is not just about the quantity of output but also about the quality of service provided. High productivity helps in optimising work force deployment, ensuring that each employee contributes effectively to guest satisfaction (Biel&Reynolds, 2007). Because of this, schedules are created to determine how many employees are needed for each shift and in different roles. They also track how long it takes to complete tasks like checking guests in and out, cleaning rooms, and other duties. This helps measure how well employees are performing. This can lead to increased guest loyalty and positive reviews, which are critical for a hotel's reputation and long-term success (Zhang, 2022).

Hotel staff face various challenges that significantly impact their productivity. The most important issue is staff shortage, which reflects on service delivery, poses operational challenges, and puts an extra strain on the retained staff. This strain often results in burnout, lower morale, and ultimately higher staff turnover rates (Salama et al., 2022). The labour shortage became even more pronounced following the emergence of the COVID-19 pandemic (Baum et al., 2020). This has resulted in a lack of employees for the hotel industry due to distrust, retraining to other jobs, and the continuous rise of hospitality businesses (Filimonau et al., 2020). The third problem is the high turnover rate among hotels, where employees leave because of poor relations with their superiors, a lack of career growth, and job insecurity. They contribute to employees seeking alternative employment, hence perpetuating the turnover cycle and affecting productivity at large (Codling et al., 2022).

2.1. RECRUITMENT AND SELECTION

Effective recruitment and selection processes are fundamental to attracting talented individuals. According to Baum (Davidson & Wang, 2011), strategic recruitment ensures that hotels hire individuals who fit the organisational culture and possess the necessary skills. Additionally, Jiang et al. (2012) found that proper selection processes reduce turnover and improve job satisfaction. By aligning recruitment with organisational needs, hotels can create a more stable and satisfied workforce.

The incorporation of technology in the hotel industry's recruitment process has greatly improved efficiency and productivity. Sophisticated advancements like artificial intelligence (AI) and machine learning (ML) streamline numerous repetitive tasks like screening resumes, arranging interviews, and addressing candidate queries. This enables HR professionals to concentrate on strategic recruitment elements like enhancing candidate experience and building relationships with potential hires (Sivathanu&Pillai, 2018). For example, AI-powered recruitment tools can analyse large volumes of resumes and match candidates to job openings based on their skills and experiences, thereby speeding up the hiring process. Furthermore, digital platforms and social media allow recruiters to access a widerand more varied group of candidates, enhancing the likelihood of identifying the most suitable individual for the position (Caccavale, 2023). Instant messaging systems further streamline communication between recruiters and candidates, ensuring quicker responses and reducing time-to-hire (Croissy, 2023). Moreover, video interviewing technologies have become essential, allowing recruiters to conduct interviews remotely, which is particularly beneficial in the hospitality industry where flexibility is key. These technologies not only save time but also reduce recruitment costs and expand the geographic reach of the recruitment process (Kshetri, 2017).

2.2. TRAINING AND DEVELOPMENT

Continuous training and development are critical for employee growth and satisfaction. Hjalager and Andersen (2001) highlight that training enhances employee skills and job performance. In the dynamic environment of the hospitality sector, ongoing training helps staff stay updated with the latest industry standards and technological advancements, fostering a culture of continuous improvement (Ghani et al., 2022).

The efficiency and productivity in training and development processes are greatly enhanced by technological integration. E-learning platforms, virtual reality simulations, and mobile training applications provide employees with adaptable, customised learning opportunities (Kim et al., 2019). These tools make it easy for staff to access training materials, letting them learn at their own pace and review content whenever they need to. This helps them remember and use what they've learned better in real-life situations. For example, some hotels have adopted virtual reality for training purposes, allowing employees to engage in realistic scenarios without the associated risks (Gilfedder, 2023). This technology improves learning results while also cutting down on the expenses and logistical obstacles of traditional training approaches. Similarly, mobile learning apps provide convenient training modules that employees can complete during free time, ensuring continuous professional development without disrupting daily operations(Kim &Kizildag, 2011).

2.3. PERFORMANCE MANAGEMENT

Performance management in the hospitality industry is an important process which ensures that quality services are offered and that employees become more productive. Practices in effective performance management will give clear expectations, regular feedback, and alignment of employee goals with organisational objectives, which is in a large way the key for a service-oriented industry like hospitality (Chen et al., 2011). These methods help increase employees' involvement and loyalty, resulting in higher levels of customer satisfaction and more positive business results. In the hotel sector, managing performance includes ongoing evaluation and enhancement of employees' abilities and capabilities. High-Performance Work Practices (HPWPs) like performance appraisals, training, and development programs are believed to have a large impact on organisational performance because they help in motivating and developing an efficient workforce (Murphy et al., 2018).

Innovations in performance management are transforming how hotels manage and develop their staff. For instance, the use of data analytics and AI enables more precise tracking of employee performance and identification of training needs (Vrontis et al., 2023). Forecasting employee turnover and developing proactive retention strategies can be facilitated by predictive analytics for HR managers. Moreover, the integration of rewards like authority, privileges, recognition, physical items, or digital assets in performance management systems through gamification can enhance employee engagement (Birtek et al., 2022).

2.4. EMPLOYEE ENGAGEMENT AND MOTIVATION

Employee recognition is a key factor in creating a motivating work environment. Milman (2003) suggests that recognising employees' efforts leads to higher job satisfaction and retention. For this reason, reward programs should recognise accomplishments in teams and by individuals (Poulston, 2008). High levels of engagement and motivation are linked to better job performance, increased employee retention, and overall organisational success (Albrecht et al., 2015).Engaged employees, with such initiatives, will do more than their regular tasks in guest service and make every effort to improve the work atmosphere. This can significantly enhance the guest experience, leading to higher customer satisfaction and loyalty.

Also, the technology used in the HR practices increases further the ability to engage and motivate hotel employees. These digital channels and mobile apps make it possible for instantaneous communication between the employees and their management. These tools also facilitate personalised training and development programs, which can be tailored to meet individual employee needs and career aspirations, thus promoting continuous learning and growth (Stone et al., 2015). Additionally, technology-driven engagement platforms can track employee performance and sentiment, providing HR with valuable insights to proactively address any issues and enhance overall job satisfaction (Sivathanu&Pillai, 2018).

Work-life balance is a good example of the key element of employee well-being. Deeryand Jago (2009) argue that work-life balance policies reduce stress and improve job satisfaction. Work-life balance could be supported by hotel management in the ways of flexible work schedules, sufficient rest periods, and work-life support programs such as counseling and wellness initiatives. For instance, programs aimed at improving time management and reducing workload can help employees balance their professional and personal responsibilities more effectively (Fan, 2011; Gragnano et al., 2020; Gruman& Saks, 2011). Flexible working hours and supportive policies contribute to a healthier work environment (Garrow&Hirsh, 2008). More precisely, work-life balance has been found to be related to lower levels of burnout and better mental health, thus improving job performance and productivity (Gragnano et al., 2020; Fan, 2011).

2.5. TECHNOLOGY INTEGRATION

Incorporating technology with HR practices within hotel management tends to positively impact productivity. This e-HRM automation tends to automate all the routine HR activities of a certain organisation, including those related to payroll process and benefit administration and record-keeping, leading to better utilisation of professionals in different strata of an organisation and focusing on strategic activities (Marler & Fisher, 2013). This automation reduces errors, speeds up processes, and ensures compliance with regulatory requirements, which collectively enhance operational efficiency (Bondarouk et al., 2017). Artificial Intelligence (AI) and data analytics are also transforming talent management. Through AI, very large sets of data can be analysed to detect patterns for future trends in employee performance and turnover. Forexample, predictive analytics can help HR managers identify employees at risk of leaving and implement targeted retention strategies (Shah et al., 2017).

Technology promotes employee engagement and communication. HR mobile applications allow employees to access the services of HR at any time and in any place to optimise convenience and satisfaction. Chatbots and virtual assistants provide employees with instant help and information, minimising response time while enhancing overall experience for employees (Ivanov &Webster, 2017). Real-time feedback systems enable continuous performance management, allowing managers to provide timely recognition and address issues promptly (Bondarouk et al., 2017).

3. RESEARCH METHODOLOGY

This paper discusses how effective performance management practices are in the hospitality industry. A literature review combines existing research and theoretical frameworks to draw a general understanding of how performance management practices impact levels of employee productivity, engagement, and retention. It identifies common trends, challenges, and best practices to offer a consolidated view of current knowledge.

The desk research helps to understand the dynamics influencing HR practices within the hospitality industry, associated with problems like high turnover, maintaining service quality, and technological changes. In light of this, the review is intended to identify these issues and recommend evidence-based solutions to human resource practitioners. Key peer-reviewed journal articles, books, and industry reports were selected to explore themes such as recruitment, training, performance management, employee engagement, and technology integration. The objective is to be an extensive review that gives summary and identification of areas that are not researched yet.

The greatest advantage with literature reviews is the fact that they are drawn from multiple studies, which give a multiangled approach to the topic. This is very applicable in the hospitality industry where there is great variation in practice and the outcomes. However, the methodology lacks the capacity to bring out empirical findings on specific organisations or situations. This will indicate general trends and best practices, but the findings cannot be directly applicable to all settings. Hence, hotel managers and HR professionals are advised to carry out their own data collection and analysis in view of shaping strategies in accordance with their specific needs.

4. RESULTS AND DISCUSSION

The paper underlines the strategic HR practices that have been found to have a significant effect on performance management for companies in the hospitality sector. With the infusion of AI and machine learning, hiring becomes more efficient in terms of outreach and quality of hires, leading to lowered turnover and greater job satisfaction (Sivathanu & Pillai, 2018; Davidson & Wang, 2011). In the context of recruitment, technology expands the reach and efficiency of hiring processes. E-recruitment platforms enable hotels to attract a global talent pool, streamline application processes, andutilise AI to screen and shortlist candidates, thus speeding up hiring and improving the quality of hires.

E-learning platforms with flexible, personalised training and VR simulations are proven to enhance knowledge application and retention, thus translating to increased employee engagement and reduced turnover rates (Kim et al., 2019; Tracey &Hinkin, 2008).Training programs also increase employee engagement and loyalty (Tracey&Hinkin, 2008). Training and development are critical aspects of human resources management in the hotel industry. Effective training programs enhance employee skills, knowledge, and performance, directly impacting service quality and guest satisfaction.Technology platforms also facilitate personalised learning and development programs, ensuring that employees receive training tailored to their specific needs and career aspirations (Kim et al., 2019).

Regular feedback and goal setting aligned with organisational objectives are shown to improve productivity and service quality, with data analytics enhancing the precision of performance tracking and training needs identification (Chen et al., 2011; Vrontis et al., 2023). Furthermore, recognition programs and career development opportunities foster higher job satisfaction and retention, while technology-driven engagement platforms enable real-time feedback, further boosting motivation (Milman, 2003; Stone et al., 2015).

To address work-life balance challenges, many hotel companies are adopting various strategies. These range from giving out favorable working hours, offering onsite childcare services, to allowing remote working for a section of administrative activities. In addition, the companies' promotion of strong and supportive working cultures where the employees feel appreciated and understood can actually be of help to the employees toward (Fan, 2011; Gragnano et al., 2020; Gruman& Saks, 2011). Work-life balance is a critical issue for hotel workers due to the demanding nature of their jobs, which often involve long hours and irregular schedules. All these have a huge impact on their personal life and well-being. Studies have shown that achieving work-life balance among hotel employees has great potential to bring increased job satisfaction and organisational commitment. In conclusion, performance management practices yield employee engagement, productivity, and retention for effective results in a successful hospitality industry.

5. CONCLUSION

The literature review confirms that effective performance management practices are crucial for improving employee productivity, engagement, and retention in the hospitality industry. Key strategies include the implementation of technology into recruitment and training, continuous feedback, and recognition for work-life balance. Hotels adopting these practices will be able to increase their quality of service, guest satisfaction, and maintain a competitive edge in the market. The strategic alignment of HR practices with industry demands not only addresses immediate challenges but also fosters a resilient work force capable of thriving in a dynamic environment.

Future research needs to look at the long-term impact of these practices and include a wider set of hotels to validate the findings. Additionally, research into how new technologies and changing guest expectations influence HR strategies will provide further implications for performance management. Implementing these performance management strategies can help hotel managers create a more motivated, efficient, and loyal work force, ultimately contributing to the overall success of their establishments and positioning them for future growth.

6. LITERATURE

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