

# Study on Determining Reasons for Labour Turnover in the Food Production Department in Hotel Industry

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**Abstract:** *This paper features the highlights of the Labour turnover in the Hospitality sector with special reference to the Food Production department and turnover of the chefs working in the Hospitality Industry. Food is considered as the heart of the Hotel Business and other hospitality could be complimentary to the same. As it is rightly said that the way to a Man's heart is through his stomach and this saying is indeed true for the whole mankind. Hence, we understand the importance of the Chefs in the hospitality industry and the need to study their turnover rate. This study would enable us to find out the various reasons for the increase in the turnover rate. Accordingly, we can explore the various methodologies that are framed or practiced by the Industry to retain the talent or decrease their turnover. In order to understand the turnover, we need to first understand the challenges faced by the Food Production Department with special reference to the Chefs. Further, the changing market scenario and modernization is also creating a shift in the personality of Chefs, which in turn leads the chefs to seek a new standard of living. Labour Turnover in the Food Production Department is an outcome of many such factors.*

**Keywords:** Hotel Industry, Food Production Department, Labour Turnover, Labour Turnover percentage

## I. INTRODUCTION

Chef is a trained person responsible for cooking food in the hotel, the preliminary duty of a chef is to cook appealing food for the guest staying in the hotel. Chefs are a part of food production department normally situated back of the house, irrespective of being situated away from the guest area it still features as one of the most important department of the hotel. As the old saying goes everything revolves around the food and well fed guest will be a satisfied customer at the end of the day.

As a result of massive growth in the hospitality sector where there is a lot of competition in the market, every hotel wants to appoint the best people and a chef's profession is a skillful profession thus, the requirement is very high. This requirement has not only generated a great demand for the skilled professionals but also has increased the turnover rate. The labour turnover is a vital factor in the food production department of a hotel as a lot of time, money and efforts are spent in training and grooming them according to the standards of the organization. Further, it is also believed that skilled chef is an asset to the department and losing these important assets is not preferred by the hotel industry. As per a survey the overall turnover rate in the hospitality sector was 72.9 percent in 2016, up slightly from a rate of 72.2 percent in 2015. It also represented the sixth consecutive annual increase, after falling to a cyclical low of 56.4 percent in 2010. <https://www.restaurant.org/Hospitality-employee-turnover-rate-edged-high>, Mar 16, 2017

The labour turnover in the food production department is very vital to the Hotel Industry as it is directly related to the services provided to the guests. If the labour turnover ratio declines the department would have to spend a lot of time and energy and finance, in grooming new staff, creating the same standards again and also wait for the outcome of such training and grooming of the staff. The efforts spent do not come instantly and have to complete a cycle to become worthy, and if the labour turnover changes constantly then it becomes extremely challenging to control the same. Hence, the need for the study is to understand the reasons of such labour turnover and frame strategies to curb attrition and improve retention largely. This would also result in increasing the number of old, honest and loyal staff members who are loyal to the department.

In the current scenario we understand that there is ample of market opportunities for the employees to seek better career options. The younger generation is keener in professional and personal financial growth. They do not believe in becoming stagnant in search of a permanent job. They prefer changing their preferences in exchange of a better deal. This creates a major challenge for the hotel industry to retain them. The food production department should give the new chefs an opportunity required for self growth and enhancement, it also gives them the desired challenges to prove their worth and earn promotions by performing to the best of their capacity. To achieve this, a well framed feedback system is required so that the strategies could be modified and upgraded to meet the current requirements. Anything that becomes stagnant or out dated might pose a great threat to turnover rate. Hence the aim of this research is to understand the mentality of the chefs through well framed system which will reduce the turnover rate.

### Definitions

- **Food Production Department:** The department which is involved in preparation of food. A process, in which raw materials are cooked, combined and transformed to make a dish. The scope of Food Production has been widening at a faster pace in India as well as Abroad. <https://medium.com/@lordsinstitutesurat/food-production-hotel-and-hospitality-management-a6d32b27bf71>
- **Labour Turnover:** It is defined as the proportion of a firm's workforce that leaves during the course of a year. <https://www.tutor2u.net>
- **Turnover Rate:** The term 'employee turnover rate' refers to the percentage of employees who leave an organization during a certain period of time. People usually include voluntary resignations, dismissals, non certifications and retirements in their turnover calculations. They normally don't include internal movements like promotions or transfers.
- **Employee Turnover Percentage:** To calculate the monthly employee turnover rate, all you need is three numbers: the numbers of active employees at the beginning (B) and end (E) of the month and the number of employees who left (L) during that month. You can get your average (Avg) number of employees by adding your beginning and ending workforce and dividing by two ( $Avg = [B+E]/2$ ). <https://resources.workable.com>

## II. LITERATURE REVIEW

**Jyoti Peshave and Lalita Chirmulay (2019):** The study had highlighted about a new trending career which chefs are attracting i.e. take home chefs. The study explains the scope for hospitality students to make Home chef as a career. The study had showed that people already in this business are from varied backgrounds, thus home chef can prove to be a trending career for hospitality students as a foodpreneur. The preliminary aim of their research was to understand the concept of Home chefs along with the pros, factors that help gain popularity and how to effectively brand oneself as home chef.

**Yao T., Qiu Q, & Wei Y (2019)** The study had aimed to analyze the psychological mechanism affecting the attitudinal and behavioral loyalty of employees in hotel industry. The study had used organizational commitment theory and regards the hotel employee as an internal customer to construct and verify a conceptual framework. Some of the major findings were first, affective, normative, and continuance commitments and have apparent and varying effects on the attitudinal and behavioral loyalty of employees. Second, the attitudinal loyalty of employees significantly promotes behavioral loyalty. Third, employee trust and satisfaction in hotel sector are vital backgrounds of the three dimensions of organizational commitment. These findings have significant implications for managing hotel employee turnover and improving the psychological achievements of employees.

**David McMillin & Staff Writer (2013)** according to the author employees may leave and join many sectors, but it is happening at a very quicker rate in the hotel industry. The labour turnover rate of hotel employees is approximately 20 times higher than any other industry. According to a new research improving employee turnover in the hotel industry starts with one simple leadership attribute i.e. authenticity. As per the survey there is a strong correlation between authentic leadership and an employee's organizational commitment. This connection ultimately interprets to potential increase in employee turnover in the hotel industry.

**D. McMillin & S. Writer, (2013)** the study had explored the past, current and future trends in human resource management (HRM) in the hotel industry, with a specific focus on international brands. The research has found

that issues of training and skills development of service quality are as important in the future as in the past. With the revolution in technology the way HRM is conducted should change according to the Generations X and Y approach towards work, it requires a new approach for HRM. The concept of Casualization and outsourcing will become more dominant methods of employment. Strategic human resource management (SHRM) and its practices have the flexibility to add value to future hospitality firm performance. The future of HRM in the hospitality industry will need to take into account the various new trends.

**Davidson, M. C., Timo, N., & Wang, Y. (2010)** their research had revealed that Employee turnover is a significant challenge for human resource management (HRM) strategies and organizational performance. The study seeks to present findings drawn from an extensive survey of labor turnover. A particular influence is focused on turnover rates and costs. The research shows that the major costs are attributed to labour turnover. These are costs that both the industry and individual operators should scrutinize closely as they influence substantially on hotel operating costs and productivity. It also indicates that the levels of service consumer experience and value may be impacted.

**Chand, M., & Katou, A. A. (2007).** Their study had a two folded purpose, to investigate whether some specific characteristics of hotels affect organizational performance in Indian hotel industry and to investigate whether the HRM systems affect organizational performance in Indian hotels. The results had indicated that hotel performance is positively associated with hotel category and type of hotel. Additionally hotel performance is positively related to the HRM systems of recruitment and selection, manpower planning, job design, training and development, quality circle, and pay systems. The study had also made a modest attempt to add information to the very little experiential knowledge available referring to the link between HRM and performance in the hotel industry.

**M. Deery (2002)** the chapter had addressed some key issues pertaining to labor turnover, in particular it aimed at issues related to the hospitality industry. It had explored theories of economic, sociological and psychological prospective. The case study had examined employment issues and labor turnover in the hotels of international brands. The chapter had examined the ways that the hotels adopt to overcome the issues related to promotional opportunities and overall development of the employees. The chapter had also provided the recommendations and best practices in managing and maintaining staff to reduce dysfunctional turnover in the hospitality industry.

**G. Rowley, & K. Purcell (2001).** The study had drawn upon qualitative research carried out as part of a major project to provide evidence on skill deficiencies. The research had sets out to shed light upon the causes and consequences of labour turnover in the industry and the coping strategies and counter measures of employers, also it proves that labour turnover is substantially within the control of management and it has useful implications for practitioners.

**A. Cheng & A. Brown (1998)** their study had explored the perceptions of HR managers on the strategic management of labour turnover. The main dispute of the study was that the effects of labour turnover can be moderated with deliberately managed human resources through the four key HR activities. The hotel revealed a comparable range of HR policies and practices that were adopted with an explicit recognition of the contribution an organization's human resources have on the bottom-line. There was a clear conjunction towards curtailing turnover primarily through the recruitment, selection and induction processes.

### III. CONCLUSION

- The Hotel Industry should have specific strategies for early talent recognition. This could be undertaken by the food production department to groom the staff accordingly; leading towards bridging the gaps in the department and finding the best fit for leading the department in future.
- A good compensation policy is the most important factor for a better turnover percentage. Employees prefer fair compensation for every single effort they make for the organization.
- It is also important that the department has clearly outlined work timings as per laws. It should be strictly implemented followed in the kitchens along with fair compensation for over time.
- A healthy work environment is very important for smooth functioning of any department; working conditions of the department will enable in forming a good kitchen brigade.
- The healthy work culture in the department is by itself a strong mechanism for a good work group and enables minimum efforts towards conflicts management.

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