

Relationship of training with Employees' Performance in Hoteling Industry

Case of Pearl Continental hotels in Pakistan

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Abstract

One of the most important aspects in the contemporary hoteling industry is employees' acquaintance with new methods and techniques of Hotel management through training. In fact training is formal as well as an informal process, which is carried out for improving the performance of employees. Therefore the implementation of an effective training process at all levels of management has a significant impact on the performance of the employees.

The present study has examined the relationship between the different training courses and the resultant performance of the employees in completing different tasks at the Pearl Continental Hotels situated at three big cities of Pakistan, i.e., Karachi, Rawalpindi, & Peshawar. Specifically this study has investigated the relationship between the employees' training factors like, age, gender, experience, time spent on training & Overall scores achieved in training examinations and the six performance dimensions, i.e. 1) work safety, 2) job preparedness, 3) hotel hygiene, 4) physical maintenance of rooms, 5) interactions with guests, 6) preparation for serving customers in different ways.

Data was collected through a questionnaire which contained both "employees training profile" & "performance inventory". Data was analyzed by development of multi regression model in order to calculate R^2 values for individual training factors and knowing its strength of relationship with performance dimensions.

A significant relationship was found between the employees training and their resultant performance in accomplishing different tasks. It was found that those employees who have taken trainings were more capable in performing different task & vice versa.

It is recommended that the some of prevalent problems related to delivery of different services to targeted customers in the hoteling industry of Pakistan can be overcome by first conducting a training need assessment for employees of the hotels, then delivery of training programmes to targeted employees and in the end evaluation of the training out comes in such way that the performance is checked in accordance to the training programmes already been delivered. Further more the employee participation can improve the process of training programmes design & deployment, and this participation will also motivate the employees to show better performance after the training programmes have are delivered.

Field of Research: Human Resource Management

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1. Introduction

Business world is going to be dominated by the services. It has been noticed that in today's world the service sector is the largest growing area of developing countries. The cross culture encounter ships in business and world wide company cultures are fueling the growth of service sector in developing countries.

Now days an increase of tourism has resulted in the expansion of hoteling industry Pakistan. The hoteling industry in Pakistan has become highly competitive with regard to the quality of service which are provided by hoteling industry as the quality of services have a significant effects on the profitability and success of hotels.

The quality of service can be maintained by continuous development of both the employees as well as other factors involved in the quality of services. One of the way to develop employees is giving them continuous training in their respective fields as according to Michael Armstrong, 2000, the fundamental aim of training is helping organization to achieve its goal by adding value to its key resources, i.e. its employees. This means that training is like investing in people to enable the to perform better and to empower them to make the because to their natural abilities.

The Pearl Continental hotels in Pakistan are owned by the Hashwani group under the holding company Pakistan Services Ltd (PSL) and Hashwani Hotels Ltd respectively, it is providing number of hoteling services to targeted customers for which it has hired different types of employees as according to the requirements of the different department situated in these hotels. The employees are given training on regular basis so that their performance in delivering different services to target customers remains high. One way to acquaint employees with the different aspects of hoteling is hiring of "trainees", which are kept as trainee staff for a specific period of time and after they complete their training tenure & pass training exams, they are given regular jobs.

It has been found that the employees who have gone through different training courses successfully, where more capable in performing actual task. Among the six training types it was found that the employees showed an increase in performance after they have got training in work safety, hotel hygiene, training on good interactions with guests & physical maintenance of rooms.

A study also shows that knowledge about work place safety and motivation to perform safely influences individual reports of safety performance and also mediated the link between safety climate and safety performance (Mark A. Griffin et al., 2000) Further more the effective and relevant food hygiene training when delivered to hotel employees in such way that there is a support of the organisation, adequate resources and the peer support of colleagues, then it will have a greater effect on intention and actual behavior of the food handler, increasing the likelihood that safe working practices are carried out at all times (Phillip seamen et al., 2005). On other side a study provides an evidence of the positive impact that social skills training can have on improving the quality of customer service within a hotel environment. The customers in that study

reported that the overall quality of service improved during the time the receptionists were receiving social-skills training (Thomas N. Garavan, 1997). The finding from these studies conforms that the training has a significant relationship with the performance of employees in hoteling industry. There is a need of full understanding of the requirement of employees regarding training in such way that the performance is checked in accordance to the training programmes already been delivered. Further more the employee participation can improve the process of training programmes design & deployment, and this participation will also motivate the employees to show better performance after the training programmes have are delivered

2. Literature Review

It is the age of service industry. Advances in technology, especially information technology, are revolutionizing the image of services. The expansion of this sector in industrial countries was often thought to be a side effect of deindustrialization; in developing countries, it was often attributed to the growth of the informal sector, chaotic urbanization, and a swelling public sector. Overall, the growth of services was perceived at best as a by-product of developments in the primary and secondary sectors, at worst as a drag on long-term economic growth. But, as IT transforms service industries, and as awareness grows of the importance of efficient producer services, the development of these services is coming to be regarded not as a consequence but as a precondition of economic growth (Carlos A. Primo Braga, 1995).

Services comprise a wide array of economic activities among which the hoteling is fast growing business. The growth in this sector is attributed to several factors. The dominant factors are the availability of fast transportation to the people for movement from one place to other, the prevalence of global cross country business cultures which compelled the governments of different countries to allow foreigners to enter their countries and conduct business, the agreement of countries to make one currency for promoting trade with each other, without suffering from the costs of currency transformation and the fast growing trend of tourism have acted as catalyst is growth of hoteling industry.

Training has direct relationship with the employees' performance. Basically training is a formal & systematic modification of behavior through learning which occurs as result if education, instruction, development, & planned experience (Michael Armstrong, 2000). Because of the practical implications of training, it is important to have training that is effective. Studies have proven that more costly but effective training can save money that is wasted on cheap but inefficient training (Ginsberg, 1997). Therefore, training has acquired a strategic value for hotels (Partlow, 1996; Tihanyi *et al.*, 2000; Boudreau *et al.*, 2001), since service quality depends on employee customer care effectiveness (Tsaur and Lin, 2004).

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which it has hired different types of employees as according to the requirements of the different department situated in these hotels. There are different ways by which the employees of Pearl Continental hotel are trained. The first source is the training departments themselves, which have established the Pearl Continental hotels. The second source is the outsourced training organizations which provide facilities of giving professional training to the employees of hoteling industry. Most often such like employees are selected which are already trained and have sufficient experience in hoteling industry. The hiring of “trainees” and then keeping them as “probationary trainees” with in hotel in order to acquaint them with the modern skills and competences of hoteling also exists in the Pearl Continental hotels of Pakistan. The aim behind training employees is “achieving cost effective high performance” and good performance brings quality, as according to Deming, 1982, higher quality implies lower costs and increased productivity, which in turn provides the firm with a greater market share and enhanced competitiveness levels. This idea supports the conclusion reached in a number of empirical studies dedicated to manufacturing and service organizations (Flynn *et al.*, 1995; Kaynak, 2003; Heras, 2006). Thus training proved that impacts on performance and hence are related to each other.

Researchers have used wide range of tools and techniques for understanding the relationship between the employees training and their resultant performance in hoteling industry. The most common techniques includes the analysis of employees’ training profiles for getting data regarding the nature, type, tenure and other details of training which has been gained by the employees. The analysis of the performance inventories is also used because the performance inventories are often filled by the supervisors and contains important data regarding the level of performance, which has been exhibited by the employees after taking training. Ruth Taylor *et al.*, 2004, investigated the training relationship with remuneration in the accommodation industry and used training profiles for gathering detail information regarding the nature and types of trainings of employees of accommodation industry in order to find relationship of training with remuneration in accommodation industry. In same way Tom Baum *et al.*, 2007 worked on skills and training in the hotel sector of Northern Ireland and studied the training profiles of hotel employees for getting detail data about the nature and type of training which has been gained by the hotel employees.

3. Research Objective

The present study aims to examine the relationship between the different training courses and the resultant performance of the employees in completing different tasks at the Pearl Continental Hotels situated at three big cities of Pakistan, i.e., Karachi, Rawalpindi, & Peshawar. Specifically this study has investigated the relationship between the employees’ training factors like, age, gender, experience, time spent on training & Overall scores achieved in training examinations and the six performance dimensions,i.e.1) work safety, 2) job preparedness, 3) hotel hygiene, 4) physical maintenance of rooms, 5) interactions with guests, 6) preparation for serving customers in different ways.

4. Methodology

A case study technique has been used in the present study. The researcher worked as management internee at the Pearl Continental Hotel Karachi and started work on the studying of employees' training & their resultant performances.

In fact case study technique has been applied in this study because a case study is one of several ways of doing research whether it is social science related or even socially related. It is an intensive study of a single group, incident, or community (Shepard, Jon *et al.*, 2003). The employees of Pearl Continental Hotels have been selected as special case for knowing the relationship of training on the performance of employees. Thus rather than using samples and following a rigid protocol to examine limited number of variables at so many different hotels, a case study employees of Pearl Continental Hotels have been selected which involve an in-depth, examination of Pearl Continental Hotels.

Data collected in two phases. In the first phase employee's training profiles were developed. These training profiles helped in data collection regarding age, gender, department, experience, nature of trainings attended, time spend during training, and scored achieved in trainings course examinations. These training profiles in shape of self administered questionnaire were distributed among the line level employees of Pearl Continental Hotel. The employees' selection for the study was totally on random basis. In the First week of internship total 55 randomly selected line level employees were asked to fill the training profiles at Pearl Continental Hotel Karachi. In the second week of internship total 60 randomly selected line level employees were asked to fill the training profiles at Pearl Continental Hotel Rawalpindi, and consequently 45 randomly selected line level employees, at Pearl Continental Hotel Peshawar were asked to fill the training profiles in the third week of internship. These employees were selected from five departments including Front Office Department, Food and Beverages Department, Guest relations department, sales department, HR department and Housekeeping department. The employees' names, designations, and department were kept in record for use in second the phase of study. This process of data collection among the line level employees started on 1/08/2008 and ended on 2/09/2008.

The second phase of data collection started after the completion of internship of researcher during the month of September, 2008. In this phase the previously 160 randomly selected employees of Pearl Continental Hotel Karachi, Rawalpindi and Peshawar were given "performance inventory" to fill on self administered basis. The "performance inventory" contained total 18 statements scaled on ordinal Likert method. These 18 statements were about work safety, job preparedness, hotel hygiene, physical maintenance of rooms, interactions with guests, preparation for serving customers in different ways in such way that total 3 statements were assigned for measurement of each variable.

After data collection data a multiple regression model was developed in such way that it contained both qualitative as well as quantitative variables. This model was developed in order to calculate the coefficients of multiple determination (R^2), which actually measure the strength of relationship of the independent variables

with dependent. It tells how well the regression line approximates the real data points. The dependent variables were the actually the performance indicators, i.e. Work safety, job preparedness, hotel hygiene, physical maintenance of rooms, interactions with guests, and preparation for serving customers in different ways, which were correlated with independent variables of employees' training, i.e. Age, Gender, Experience, Total time spend on training, Overall scores achieved in training examinations.

5. Data

The data has been presented in two steps. In the first step a multiple regression model was developed in order to calculate R^2 . In the second step R^2 values for the individual training factors were presented in a table shape as clear from TABLE: 1. It has been observed that a significant relationship existed between the six performance dimensions and five individual training factors.

The TABLE: 1 shows that age wise those employees which are in the age category of 20 to 25 years ($R^2=0.81$) were more trained, more experienced & have achieved better scores in training examinations, thus the employees of this age group had better performance in hotel. Gender wise there is no significant difference between the R^2 values of males in comparison to females, however ($R^2=0.73$) value for males show that gender wise males were trained more and thus performed well. The employees which had more experience 2 years and > 2 years had shown better performance ($R^2=0.80$) as compared to employees with 1 year experience.

Following multiple regression model was developed for calculating R^2 values:

$$Y \text{ Performance} = X_1 \text{ Age} + X_2 \text{ Gender} + X_3 \text{ Experience} + X_4 \text{ Total time spend on training} + X_5$$

Overall scores achieved in training examinations

$$Y = \beta_1 X_{1a} + \beta_2 D_{1a} + \beta_3 D_{2a} + \beta_4 D_{3a} + \beta_5 X_{2g} + \beta_6 D_{1g} + \beta_7 D_{2g} + \beta_8 X_{3e} + \beta_9 D_{1e} + \beta_{10} D_{2e} + \beta_{11} D_{3e} + \beta_{12} D_{4e} + \beta_{13} X_{4t} + \beta_{14} D_{1t} + \beta_{15} D_{2t} + \beta_{16} D_{3t} + \beta_{17} D_{4t} + \beta_{18} X_{3s} + \beta_{19} D_{1s} + \beta_{20} D_{2s} + \beta_{21} D_{3s} + \epsilon$$

Where:

D_{1a} = if <20 years

D_{2a} = if 20 to 25 years

D_{3a} = if >25 years

D_{1e} = if <1 year

D_{2e} = if 1.5 years

D_{3e} = if 2 years

D_{4e} = if > 2 years

D_{1s} = if low

D_{2s} = if medium

D_{3s} = if high

D_{1g} = if Male

D_{2g} = if Female

D_{1t} = if <5 months

D_{2t} = if 5-10 months

D_{3t} = if 10-15 months

D_{4t} = if >15 months

The ($R^2=0.72$ and 0.81) values of the employees which have passed more time up to 10-15 months and > 15 months on training showed performed well as their training factors were significantly related to the resultant performance. The data further shows that the employees who have achieved high scores in the

examination of trainings were more capable of showing better performance as their individual training factor of “Score in training examinations” was significantly related to the performance dimensions with high ($R^2=0.78$) value.

Table: 1
 R^2 values for individual training factors

Characteristic	N	R^2
Age		
<20 years	28	0.27
20 to 25 years	88	0.81
>25 years	44	0.65
Gender		
Male	108	0.73
Female	52	0.69
Experience		
<1 year	19	0.57
1.5 years	25	0.68
2 years	28	0.80
> 2 years	88	0.79
Total time spend on training (Whole career)		
<5 months	13	0.22
5-10 months	52	0.41
10-15 months	90	0.72
>15 months	05	0.81
Overall score achieved in trainings examinations		
Low	10	0.31
Medium	82	0.54
High	68	0.78

Table: 2
Types of trainings taken by employees (N=160)

Training types
Training on scope & nature of Hotel Management
Occupational safety & health training
Communication Skills & Advertising training
Marketing/ Sales training
Hotel reservation training
General tourism related training
Training on Commodities & Ingredients knowledge
Customer relations training
Housekeeping related training
Training on methods of Cooking
Hotel hygiene related training
Food & drinks serving related training
Hotel physical maintenance related training
Team working skill enhancement training
Quality Control training
Rooms Servicing training

The TABLE: 2 show the types of training which are offered to the employees of Pearl Continental Hotels. The table shows that employees are given a wide range of trainings which can cover requirements of all of the departments. This means that the Pearl Continental Hotels give chances to employees to acquire diverse skills & competencies in hoteling sector.

6. Discussion and Findings

Hoteling is a multifaceted industry with numerous job opportunities for both skilled as well as unskilled people. The hoteling sector has always been given considerable emphasis since it satisfies the requirement of a diverse group of people, whether they are tourists, businessmen, or common person who is off the home and is in need of a good place to stay. The training is key to enhance the capabilities of employees, where the training programs in hoteling sector are specifically designed to bring a performance level among the employees which can fulfill the needs of targeted customers in time and cost effective way. The data of the present study shows there is significant relationship between the individual training factors and resultant performance dimensions. The employees who have more on the job experience have better performance because there is an increase in the both skills & competencies because of more on the job experience. In fact the employees' experience allow the employees to gain stability in performing different tasks repeatedly in such way that employees avail the chances of removal of any weaknesses or errors in their resultant performances. The data further show that the employees which have passed more time in getting different training have shown better performance because the more the employees pass time in getting training the more chances are availed by employees to learn new things. The employees which have taken high scores in the training examination have also shown better performance because the training examination appraise the acquired skills level of employees, gained by employees after taking training.

7. Conclusion

The study of relationship of the employees' training with performance is important for today's managers because the modern business trends demands more efficiency, accuracy and effectiveness in less time and cost and this can be achieved only through design, development and deployment of excellent training programmes to the employees.

The Pearl Continental Hotels situated at Karachi, Rawalpindi and Peshawar are important business spots because not only the people from within Pakistan stay there but also the people coming from abroad prefer to stay in these hotels. Therefore these hotels are vital source of revenue generation not only for the owners of the hotels but also in long run for Pakistan. The productivity of these hotels depends on the overall performance of these hotels in providing of different services to the targeted customers as according to their needs. And the performance of these hotels is dependent on the skill & competency levels of employees who actually work their. The skill & competency levels of employees are heavily dependent on the amount and type of training they get. Therefore it has

been concluded that the employees' training of the Pearl Continental Hotels situated at Karachi, Rawalpindi and Peshawar has significant relationship with the performance. The more training, means high performance and vice versa.

8. Future research

In the present study only the relationship of training with employees' performance has been investigated with out addressing of wide array other factors with does have not only relationship with the employees' performance in hoteling industry but also put significant effects on the overall performance of hoteling sector.

A lot of future research can be done on different factors in hoteling industry, but specifically in relation to employees' performance factors like training needs assessment, training programmes design, development, & deployment are important to study for knowing their effects on the resultant employees' performance in hoteling industry. The role of managerial and leadership factors in employees' training and performance is also of unique importance and thus required to be investigated because a good manager or leader either increase or decrease the efficacy of training which in end affect employees' performance. The employee's compensation also has significant effect on the performance because the employees which are not paid well often show poor performance. Future research is require in hoteling industry because the demanding, educated customers catalyzed by new technology & globalization will emerge as big challenges to the hoteling industry in forth coming times.

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