A Comparative Analysis on Recruitment & Selection Methods Between 3 Stars and 5 star Hotels in India

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Introduction

Employees are the main strength of hotel industry. Identification of right candidate and fitting him in the right position is the starting step for every organization to enter in to the competitive world. Recruitment and selection are the initiation for the development of effective and productive work force. Recruitment and selectionprovide the foundation for a competitive advantage through effective and efficient human resources. Recruitment and selectionare the process of generating a pool of qualified candidates for a job who can contribute best to the strategic objectives of the organization and the applicant identifying what jobs need to be filled and how the most suitable candidates will be attracted (Hartel et al., 2007).

The previous researches in hotel industries depicted that the challenges faced by the hotel are high turnover, skill shortages, flexible employment patterns and low wages. For all these problems the efficient work force and the effective recruitment and selection procedures are needed. Effective Recruitment and selection approach can facilitate an organization to maximize the competitive advantages by choosing the best pool of candidates quickly and cost efficiently (Kleiman, 2005). A successful recruitment process can be lengthy and costly, but an unsuccessful recruitment can be a burden for the organization. If the recruitment and selection is fails it leads the non-productive work force in the organization. Non-productive work force never helps the organization to head towards their goal and also it incurs the cost to the organization. This paper intends to compare the recruitment and selection methods between 3 star and 5-star hotels in India.

Literature Review and Research Gap

In the era of continuous change, all the industries are in an urge to change themselves to sustain in the competitive environment.so they are in a need for differentiation leading to sustainable competitive advantage (Katou, 2008).

Inorder to sustain in competitive world, the focus has moved away from the traditionally sources (capital, land, technology) to business systems and processes and in particular to human capital, that has emerged as the new source for competitive advantage. Human resources (HR) as skills, knowledge, attitudes and competencies and the way they are managed are key factors to produce a sustainable competitive advantage, as they are hard to be imitated (Armstrong, 2017). Human capital is the most important resource for the service industries particularly tourism industry (Hoque, 2013).

Recruitment and selection are of the most important processes for obtaining and retaining qualified employees, at a reasonable cost, and achieve person-job and organization fit (Broughton, Foley, Ledermaier, & Cox, 2013).

Recruitment and selection practices of organization, a case study of HFC Bank, was to assess the effectiveness of the recruitment and selection practices and procedure of HFC Bank. The resultof their study indicates that advertising of job vacancies and employee referrals are mostly the mode for recruiting potential employees, it was also realized that the method used in the recruiting and selection process was very effective and more over helped improve employee performance (Djabatey,2012). Implementation of best practices in the areas of job analysis and recruitment, but only partial implementation in the area of initial screening and selection due to various time cost and resources obstacles. Further, IT-ITES firm were found tohave adopted arranged of innovative recruitment and selection strategies, though a greater focus on innovation in recruitment than in selection was observed. It was found also that the recruitment and selection of foreign firms were not moresophisticated and structured than those of local firms except in certain aspects (Deepisethi,2005).

Recruitment is a set of practices/ methods taken up by the firm in order to identify and attract potential employees, while selection is also a set of practices/ methods for deciding according to pre – set criteria which applicants to be appointed to jobs (Armstrong, 2017; Torrington et al., 2017).

If during the selection process the most qualified applicants for specific job positions are selected there will be low need for long induction (initial training). On the contrary, if a business systematically trains and provides high development programs for its employees then the poor selection and recruitment process is compensated (Torrington et al., 2017).

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In recent years, the number of hotels applying the principles and methods of HRM is steadily increasing, although the greater portion of them are still using old fashioned systems and practices of HRM (Katou, 2008).Considering now the more recent developments in recruitment and selection, the e-methods (recruitment and selection through internet and social media), Hotels lag behind MNCs, mostly because of their size and the level of technology applied in them (Panayotopoulou et al., 2007). Not surprisingly, as they use old – fashioned HR practices, they find it difficult to hire skilled and reliable staff (Bagri, Babu, &Kukreti, 2010).

From the literature reviewed from the studies, it was observed thatrecruitment and selection play a vital role in bringing out the best or the worst out of an employee and the policy of recruitment and selection of an organization always affect the general performance in terms of service delivery and profitability of an organization.

Statement of the problem

Human interactions and attitude of the human capital is the important asset for hotel industry. So, the skill sets, knowledge and attitude of the human resources is crucial to run the hotels successful. Identification of right talents start at the stage of recruitment itself. There are many recruitment methods followed in hotel industries. But their effectiveness is always questionable. This paper intends to bring out the different recruitment methods practiced in   3 star and 5-star hotels, their similarity, differences and their effectiveness.

Objectives of the study

• To study about the different recruitment and selection method practiced in hotel industry
• To evaluate the similarity and differences in the recruitment practices between 3- star and 5-star hotels
• To evaluate the effectiveness of recruitment and selection practices

Research Methodology

   The survey was carried out by structured questionnaire. The questionnaire was sent through mail to 75 five-star hotels and 140 Three-star hotels in India. The survey instrument has been designed with likert scale to extract the Human resource Managers opinion about the recruitment and selection practices. The valid responses received from 5-star hotels are 67 and 3stars hotels are 123. So, these numbers have been considered as the sample for the survey.

T-test has been used to find the difference in recruitment and selection practices between 3 star and 5-star hotels.

Research Hypothesis

• There is no significant difference in recruitment methods between 3- star and 5-star hotels.
• There is no significant difference in selection practices between 3- star and 5-star hotels.
• There is no significant agreement in opinion about effectiveness in recruitment and selection practices between 3- star and 5-star hotels.

Data Analysis and Interpretation

T-test is used to test whether there is any significant difference in recruitment and selection practices followed in 3-star and 5-star hotels.

Recruitment Methods Between 3- star and 5-star hotels

H_{01}: There is no significant difference in recruitment Methods between 3- star and 5-star hotels.

H_{11}: Hypothesis: There is a significant difference in recruitment methods between 3- star and 5-star hotels.

Table 1

T-test for difference in recruitment methods between 3- star and 5-star hotels

Recruitment Methods	Star Category	Mean	t-value	Significance (5%)
Internal Recruitment	3*	3.66	-1.38	Not Significant
	5*	4.38		
Outsourcing	3*	3.71	-1.13	Not Significant
	5*	4.23		
Employee Referrals	3*	2.66	0.51	Not Significant
	5*	2.76		
Campus Recruitments	3*	3.23	0.93	Not Significant
	5*	3.76		
Walk-ins	3*	4.22	-1.46	Not Significant

	5*	4.33		
Internet/Social Media Advertising	3*	3.58	0.63	Not Significant
	5*	2.85		
Print Advertisement	3*	3.23	0.74	Not Significant
	5*	2.86		
Company Websites	3*	3.54	0.91	Not Significant
	5*	2.75		

From table 1, the t-values indicated that there is no significant difference between the recruitment methods practiced between 3* and 5* hotels. The mean value ranges from 2.6 to 4.4 in 5-point Likert scale indicates that walk-ins are the most common method practiced in both the star hotels which mean value is approximately 4.3. The mean value of internal recruitment and outsourcing is nearly 4. So, these two methods can be termed as most frequent methods in Five-star hotels.

Selection practices between 3- star and 5-star hotels

H_{02}: There is no significant difference in selection practices between 3- star and 5-star hotels.

H_{12}: There is a significant difference in selection practices between 3- star and 5-star hotels.

Table 2
T-test for difference in selection practices between 3- star and 5-star hotels

Selection practices	Star Category	Mean	t-value	Significance (5%)
Application Forms	3*	2.86	-3.38	Significant
	5*	4.72		
Resume screening	3*	2.91	-3.13	Significant
	5*	4.65		
Knowledge checks	3*	4.21	0.62	Not Significant
	5*	4.26		
Personality test	3*	4.16	0.87	Not Significant
	5*	4.27		
Stress Interview	3*	3.21	-1.23	Not Significant
	5*	3.62		
Assessment Centers	3*	2.31	0.47	Not Significant
	5*	1.32		
Reference checks	3*	4.32	0.69	Not Significant
	5*	4.61		
Performance Test	3*	3.42	3.91	Significant
	5*	4.57		
Interview	3*	4.23	0.74	Not Significant
	5*	4.27		

From table 2, the t-values indicated thatthere is a significant difference in applications forms, resume screening and performance tests between 3- star and 5-star hotels. The mean value for these 3 practices nearer to 5 in 5-star hotels indicates that these are highly adopted selection practices in 5-star hotels. Other t-values indicated that there is no significant difference between the other 5 selection practices practiced between 3* and 5* hotels.

Effectiveness of Recruitment and selection Practices

H_{03}: There is no significant agreement between respondents on effectiveness in recruitment and selection practices between 3- star and 5-star hotels

H_{13}:There is a significant agreement between respondents on effectiveness in recruitment and selection practices between 3- star and 5-star hotels

Table 3

Friedman Test for ranking of effectiveness of Recruitment Methods

Recruitment Methods	Mean Value	Rank
Internal Recruitment	4.26	1
Outsourcing	4.11	4
Employee Referrals	4.23	2
Campus Recruitments	3.93	5
Walk-ins	4.21	3
Internet/Social Media Advertising	3.87	6
Print Advertisement	3.26	8
Company Websites	3.45	7

Table 4
Friedman Test for effectiveness of Recruitment Methods - Test Statistics

N	190
Chi-Square	936.231
Df	7
Asymp. Sig.	0.000

From the table 4, Friedman's test also confirms this positive agreement with the significance level 0.000 at 95 percent confidence level. From the table 3, it can be concluded that in evaluating the effectiveness of recruitment methods,Internal Recruitment got the ranking of 1, Employee Referrals got the ranking of 2, Walk-ins got the ranking of 3,Outsourcing got the ranking of 4, Campus Recruitments got the ranking of 5, Internet/Social Media Advertising got the ranking of 6,Company Websitesgot the ranking of 7 and Print Advertisementgot the ranking of 8.

Table 5
Friedman Test for ranking of effectiveness ofSelection Practices

Selection practices	Mean Value	Rank
Application Forms	4.32	3
Resume screening	4.67	2
Knowledge checks	4.02	7
Personality test	4.12	6
Stress Interview	3.57	9
Assessment Centers	3.76	8
Reference checks	4.26	5
Performance Test	4.31	4
Interview	4.72	1

Table 6
Friedman Test for effectiveness of Selection Practices - Test Statistics

N	190
Chi-Square	927.436
Df	8
Asymp. Sig.	0.000

From the table 6, Friedman's test also confirms this positive agreement with the significance level 0.000 at 95 percent confidence level. From the table 5, it can be concluded that in evaluating the effectiveness of selection practices,Interviewgot the ranking of 1, Resume screeninggot the ranking of 2, Application Formsgot the ranking of 3,Performance Testgot the ranking of 4, Reference checksgot the ranking of 5, Personality testgot the ranking of 6, Knowledge checksgot the ranking of 7 andAssessment Centersgot the ranking of 8.

When comparing recruitment and selection methods, effectiveness of selection methods scores higher. The respondents from 3 star and 5-star hotels agreed that internal recruitments and employee referrals are effective in recruitment methods and interviews and resume screening are highly effective in selection methods.

Discussion

The research results reveal that there are no significant differences in recruitment methods and selection practices between 3-star and 5-star hotels. But, when comparing the mean scores, the 5-star hotels are slightly in higher level than 3-star hotel. Mostly, the hotels are giving importance to internal recruitment and employee referrals in recruitment and interviews and resume screening in selection practices. The innovative and technology enabled methods can be introduced in hotels which would help them to identify the skilled workforce and it would help the star hotels to improve the effectiveness of the practices. The research has both academic and managerial implications. In academic, it will add the literature in human resource management for hotel industry and managerial point view, it would help them to identify the commonly practiced recruitment and selection practices in hotels and its effectiveness.

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