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“Factors which affect the Employee Performance”-A Study with Special Reference to Hotel Industries in DK District, Karnataka

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Abstract

In the modern business world hospitality industry play a vital role for the economic development of the nation. The growth of hospitality industry depends on the service quality and this service quality mainly depends on the performance of the employees.

In India, the hotel sector in the hospitality industry occupied the major share and the growth of this has been facing many challenges, such as high level of competition, changing attitude of the guests, employees' turnover, insufficient reward system to the employees, lack of motivation to the employees towards high perform, etc. Therefore, the only remedy to improve this sector is to ensure that the employees are encouraged and working out the best effort to progress their performance.

This study investigates the features that can improve the level of employee performances in the hotel industry, study the impact of the work conditions, reward systems, career outlook on the performance of the hotel employees and decide the influence of employee performance on the quality of services provided in the study area hotels.

A sample size of 100 employees from 2 star, 3 star and 4 star hotels of the D K District were randomly selected which including 15 are HR managers and rest 85 are hotel employees from 22 hotels of DK District of Karnataka. This shows that the perception the HR manager and the employees in connection to strategy of motivation more or less similar. This study reflects a significant representation of the DK District hotel industry and how the management tackle the employees' performance in terms of service quality in the study area.

Keywords: Hospitality industry, service quality, performance of the employees, work conditions & career outlook

Introduction

The hotel sector is an important segment of tourism industry in any economy and the employees play a decisive role in delivering services to the customers or the tourists visiting the hotels. The hotel industry of DK District has grown considerably and offers some favorable destinations for the tourists all over the world especially Temples, beaches and education institutions. As such, the hospitality and tourism sector of the DK District has been the fastest growing sector in terms of employment. However, the hotel management at the same time need to highlight on the service quality and level of customer satisfaction that the visitors receive during the accommodation to sustain the growth of the hotel industry.

The motivation of the employees is a major issue in hotel industry as it directly links to employee turnover and overall quality of service of the concerned hotels. The success of the hotels depends on the services quality provided by the hotels to the customers. Hence, the prime concern of the hotels is to motivate the employees so as to facilitate such an effort of the hotel management.

The performance of the employees plays an important role in determining the growth and prosperity of the hotels as the employees are the one of the most vital assets of the hotels.

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This is because the hospitality industry is manpower-intensive industry for which the hotels needs to underscore on the performance of the employees and should take appropriate measures for enhancing their performances. Further, the performance of the employees is crucial in the hotel industry as the guests have direct interaction with the employees and thus it is the employees of the hotels that are responsible for satisfying the guests. Thus, it is essential for the management to improving the factors that can raise the performance of the employees besides concentrating on the amenities and services of hotels.

Review of Literature

1. Marium Zafar, Emadul Karim & Omair Abbas (2017) ^[10], in their research article “Factors of Workplace Environment that Affects Employee Performance in an Organization”: A study on Greenwich University of Karachi”, to measure the impact of working environment factors on performance of employees working in Greenwich University (GU), through identifying the variables which includes leadership, organizational culture, training and development, rewards and incentives and stress. The study concludes that, the factors with the highest impact on the performance of employees of

Greenwich University were Leadership, training and development, and stress, which means that these independent variables had the most impact on the dependent variable.

2. Hassan Hijry & Asif Haleem (2017) ^[5], in their paper "Study the Factors That Influence Employees Performance in the Steel Factory, Saudi Arabia", determines the factors that influence an employee's performance in Sunderland Steel factory, Saudi Arabia. The study indicates six factors, which primarily influenced employee performance. They were workplace environment, organizational structure, knowledge, skills, reward and attitude.
3. Pereira Moliner J, Claver Cortes E, Molina-Azorin J F & Tare J J (2012) ^[11], in their article "Quality management, environmental management and firm performance: direct and 100 mediating effects in the hotel industry, specifies that the service quality of the organization depends on the performance of the employees as the employees play a crucial role in delivering quality products and service to the consumers according to their needs and preferences. Apart from that reliability, responsiveness, empathy, tangible products and assurance helps the employee to perform well such that they can satisfy the customers. Thus, the employees' performance plays a crucial role in delivering quality service to the consumers.
4. Hanzae K & Mirvaisi M (2013) ^[4], in their paper "A survey on impact of emotional intelligence, organizational citizenship behaviours and job satisfaction on employees' performance in Iranian hotel industry, mentioned that the value and quality of the hotel services are defined by the customers, the employees that are responsible for providing the guest experience should not only be trained but also motivated to meet the service quality and value expectations of the guests. The HR managers as well the management have a crucial role for training the hotel staff and also motivating them for delivering exceptional service experiences to the customers. Accordingly, the effective ways for motivating the employees or staffs in the hotel industry are adequate compensations, financial rewards, recognition programs, etc. which are used by the HR management in the hotels.

Statement of the Problem

The hospitality and tourism sector of the DK District has been the fastest growing sector in terms of employment. The DK District hotel industry has been vast businesses and generates employment for thousand. The performance of the employees is extremely vital in the hotel industry as the guests interact directly with the employees for all kinds of services and thus, it is the employees of the hotels that are responsible for satisfying the guests and generating revenues. Therefore, the hotel management emphasize much on the factors that can enhance the performances of the employees. With due consideration of the above, an attempt is made to study "Factors which affect the employee performance"-A study with special reference to Hotel Industries in DK District, Karnataka, practiced in the study area.

Objectives of the Research

The main objectives of the research paper is to examine the impact of employee performance on the standard of services and the factors that influences the employees' performance in the hotel industry by examining the work conditions, incentives or rewards systems, career prospect on the performance of the hotel employees of DK District, Karnataka.

Research Methodology

The study is an empirical one using both secondary and primary data. The analysis of secondary data involved a comprehensive literature review of published and semi published sources, including, journals and magazines and reports of various committees. The micro level empirical part of the research study was based on a field survey confined to the hospitality (Hotel) sector in the D. K. District of Karnataka. The study will be carried out with a structured questionnaire to hospitality employees of Dakshina Kannada District in Karnataka.

Sample Size and Techniques

One hundred respondents were taken from the selected 22 hotels comprises 2 star, 3 star and 4 star status in Dakshina Kannada District of Karnataka who are in hospitality employment. Employees are employed in different work departments such as front desk, attender, restaurant, kitchen, cleaning, housekeeping, servicing and others with 15 HR Managers.

Tools for Data Analysis

Data Analysis is done through basic statistical methods. The relevant data are presented in appropriate tables in this paper. Some of the relevant and interesting data are presented in the form of percentages.

Limitations of the Study

This study is based on the data furnished by the hospitality employees and the observations made during the survey. An element of personal bias may affect the data to some extent. Further, the results of this study may be applicable only to areas similar to that of the study area. More than the above, it only focuses on the impact of employee performance on the standard of services and the factors that influences the employees' performance in the hotel industry of the DK District, Karnataka. It does not consider other aspects of the hotel industry that can impact the performance of the employees negatively such as behaviour of the management, types of customers, customer's attitude, lack of capital availability, operational force, location of the hotels, etc.

Results and Discussions

Demographic and Socio-Economic Characteristics of the Respondents

Table 1: Distribution of Respondents by their Demographic and Socio-Economic Characteristics

Characteristics		Nature	No. of Respondents	Percentage
1.	Gender	Male	63	63.00
		Female	37	37.00
		Total	100	100.00
2.	Age (In years)	20-30	24	24.00
		30-40	38	38.00
		40-50	26	26.00
		50 and above	12	12.00
		Total	100	100.00
3.	Education	Elementary & High School	47	47.00
		Graduation (General)	22	22.00
		Graduation (Hotel Management)	23	23.00
		Master Degree	08	08.00
		Total	100	100.00
4.	Income (Per Annum)	` 2 lac to ` 5 lac	82	82.00
		` 5 lac to ` 08 lac	18	18.00
		` 08 lac to ` 10 lac	00	00.00
		` 10 lac & above	00	00.00
		Total	100	100.00
5.	Nature of Employment	Permanent	36	36.00
		Contract	62	62.00
		Seasonal	12	12.00
		Total	100	100.00
6.	Experience (In years)	Less than 2 years	11	11.00
		2 to 5 years	58	58.00
		5 to 10 years	17	17.00
		10 to 15 years	09	09.00
		15 years & above	05	05.00
		Total	100	100.00

Source: Field Survey

The study shows that 63.00 Percent of the respondents are male while 37.00 Percent are female. Thus, majority of the respondents are male. It is known fact that in the hospitality industry women participation is generally less.

The result shows that 24 Percent of the respondents are 20-30 years old; 38 Percent belong to 30-40 years age bracket; 26 Percent are in 40-50 years and 12 Percent are 50 & above years old. Majority of the respondents are in 30-40 years old bracket. It indicates that hospitality sectors prefer 30-40 years old bracket workers and both lower and higher age is not appropriate for the hospitality employment.

The study reveals that 47 Percent (Majority) of the respondents have Elementary & High School education, 22 Percent did Graduation (General); 23 Percent did Graduation (Hotel Management) and the remaining 8 Percent are Master's Degree holder. Majority of the respondents are Elementary & High School education and it shows that for working in hospitality industry specialised education is not mandatory.

The result shows that majority i.e., 82 Percent of the respondents' annual income is ` 2 lac to ` 5 lac and the rest 18 Percent having ` 5 lac to ` 08 lac. The study clearly exhibits that hospitality employment generates low annual income.

The study indicates that majority, i.e., 62 Percent of the respondents are contract workers; 36 Percent are permanent and 12 Percent of the respondents are seasonal workers. It shows that hospitality sector prefers to hire work force without taking own risk.

The result shows that majority, i.e., 58 Percent of the respondents are having 2 to 5 years work experience; 17 Percent are having 5 to 10 years; 9 Percent are 10 to 15 years' experience; 11 Percent of the respondents are fresher (Less than 2 years) and very senior or experienced (15 years & above) are very less i.e., only 5 Percent. The study shows that in the industry, migration of employees after getting minimum experience is common.

Analysis Based on the Objectives of the Study

Table 2: To find out the opinion of employees and HR Managers regarding the Rewards or incentives system in the hotel for good services to the customers as a mode of motivation to employees towards better performance from the management, a 5-point Likert-type scale was created with the range of strongly agree (5), agree (4), uncertain (3), disagree (2), and strongly disagree (1) was used. Accordingly, the study exhibits the opinion from the employees and HR Managers working in the hospitality industry-hotel unit in the study area is as follows:

Table 2: Distribution of Respondents on Rewards or incentives system

Opinion	Employees	Percent	HR Manager	Percent	Total	Percent
Strongly Agree	31	36.47	08	53.33	39	39.00
Agree	42	49.41	06	40.00	48	48.00
Uncertain	08	09.41	01	06.67	09	09.00
Disagree	03	03.53	00	00.00	03	03.00
Strongly disagree	01	01.18	00	00.00	01	01.00
Total	85	100.00	15	100.0	100	100.00

Source: Field Survey

The above table reveals that majority (87 Percent) of the respondents agreed that Rewards or incentives system in the hotel for good services to the customers as a mode of motivation to employees towards better performance. On the other very few i.e. only 9% were uncertain about the fact that higher performance will leads to additional financial compensation in the form of rewards or incentives. A very less proportion of the employees disagreed and strongly disagreed to the statement compared to the proportion of employees consenting with it. This shows that rewards positively influence employee performance.

Table 3: To find out whether the management is having the policy of the Rewards or incentives system in the hotel for good services to the customers as a mode of motivation to the employees and HR Managers in the hospitality industry-hotel unit in the study area, the study shows the following results:

Table 3: Distribution of Respondents on the existence of Rewards or incentives system

Particulars	Employees	Percent	HR Manager	Percent	Total	Percent
Yes	14	16.47	04	26.67	18	18.00
No	71	83.53	11	73.33	82	82.00
Total	85	100.00	15	100.0	100	100.00

Source: Field Survey

The table shows that majority (82.00 Percent) of the employees are not enjoying the benefit of rewards or incentives for their good quality services to the customers from their management. Out of the 22 hotels surveyed only 04 hotels have introduced the system of rewards or incentives for their good quality services as a motivational tool though this system is positively influence employee performance.

Table 4: To trace the opinion of employees and HR Managers regarding the recognition scheme system in the hotel for good performances to the employees are appreciated by the management as an approach of motivation, a 5-point Likert-type scale was created with the range of strongly agree (5), agree (4), uncertain (3), disagree (2), and strongly disagree (1) was used. Accordingly, the study exhibits the opinion from the employees and HR Managers working in the hospitality industry-hotel unit in the study area is as follows:

Table 4: Distribution of Respondents on Recognition Schemes

Opinion	Employees	Percent	HR Manager	Percent	Total	Percent
Strongly Agree	26	30.59	06	40.00	32	32.00
Agree	36	42.35	05	33.33	41	41.00
Uncertain	12	14.12	02	1.33	14	14.00
Disagree	07	08.24	02	13.34	09	09.00
Strongly disagree	04	04.70	00	00.00	04	04.00
Total	85	100.00	15	100.0	100	100.00

Source: Field Survey

The above table exhibits that majority (73 Percent) of the respondents agreed that Recognition Schemes system in the hotel for good services or good performances to the customers as a mode of motivation to employees towards better performance. On the other very few i.e. only 14 Percent were uncertain and a very less proportion (13 Percent) of the employees disagreed and strongly disagreed to the statement compared to the proportion of employees consenting with it. Again this shows that Recognition Schemes system will positively influence employee performance.

Table 5: To find out whether the management is having the policy of the Recognition Schemes system in the hotel for good performance to the customers as a mode of motivation to the employees and HR Managers in the hospitality industry-hotel unit in the study area, the study shows the following results:

Table 5: Distribution of Respondents on the existence of Recognition Schemes system

Particulars	Employees	Percent	HR Manager	Percent	Total	Percent
Yes	18	21.18	07	46.67	25	25.00
No	67	78.82	08	53.33	75	75.00
Total	85	100.00	15	100.0	100	100.00

Source: Field Survey

The study examines the responses of the employees regarding the information that whether they were appreciated and recognized by the management for performances by declaring 'Employee of the month' or 'Star performer' or 'Top performer' etc., in their hotels respectively. The table shows that majority (75.00 Percent) of the employees are not enjoying the benefit of appreciation and recognitions for their good performance from their management. Out of the 22 hotels surveyed only 09 hotels have introduced the system for their good performance as a motivational tool though this system is positively influence employee performance.

Table 6: To trace the opinion of employees and HR Managers regarding (Appropriate atmosphere and Good working conditions) comfortable working environment of the hotel which enable them to perform better, a 5-point Likert-type scale was created with the range of strongly agree (5), agree (4), uncertain (3), disagree (2), and strongly disagree (1) was used. Accordingly, the study exhibits the opinion from the employees and HR Managers working in the hospitality industry-hotel unit in the study area is as follows:

Table 6: Distribution of Respondents on Appropriate atmosphere and Good working conditions

Opinion	Employees	Percent	HR Manager	Percent	Total	Percent
Strongly Agree	23	27.06	05	33.33	28	28.00
Agree	25	29.41	02	13.33	27	27.00
Uncertain	18	21.18	04	26.67	22	22.00
Disagree	12	14.12	03	20.00	15	15.00
Strongly disagree	07	08.23	01	06.67	08	08.00
Total	85	100.00	15	100.0	100	100.00

Source: Field Survey

The above table reveals that majority (55 Percent) of the respondents agreed that comfortable working environment in the hotel is necessary to perform better. When compared to other two factors 22 Percent were uncertain and a proportion of (23 Percent) the employees disagreed and strongly disagreed to the statement.

Table 7: To find out whether the management is having an appropriate working environment in the hotel for good performance in the study area, the study shows the following results:

Table 7: Distribution of Respondents on the existence of Comfortable Working Environment

Particulars	Employees	Percent	HR Manager	Percent	Total	Percent
Yes	15	17.65	06	40.00	24	24.00
No	70	82.35	09	60.00	76	76.00
Total	85	100.00	15	100.0	100	100.00

Source: Field Survey

The study examines the responses of the employees regarding the information that whether they were having an appropriate working environment in their working hotels. The table shows that majority (76.00 Percent) of the employees are not working in an appropriate work environment. Out of the 22 hotels surveyed only 06 hotels have an appropriate atmosphere and good working conditions as per HR Managers. This will definitely create negative impact on the employee performance.

Table 8: To find the opinion of employees and HR Managers regarding opportunities of career growth for the employees or growth in the hotel industry will be beneficial for the employees in terms of their career growth, a 5-point Likert-type scale was created with the range of strongly agree (5), agree (4), uncertain (3), disagree (2), and strongly disagree (1) was used. Accordingly, the study exhibits the opinion from the employees and HR Managers working in the hospitality industry-hotel unit in the study area is as follows:

Table 8: Distribution of Respondents on High Opportunities of Career Growth

Opinion	Employees	Percent	HR Manager	Percent	Total	Percent
Strongly Agree	32	37.65	09	60.00	41	41.00
Agree	29	34.12	04	26.66	33	33.00
Uncertain	09	10.59	01	06.67	10	10.00
Disagree	08	09.41	01	06.67	09	09.00
Strongly disagree	07	08.23	00	00.00	07	07.00
Total	85	100.00	15	100.0	100	100.00

Source: Field Survey

The table represents the opinion of the employees regarding their perceptions about growth prospect in the hotel sector. A majority of respondents (74 Percent strongly agreeing) stated that the hotel industry is one of the most prosperous segments of the DK District economy generating considerable revenue to the tourism industry. However, a noticeable number of respondents were uncertain or confused about the statement as 10 Percent showed neutral response to this question during the survey. On the other hand, 16 Percent of employees strongly opposed to the statement and by no means considered the booming hotel sector of the to be beneficial for career and personal growth. This specifies that the growth of the DK District hotel industry is a positive influence to the decision to stay in their current jobs.

Summary of the Study

The performance of the employees in the hotels was influenced by numerous factors such as rewards and incentives, recognition, appropriate atmosphere, good working conditions and potential for career growth in the hotel sector. Considerable proportion of the participants agreed that the rewards and incentives were dynamic factors behind the performance of the employees as they act as motivating forces for the hotel staff. Majority of the respondents agreed that the management recognition of their hard work and effort by financial or non-financial compensations such as gift vouchers, food coupons, shopping vouchers, Star status, etc. also play a vital role for the best performance. Further, many employees agreed that they will prefer to stay for long tenure in the sector as the environment was appropriate for their health and living standards and there was huge growth in the hotel industry in the study area.

Conclusion

The substantial and consistent growth of DK District hotel industry helped to generate large employment in the recent days. However, the service quality of the hotels depends on the performance of the employees as they play a dominant role in delivering services to the consumers catering to their timely needs. In other words, the satisfaction of the customers and ultimately the revenue of the hotels depends on the quality of services provided which largely depends on the employees serving them. Thus, the hotel management should seek to motivate the employees to perform well through incentives, rewards, bonus, etc. However, there are other external factors that influence the employees' performances which are work conditions, career prospect in the industry are also taken in to consideration.

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