

“Employee Attrition Behaviour in Hospitality Industry with Special Reference to Hotels and Restaurants in Lucknow City”

**A Thesis Submitted to
Babu Banarasi Das University
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in

Management

by

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December, 2017**

Certificate of the Supervisor

This is to certify that the thesis, entitled “Employee Attrition Behaviour In Hospitality Industry With Special Reference To Hotels And Restaurants In Lucknow City” submitted by Mr. Leon Chung for the award of Degree of Doctor Philosophy by Babu Banarasi Das University, Lucknow is a record of authentic work carried out by him under my supervision. To the best of my/our knowledge, the matter embodied in this thesis is the original work of the candidate and has not been submitted elsewhere for the award of any other degree or diploma.

Signature

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Date

Declaration by the Candidate

I, hereby, declare that the work presented in this thesis, entitled “Employee Attrition Behaviour In Hospitality Industry With Special Reference To Hotels And Restaurants In Lucknow City” in fulfillment of the requirements for the award of Degree of Doctor of Philosophy of Babu Banarasi Das University, Lucknow is an authentic record of my own research work carried out under the supervision of Dr. Gaurav Pande.

I also declare that the work embodied in the present thesis is my original work and has not been submitted by me for any other Degree or Diploma of any university or institution.

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(Leon Chung)

Preface

Three sectors that contribute to the global economy are the service, manufacturing and agriculture sector. The service sector is the largest contributing sector to the global economy in monetary, non-monetary, employment and infrastructure development. Service sector is the largest sector of the world. 63.5 percent of total global wealth comes from services sector.

Hospitality industry is further classified into restaurants, lodging, event planning, transportation, theme parks, airlines, cruise lines and tourism. Hospitality means the family association between guest and host, or the act or practice of being warm, friendly or generous. This includes the receiving, serving and entertaining the guests, visitors, or strangers.

A hotel is an establishment that provides lodging, dining, entertainment and other services which are paid on a short-term basis. The provision of basic accommodation, in times past, consisting only of a room with a bed, a cupboard, a small table and a washstand has largely been replaced by rooms with modern facilities, including in-suite bathrooms and air conditioning or climate control.

A restaurant is a property or an establishment that prepares food either cooked, semi cooked or fresh and drinks/ beverages either alcoholic and/or non-alcoholic to serve its customers for exchange of money which can be paid prior or just after the meal. Some restaurants have tab system for certain type of customers.

Attrition, in Human Resource terminology, refers to the phenomenon of the employees leaving the company. It is usually measured with a metric called attrition rate, which simply measures the number of employees moving out of the company (voluntary resigning or laid off by the company). It is also referred as churn rate or turnover.” It also refers to decrease in number of employees and staff of an organization either due to resignation or retirement and the management are unable to find an immediate

replacement to fill the vacant post.

The major problem faced by the hotels & restaurants is the sudden departure of the employees without prior notice to the concerned authorities. Demand for hotel & restaurant staff and support staffs have been increasing while the supply remains sluggish. Hoteliers & Restaurateurs often face employee attrition problem, especially during the marriage season. They work for caterers as the wages received is much higher than in a hotel or restaurant despite the fact that it is a seasonal job.

The sudden departure of employees without prior notice results in financial and non-financial losses to restaurant. Financial loss like recruitment and selection cost, training the new employee cost, loss of customers due to lack of adequate service, hike in wages demanded by existing employees, loss of goodwill of the restaurant and non-financial loss like replacement pressure of the previous employee, psychological pressure on restaurateurs, dissatisfied customers and motivates existing employees to follow the same way of leaving the job.

Research methodology used is: Initially it will be an exploratory research, as we progress it will be a Descriptive research. The secondary data collected had little information regarding employee attrition behavior in hotels and restaurants of Lucknow City, Uttar Pradesh; therefore, exploratory research was conducted in which open ended questionnaire was used to collect information from the industry experts. The variables collected from the exploratory research was used in descriptive research. Descriptive research questionnaire comprised of dichotomous scale, Likert scale and special rating scale (out of 100). Findings of the study is that internal factors like long working hours, odd working hours, work pressure and external factors like salary offered by competitors, family problems and health problems lead to employee attrition in hotels and restaurants of Lucknow City.

The research project is expected to contribute to the hotels and restaurants

by identify the reasons for employee attrition behavior of hotels & restaurants and to find the effect of each factor for employee attrition behavior of hotels & restaurants. The project is expected to contribute to the existing, newly opened and those entrepreneurs who want to open a new hotel and / or restaurant in Lucknow city and how to retain their employees and minimize the unexpected departure from the job without prior notice. The research project will be applicable in hotels & restaurants owned by individuals or partners.

“An Exploratory Study on Reason for Attrition by Employees in Lucknow City, Uttar Pradesh, India- Owner/ Manager Perspective”, Oct 2016 Issue of Eduved International Journal of Interdisciplinary Research findings were external factors like salary and allowances offered, better brand opportunity, family issues, health problems and start own restaurant business and internal factors like work environment, adjustment with colleagues and personal growth.

“An Exploratory Study on Behavior of Employer with Employee Leading to Attrition in Hotels and Restaurants of Lucknow City, Uttar Pradesh, India" in National Conference Proceedings in SMS Institute with ISBN Number

The study found out that 15% to 25% employees quit the organization every 6 months.

Employer behavior towards employees play a significant role towards the performance, working, delivery of services and in retention of employees' other than the monetary benefits such as the basic salary, housing benefits, medical insurance, bonuses etc. Employees also quit the job due to the behavior of employers such are day to day behavior related to work, work culture, rude behaviour, favouritism, dominating behavior.

“A Descriptive Study On Reasons For Employee Attrition Behavior In Hotels And Restaurants Of Lucknow City, Uttar Pradesh, India: Owners/ Managers Perspective” in International Journal of Research in Commerce and Management.

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CHAPTER 1

INTRODUCTION

Three sectors that contribute to the global economy are the service, manufacturing and agriculture sector. The service sector is the largest contributing sector to the global economy in monetary, non-monetary, employment and infrastructure development. Further the service sector is classified into Economic services like trade and hospitality; transportation activities, storage and communication; banking and insurance services then Social services like health, education and administration. Services sector is the largest sector of the world. 63.5 percent of total global wealth comes from services sector. United States is the largest producer of services sector with around 13.5 trillion USD. Services sector is the largest sector of 194 countries. 30 countries receive more than 80 percent of their GDP from services sector. In India, the services sector is projected to grow at 8.8 per cent in 2016-17, similar to 2015-16. As per World Trade Organization (WTO) data, India's commercial services exports increased from US\$ 51.9 billion in 2005 to US\$ 155.3 billion in 2015, taking its share in global services exports to 3.3 per cent in 2015 from 3.1 per cent in 2014.

Hospitality industry is further classified into restaurants, lodging, event planning, transportation, theme parks, airlines, cruise lines and tourism. Hospitality means the family association between guest and host, or the act or practice of being warm, friendly or generous. This includes the receiving, serving and entertaining the guests, visitors, or strangers. It is the host's

duty to ensure the guest, visitor or stranger is served well, their needs are met, satisfied and are well protected.

Prior to 19th century any person approaching for protection will be under hospitality of the provider or host or protector, which mean the person, will be cared for and no harm will come to him whatsoever. When a shelter is provided to a stranger/ traveller it is called as Hospitality and when shelter is provided to an enemy of a known person then it is called refuge. The same concept evolved from not only those seeking protection but also to those who want an experience, enjoy holiday and travel alone or with family and friends. Today protection and survival law of hospitality is a rare affair, it has developed to travel, tourism, entertainment, leisure, etiquette, food and beverage. Hospitality industry a multi- billion-dollar industry, which is dependent on disposable income and leisure time which can be afforded by the public. The contribution of Hospitality and Tourism industry to the global economy is remarkable. It has an impact directly and indirectly to the nation's economy as well as development of infrastructure and employment.

Travel and tourism has evolved and developed over the period in human history. According to United Nations Travel and Tourism paper "A person who travels in India on foreign passport for a minimum period of 24 hours and the maximum period of 6 months is a tourist provided he or she does neither settles nor gets employed (or exiled) in this country" which is applicable to international tourists.

Mathieson and Wall (1982) created a good working definition of tourism as "the temporary movement of people from destination to destination outside their normal places of work and residence, the activities undertaken during their stay in those destinations, and the facilities created to cater to their needs."

Today, tourism means to deliver satisfaction and experience to guests, travellers and visitors from different cities or countries through combination of number of activities, service, tourist destinations and business-like accommodation, food and beverage establishments, transportation, retail shops, entertainment and other hospitality services.

There are two types of tourism i.e. domestic tourism and international tourism, where "Domestic Tourism" is movement of people for leisure activities and pleasure availed within own country while "International Tourism" is movement of people for leisure activities and pleasure to another country. Movement of people is only possible through transportation modes like road, rail, water or air. Therefore, travel and tourism are interrelated and support each other.

Travel and tourism is an important source of revenue for the country in terms of domestic currency exchange as well as foreign exchange. Business is dependent on domestic and foreign travellers who have disposable income and can afford leisure time. Travel and tourism is divided into tourist destinations, tourist attraction, travel brokers, transportation, accommodation and travel related services to attract travellers and tourists.

Tourism in India is influenced greatly by its geographical placement where all season weather like summer, winter, rain and autumn can be experienced at the same time, the rich heritage and culture that was built by the Indian and Mughal rulers and emperors over the period of years. Close to a century rule (1858-1947) of the Britishers in India led to construction of schools, railway lines, roads and development of barren areas especially the hilly region and coastal areas of India. Therefore, monuments, temples, monasteries, churches and the architectural designs are a proof of many cultures passed on in India which soon became an attraction and tourist hotspot.

Uttar Pradesh is a diverse tourist hotspot in India. State was ruled by Hindus, Mughals and Britishers the state has cities like Varanasi known for Ganges the holy river of India and Kashi Vishwanath Temple, Mathura known for Lord Krishna's birthplace and many temples, Allahabad city known for Triveni Sanagma, Kumbh Mela and Allahabad Fort, Jhansi known for temples, forts, historical significance and museums, Fatehpur Sikri known for Jama Masjid mosque and Salim Chisti tomb, Jim Corbett National Park, Meerut known for monuments, temples and churches, Ayodhya known for history Lord Ram's birthplace, temples and river, Dudhwa National Park, Aligarh known for temples and monuments, Kushinagar known for Buddhism, monasteries, temples and museums, Moradabad known for temples, arts and crafts, Mirzapur known for waterfalls, forest, wildlife and temples, Hastinapur known for temples, excavations, sanctuary and wildlife, Saharanpur known for temples,

botanical garden, arts and crafts, Faizabad known for temples, gardens and monuments, Pilibhit known for forest, wildlife and tigers, Agra known for one of the seven wonders of the world Taj Mahal and Agra fort, upcoming cities like Noida known for amusements parks, shopping centers and botanical gardens.

Lucknow City well known for Mughal construction like Bara Imambara shrine, Rumi Darwaza, Residency, non-vegetarian cuisine, various food joints, arts and crafts that have attracted domestic and foreign tourist since independence of India.

The direct contribution of travel and tourism to global GDP is about US\$ 2 trillion in 2012. In terms of employment in 2011 more than 98 million jobs were generated and in 2012 it increased by 2.3% to 100.2 million. It is expected to generate 120 million jobs directly in 2022. The Hospitality industry is the third-largest foreign exchange earner, accounting for 6.23% of India's GDP and 8.78% of India's total employment. Currently travel and tourism sector currently employs 49 million people, or 1 in every 10 jobs, and this is projected to increase to 58 million, or 1 in every 9.6 jobs by 2020.

According to the Planning Commission, the hospitality sector creates more jobs per million rupees of investment than any other sector of the economy. The World Travel & Tourism Council (WTTC), which says India's travel and tourism sector is expected to be the second-largest employer in the world, employing 40,37,000 people, directly or indirectly, by 2019.

Travel and tourism is a USD 32.7 billion business in India, according to industry estimates; in addition, the hospitality sector is sized at USD 23

billion and is expected to grow to US\$ 36 billion by 2018.

The industry is expected to generate 13.45 million jobs! across sub-segments such as Restaurants (10.49 million jobs), Hotels (2.3 million jobs) and Travel Agents/Tour Operators (0.66 million). The Ministry of Tourism plans to help the industry meet the increasing demand of skilled and trained manpower by providing hospitality education to students as well as certifying and upgrading skills of existing service providers.

The Indian hotel industry is likely to witness a revenue growth of about seven per cent in 2012-13, according to a study by rating agency ICRA, an Indian credit rating agency.

Uttar Pradesh is a favored tourist destination in India due to the location of Taj Mahal, one of the Eight Wonders of the World, in Agra. In 2015, 3.10 million foreign tourists visited the state of Uttar Pradesh. Under Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD) scheme, for the development of Varanasi, the amount sanctioned and released by the Ministry of Tourism for the state, during 2015-16, were recorded to be US\$ 3.06 million and US\$ 623.28 thousand, respectively.

Uttar Pradesh has attracted Foreign Direct Investment (FDI) equity inflows worth US\$ 563 million during the period April 2000 to March 2016, according to data released by Department of Industrial Policy and Promotion (DIPP).

A hotel is an establishment that provides lodging, dining, entertainment and other services which are paid on a short-term basis. The provision of basic

accommodation which consisted of only of a room with a bed, a cupboard, a small table and a washstand over the period of 20th century has largely been replaced by rooms with modern facilities, including in-suite bathrooms and air conditioning or climate control.

The Hotels & Motels industry value consists of all revenues generated by hotels & motels and other accommodation and food service. The value does not include any revenues generated through other interests such as casinos, shops and telecommunication services. The industry is segmented according to the origins of the revenue (domestic consumers, domestic business and international business & consumers).

History of hotels date back to the human civilization, evidence supports the facts that facilities and provisions are provided to guests, traveller and strangers via lodging and accommodation buildings. Ancient times (Phase I- Pre 15th Century) The villages during the era of Greek civilization had establishments providing hospitality and facilities for travellers to rest, avail medical benefits and recover for further journey. In order to provide these facilities, the Greeks were the first to pioneer thermal baths in the establishments in their villages. During the period of Roman civilization from small establishments to mansions were built for lodging purposes. Also during this period mansions were especially built for government officials and those travellers on government business. Romans were the first to introduce Thermal baths in these mansions spreading across England, Switzerland and Middle East routes. The concept of thermal baths in hotels is now a global phenomenon, most of the hotels have a spa or thermal bath

facility. It is a great attraction for their clients and tourists. Inns is an establishment where travellers can stay, rest and provide shelter to their animals. Inns began to multiply during the course of time and yet none of them provided the facility of meals to travellers. The first inn was built in Florence, Italy, year 1282. Self-service inns started in Paris, year 1312. In the Middle East where it is very difficult to build establishments or mansions, caravans started to provide facilities for resting and lodging on the trade routes. During the Mughal rule, Caravansaries were built along “The Grand Trunk Road”, Indian sub-continent.

Middle Ages (Phase II- 15th century to 19th century) Beginning of hotel industry at 15th century, where the structure of inns grew at a large scale. Inns started to change their mode of operations by offering food and drinks, small inns expanded enormously by size and operations. Small properties grew and they changed their architecture to a hallway entry of beautifully designed arched porch, a courtyard, luxury bedrooms suited for scenery view, public/ waiting room in the front hall, kitchen, hall where guest could dine like a restaurant, stables and a storehouse behind the property. This is the birth of the hotel industry, looking at the potential of hotel industry, it grew significantly in Europe. Establishments now started to brand themselves. Modernization Era (19th century onwards) During this period hotels started to take over the town supported by the industrial revolution. Industrial revolution started in 1760 which led to the fast construction and development of hotel properties especially in England, mainland Europe

and America. As the hotel industry grew, holiday resorts flourished along the Italian and French Riviera. Resort is a commercial property or establishment having the facilities of a hotel and recreational activities like entertainment, sports, shopping, feel of natural habitat and other amenities. A resort is self-sustained property. Age of Prosperity (20th century) 20th century marks a new beginning to the new world- world war was over, kingship and aristocratic rule declined and globalism took over. Similarly, the hospitality industry during the early twentieth century grew rapidly as many luxurious hotels were being established globally to attract tourism and rich clientele. Tourist resorts started to flourish around the Mediterranean. City and beach hotels became popular with Spain, Greece and Balearics island as tourist destinations. Growth of hotel industry also led to rise in demand and expectation of the guests. Hotel chains began to enhance their services and offer variety of services. Design of rooms changed: technology took over to appease guests, got more spacious, enhanced bathroom facilities, in room services like a safe and tea and coffee maker. Hotel industry saw further development to their approach and attracting clients. This was majorly supported by inventive and innovative marketing by the hotel proprietors and chains of hotel. Hotels began to adapt to their clientele rather than wanting to offer the services. This trend led to hotels being constructed near transportation facilities like bus station, railway station and airports, also specially for conferences, banquets and parties, health industry became synonymous to the hotel industry, ski resorts, holiday villages with various adventure sports and marina hotels started to boom.

Technology takes over a software Property Management Systems (PMS) or Hotel Operating Systems (Hotel OS) first appeared in the hospitality market in 1980s. The software covers all objectives required to systemize the operations of hotels from operational function to the front office to sales and planning to financial reporting to human resource functions.

Hotels are classified based on their mode of operation. Hotels vary in size, function, facilities offered and cost. Most hotels and hotel chains operate hotels on an accepted industry standard to classify their hotel properties. General category hotels now seen are

- **Upscale Luxury**

Hotel establishment that provide full service facility and highest level of professional service like on premise full service restaurant and bar, 24-hour room service, high speed wireless internet access, electronic safe, high definition television with premium channels, coffee and tea maker, self-control room air conditioner, premium bed and mattress, study table and added bathroom facilities while they offer luxurious amenities like personal butler, sonar baths, spa, shopping mall, child care, pet facilities, personalized/ custom fridge/ mini-bar and medical treatment facilities.

They are also known as luxury hotels, most countries have them classified as a Four-star, Five-star or Five-star deluxe rating depending on the local rating standards. Waldorf Astoria, Ritz Carlton, Fairmount and Conrad are such luxurious hotel chains.

- **Full Service**

Full service hotels provide all the facilities to the guests and visitors like on premise full service restaurant and bar, swimming pool, health club, gymnasium, conference facilities, banquet hall, ballrooms, internet facility, pick and drop facility and shopping facility.

In most countries depending on the ratings and classification they fall under category of Three-star and Four-star category. Hotel chains like Starwood, Inter Continental, Marriott, Hilton, Westin and Hyatt mainly operate in this range.

- **Historic Inns and Boutique Hotels**

Old palaces, forts, historic inns and residential properties of kings and queens which have a historic significance have been transformed mostly into luxurious hotels that offer full scale services based on size and mode of operation.

- **Focused or Select Service**

Hotels that offer limited number of services to the customers generally offering the basic on-premise services similar to full service hotels, it does not include the various luxurious facilities like full functioning restaurant and bar; swimming pool or health club. They target and cater to a certain segment of market especially to travellers on business purpose or single travellers. In most countries based on ratings such hotels fall into Two-star or Three-star category.

Hilton Garden Inn, Holiday Inn and Courtyard by Marriott are few examples catering to this segment.

- **Economy and Limited Service**

Hotel establishments of small to medium sized that target travellers who desire no comfort or luxury or any frills, they just want accommodation. These hotels only offer the basic facilities to the guests like telephone, attach bathroom, may be an air conditioner, complimentary breakfast or a restaurant.

Such hotels are very economical and fall in the budget of travellers and fall under the category of Two-star hotels like Fairfield Inn, Four Points by Sheraton and Hampton Inn.

- **Extended Stay**

Very similar to the economy and limited service hotels just that its mode of operation is different, they offer longer period of stay. These hotels have non- traditional pricing methods like weekly rates or monthly rates depending on the requirement of customers. Certain known are Stay Bridge Suites, Residence Inn by Marriott, Homewood Suites by Hilton and Extended Stay Hotels.

- **Timeshare Resorts and Destination Clubs**

Timeshare Resorts are self-sustained properties which include Full-Service hotel, on premise restaurant and bar, recreation ground, swimming pools and various luxury amenities. All the facilities are within the property itself, guests spend few days to avail the leisure and luxury facilities. Resorts are generally desired for a particular season.

Destination clubs operate on a more luxurious scale providing private accommodation in villas or houses generally in a setting like a colony or neighborhood style with all facilities of a luxurious hotel.

Examples are Marriott Vacation Club, Hilton Grand Vacations, Starwood Vacation Ownership, Westgate Resorts and Disney Vacation Club.

Hotel Star ratings is a concept to provide the tourist, travellers or guests to identify the hotel property which will provide the facilities required to their expectations. In current times the 'hotel rating' also determines the experience and service which a guest will receive in the hotel property.

Star classification of hotels by Government of India, Ministry of Tourism (H&R Division) states "Hotels are an important component of the tourism product. They contribute in the overall tourism experience through the standards of facilities and services offered by them. With the aim of providing contemporary standards of facilities and services available in the hotels, the Ministry of Tourism has formulated a voluntary scheme for classification of operational hotels which will be applicable to the following Star Category Hotels and Heritage Category Hotels:

- i. Star Category Hotels: 5 Star Deluxe, 5 Star, 4 Star, 3 Star, 2 Star & 1Star
- ii. Heritage Category Hotels: Heritage Grand, Heritage Classic & Heritage Basic

The Hotel & Restaurant Approval & Classification Committee (HRACC) inspects and assesses the hotels based on the facilities and services offered.

Departments in Hotel consists of

- Housekeeping- This department takes care and maintains the cleanliness of the public area, guest rooms and common area. The staff of this particular department is highly trained to ensure the guests do not have problem with hygiene and availability of room facilities. After the guests check out, it is also their duty to tidy the rooms so that new guests can occupy the rooms.
- Security- Hotel security ensures the protection of the guests and staff including of the property and belongings. They are also in charge of securing the property by patrolling, monitoring the Closed-Circuit Television (CCTV) and if needed investigation.
- Front Office – Known as nerve center of any hotel property. They are the staff who are in direct contact with the guests and customers of the hotel. Their duty is to welcome the guests, understand their query, provide them with room keys, help in registration or check ins, ensure the luggage is delivered to their rooms, explain about the activities happening in the property and help in checkouts.
- Accounts- Various tasks like customer invoices, daily receivables, processing the payments, accounts reconciliation, budgeting and financial analysis as well as periodic financial reporting are handled by the accounting department.
- Food & Beverage- The department concerned with preparation of food and beverage to be served to the customers. Restaurants and kitchen in the hotel prepare the food while alcoholic and non-alcoholic beverages are prepared in the bar.
- Human Resource- The department concerned with recruitment, selection,

hiring, training and development of employees in the hotel premise. Their functions also relate to communication of objective and system to its employees. They also perform administrative functions to ensure smooth functioning of the hotel.

- Maintenance- Problems mainly concerned with repair and maintenance of plant and machinery, water treatment, water heating, boilers, air conditioning duct, room lightings, common area lighting, external lighting, sewage treatment, fountains, swimming pool and other electronic items in the property.

A restaurant is a property or an establishment that prepares food either cooked, semi cooked or fresh and drinks/ beverages either alcoholic and/or non-alcoholic to serve its customers for exchange of money which can be paid prior or just after the meal. Some restaurants have tab system for certain type of customers. Food is prepared and eaten in the restaurant premises, but nowadays restaurants offer the service of packing and home delivery where food is prepared in the premises but eaten outside the restaurant premises. Restaurant first originated in France in 1765, opened by a soup vendor A. Boulanger in Paris.

Types of restaurants are

1. Fast Food- Fast food or Quick Service Restaurants (QSR) is known for their speedy service to the customers. From small scale street vendor with carts to mega corporations like Mc Donald's and Kentucky Fried Chicken (KFC) fall under this category.
2. Fast Casual- Establishments which offers quality food with no full table service and prices tend to be higher. They may offer non-disposable plates

and cutlery to the customers.

3. Casual Dining- Restaurants serving moderately priced food in a casual atmosphere. Except for buffet style, they typically provide table service
4. Family Style- Types of casual dining restaurants, where food is served on platters by the service staff and diners serve themselves. Alcoholic beverages are not served in family style restaurants.
5. Fine Dining- Full service restaurants with specific dedicated meals, the ambience features are of high quality material and atmosphere desired by restaurateur. Wait staff are usually highly trained and wear formal attire. Rules are to be followed by diners and are usually expensive to dine in fine dining establishments.

Departments of restaurant are as: front office operations that deals directly with the customers/ guests related to their queries, requirement of food, beverages and services. The concerned requirement and demand is then passed on to the kitchen for its preparation. Back office operations that involves in preparation of food and beverage to be served to the customers. They do not directly deal with the customers yet play an important role in the satisfaction of the guests.

Attrition, in Human Resource terminology, refers to the phenomenon of the employees leaving the company. It is usually measured with a metric called attrition rate, which simply measures the number of employees moving out of the company (voluntary resigning or laid off by the company). It is also referred as churn rate or turnover.” It also refers to decrease in number of employees and staff of an organization either due to resignation or

retirement and the management are unable to find an immediate replacement to fill the vacant post.

Employee attrition in hotels and restaurants are affected by internal and external factors. Internal factors are those variables that are controlled by the management while external factors are those which are not in control of the management yet widely affects the departure of employees.

The reasons for employee attrition are:

Internal Factors

- Odd Working Hours- Timings of hotels and restaurants are odd which means it is a 24 by 7 job and no 8-hour time limit. No holidays during festival season and gazette holidays.
- Long Working Hours- Working hours of hotels and restaurants stretch up to 10 hours and more. In case of full service and up hotels it is a 24-hour work.
- Adjustment Problem with Colleagues- Employees face problems with their juniors, colleagues and managers regarding work related matters at times it becomes difficult for them to adjust with them.
- Work pressure- Nature of job in hotels and restaurants is very demanding, challenging and hectic. Most of the times employees cannot cope up with work pressure of the organization.

External Factors

- Higher Salaries Offered by Competitors- There is a cut-throat competition in hospitality market especially in case of hotels and restaurants. There is huge demand for skilled and semi-skilled,

experienced labor and supply does not meet the expectations. Therefore, head hunters are ready to offer higher salary packages to new employees.

- Health Problem of Employees- People working in hotels and restaurants face health challenges due to odd and long working hours, stress and other illness which does not allow them to continue the job.
- Family Problem of Employees- Personal matters and problems faced by employees such as aged parents, village activities, marriage etc. which cannot be controlled by the employer.
- Pursue for Higher Studies- Employees at times do leave the job for higher studies like Master of Business Administration (MBA) and other such courses.

Problem faced by sudden departure of employees without prior notice results in financial and non-financial losses to hotel and restaurant. Few of them are:

1. Financial loss
 - i. Recruitment and Selection Cost- Organization have to incur cost on the recruitment and selection of new employees
 - ii. Training New Employee Cost- New employees have to be trained and developed as per the needs of the organization, which is an additional monetary expense.

- iii. Loss of Customers- Customers are the life blood for any hotel and restaurant, most of them are loyal to the establishment, whereas when quality employees quit it results in lack of adequate services to the customers. Due to which customers tend to switch to other establishment for services.
- iv. Hike in Wages Demanded by Existing Employees- Due to constant attrition rate existing employees start to demand higher salaries.
- v. Loss of Goodwill- Goodwill an intangible asset yet the most crucial for operation any hotel and restaurant. Employee attrition makes it difficult for the hotel and restaurant to maintain their goodwill.

2. Non-financial loss

- i. Replacement Pressure- Organization have to find a replacement to fill the vacancy of the previous employee, which is very stressful.
- ii. Psychological Pressure on Owners/ Managers- Owners/ Managers must ensure smooth operation of hotel and restaurant irrespective of employee attrition which creates a psychological pressure.
- iii. Dissatisfied Customers- Experienced employees are asset to an organization as they are well versed with the work culture and are familiar to the customers. Once employees quit automatically the expected services are not met which results in dissatisfied customers
- iv. Difficult to Maintain Stability in Operations- Lack of required number of employees becomes very difficult for the management to maintain stability in operations.
- v. Encourages Existing Employees to Quit- When there is high attrition rate

existing employees face the pressure to cope up with the challenging environment, also at one point they feel the need to quit the job.

Research methodology used is: Initially it will be an exploratory research, as we progress it will be a Descriptive research. The secondary data collected had little information regarding employee attrition behavior in hotels and restaurants of Lucknow City, Uttar Pradesh; using open ended questionnaire. In descriptive research questionnaire was used. Findings of the study is that internal factors like long working hours, odd working hours, work pressure and external factors like salary offered by competitors, family problems and health problems lead to employee attrition in hotels and restaurants of Lucknow City.

CHAPTER 2

LITERATURE REVIEW

2.1 SERVICE SECTOR

Introduction

Service sector also known as the tertiary sector is mainly based on intangible (unseen) asset and comprises primarily of human beings offering their time, skill and knowledge to enhance performance, productivity, potential and ability to sustain the activity.

Services are provided to consumers and other businesses. It includes entertainment, telecommunication, mass media, hospitality industry/ tourism, public health, transportation, Fast Moving Consumer Goods (FMCG), consulting, retail sales, financial services, real estate, franchising and Information Technology (IT).

2.1.1 Contribution of Service Sector

Globally

According to CIA World Fact Book “Services sector is the largest sector of the world. 63.5 percent of total global wealth comes from services sector. United States is the largest producer of services sector with around 13.5 trillion USD. Services sector is the largest sector of 194 countries. 30 countries receive more than 80 percent of their GDP from services sector.”

Indian Economy

(India G. o., 2012) In world, Gross Domestic Product (GDP) of US\$70.2 trillion in 2011, the share of services was 67.5 per cent, more or less the same as in 2001. Interestingly the top 15 countries in terms of services Gross Domestic Product (GDP) are also the same in overall Gross Domestic Product (GDP) in 2011. This list includes the major developed countries and Brazil, Russia, India, and China. Among the top 15 countries with highest overall GDP in 2011, India ranked 9th in overall Gross Domestic Product (GDP) and 10th in services Gross Domestic Product (GDP). A comparison of the services performance of the top 15 countries in the eleven-year period from 2001 to 2011 shows that the increase in share of services in Gross Domestic Product (GDP) is the highest for India (8.1 percentage points) followed by Spain. While China's highest services compound annual growth rate (CAGR) of 11.1 per cent was accompanied by marginal change in its share of services for this period, India's very high compound annual growth rate (CAGR) is 9.2 per cent which was second highest was also accompanied by the highest change in its share. This is also a reflection of the domination of the industrial sector along with services in China in its growth, while India's growth has been powered mainly by the services sector. Despite the higher share of services in India's Gross Domestic Product (GDP) and dominance of industry over services in China, in terms of absolute value of services Gross Domestic Product (GDP) as well as growth in services (both decadal and annual in 2001, 2010, and 2011) China is still ahead of India.

The pattern of sectoral share of employment has changed over the last two decades with the share of agriculture falling from 64.75 per cent in 1993-4 to 53.2 per cent in 2009-10 and of industries (excluding construction) falling from 12.43 per cent to 11.9 per cent. The shares of the services and construction sectors in employment, on the other hand, increased in the same period from 19.70 per cent to 25.30 per cent and 3.12 per cent to 9.60 per cent respectively. As per the National Sample Survey Office's (NSSO) report on Employment and Unemployment Situation in India 2009- 10, on the basis of usually working persons in the principal and subsidiary statuses, for every 1000 people employed in rural India, 679 people are employed in the agriculture sector, 241 in the services sector (including construction), and 80 in the industrial sector. In urban India, 75 people are employed in the agriculture sector, 683 in the services sector (including construction) and 242 in the industrial sector. Construction; trade, hotels, and restaurants; and public administration, education, and community services are the three-major employment-providing services sectors.

The major contribution to the Indian Economy for the past ten years is the service sector. According to Economic Survey 2015-16, "The Gross Domestic Product (GDP) in India was worth 2073.54 billion US dollars in 2015 of which the service sector contributed 54.4% followed by industrial sector 29.5% and agriculture 16.1%." "The second-largest sub-segment of the services sector comprising trade, repair services, hotels and restaurants contributed nearly US\$ 295.7 billion or 19.2 per cent to the Gross Domestic Product (GDP) in 2015-

16, while growing at 8.9 per cent year-on- year.”

Table 2.1

SECTOR	GROSS VALUE ADDED (GVA) at current prices					
	2011- 2012	2012- 2013	2013- 2014	% share	2014- 2015	% share
	Rupees in Crore					
Services Sector	3,976,498	4,628,810	5,376,045	51.31	6,118,738	52.97
Trade, repair, hotels and restaurants	882,957	1,046,241	1,257,324	12	1,431,836	12.4
Transport, storage, communication & services related to broadcasting	530,163	614,236	688,736	6.57	773,448	6.7
Financial, real estate & prof services	1,539,575	1,807,699	2,074,623	19.8	2,372,103	20.54
Community, social & pers. Services	1,023,803	1,160,634	1,355,362	12.94	1,541,351	13.34

According to economic survey of India 2015 “The services sector is projected to grow at 8.8 per cent in 2016-17, similar to 2015-16. As per World Trade Organization (WTO) data, India’s commercial services exports increased from

US\$ 51.9 billion in 2005 to US\$ 155.3 billion in 2015, taking its share in global services exports to 3.3 per cent in 2015 from 3.1 per cent in 2014. In terms of growth in tourism sector, during January to December 2016, Foreign Tourist Arrivals (FTAs) were 8.9 million with growth of 10.7 per cent and foreign exchange earnings (FEE) were at US\$ 23.1 billion with a growth of 9.8 percent.

2.2 BACKGROUND OF HOSPITALITY

Hospitality is known as the family association between guest and host, or the act or practice of being warm, friendly or generous. This includes the receiving, serving and entertaining the guests, visitor, or strangers.

According to C. Lewis, Elementary Latin Dictionary (Oxford Univ. Press, 2000) The word hospitality is derived from a Latin word hospes, which means "guest", "host", or outsider". Hospes has been formed from the word hostis, like the term "hostile" similar to "enemy" or "stranger".

Ancient Greco Roman culture hospitality known as Hospitium (Gr. ξενία, xenia, προξενία) had the concept "A divine right of the guest and a divine duty of the host". Different cultures also had a similar concept or customs though the name differed.

2.2.1 History of Hospitality

In olden times prior to 19th century any person approaching for protection will be under hospitality of the provider, which mean the person, will be cared for

and no harm will come to him.

When a shelter is provided to a stranger/ traveler is called as Hospitality and when shelter is provided to an enemy of a known person then it is called refuge.

Hospitality according to classical world

- **Ancient Greeks**

Ancient Greeks termed hospitality as a godlike right. Guest's needs were to be met and fulfilled by the host. They believed in guest- friendship relationship where God is involved termed xenia, or theoxenia. The person's ability to follow the hospitality laws was determined noble and earned social status.

- **Celtics**

According to Charles MacKinnon, Scottish Highlanders (1984, Barnes & Noble Books)

"Celtic societies also valued the concept of hospitality, especially in terms of protection. A host who granted a person's request for refuge was expected not only to provide food and shelter to his/her guest, but to make sure they did not come to harm while under their care."

- **India**

Atithi Devo Bhava, in English means "The Guest is God" is the Indian concept of hospitality. This concept based on history and stories where guest is treated as a god. The hospitality provider is then rewarded.

This history is the root of Indians graciously treating their guests at house, and in every social situation.

19th century

With the evolution of time, the protection and survival law of hospitality is a rare affair. Today, it has developed to entertainment, leisure, etiquette, food and beverage. Though the base of hospitality is still in consideration i.e. showing respects to guests, travellers and strangers, providing their needs and treat each one of them equally.

Hospitality differs from culture to culture and subculture to subculture. The hospitality shown to acquaintance or strangers, is quite opposite to close friends or family members.

- **The Pakhtun**

The Pakhtun are people from South- Central Asia, mainly Afghanistan Provinces who have a very strong code in terms of hospitality. People are known for their ethics and principle of hospitality or milmastiya. The Pakhtunistan area is well-known as ‘The Land of Hospitality’.

2.2.2 Classification of Hospitality Industry

The hospitality industry further classified into fields of the service industry like

- Restaurants
- Lodging

- Event planning
- Transportation
- Theme Parks
- Airlines
- Cruise Lines
- Tourism

2.2.3 GLOBAL CONTRIBUTION

Hospitality industry a multi-billion-dollar industry, which is dependent on disposable income and leisure time which can be afforded by the public. The contribution of Hospitality and Tourism industry to the global economy is remarkable. It has an impact directly and indirectly to the nation's economy as well as development of infrastructure and employment.

According to World Travel & Tourism Council (WTTC) the direct contribution to global GDP is about US\$ 2 trillion in 2012. In terms of employment in 2011 more than 98 million jobs were generated and in 2012 it increased by 2.3% to 100.2 million. It is expected to generate 120 million jobs directly in 2022. Globally the capital investment in hospitality industry is US\$743 billion in 2011 and is expected to increase by 5.6% annually over the next 10 years to US\$ 1.3 Trillion.

The United Nation World Tourism (UNWTO) Barometer reports a slight improvement in performance for the year to December 2016 for international tourist arrivals with global growth of 3.9%, up from 3.7% for the year to

September. However, this is still weaker than the 4.6% recorded for 2015 overall. The fastest growing world regions for inbound international tourist arrivals were Asia Pacific and Sub-Saharan Africa, with growth of 8.4% and 10.7% respectively.

Hotel performance to November 2016 remained diverse across world regions. In line with weak international tourist arrivals, hotel performance has been particularly weak in the Middle East, with declines recorded across all key performance indicators, including a large decline in ADR as a result of increased hotel supply and competition. In North Africa, significant declines have been recorded in occupancy rates. Meanwhile, hotel performance has been stronger in Asia Pacific, Europe and North America.

2.2.4 Usage Rate & Vacancy Rate

Services are intangible assets, which mean services once delivered will not come back. Time factor is a very important factor in deciding the earning of the industry.

In hospitality industry usage rate & vacancy rate is an important variable. Usage rate refers to the use of services by maximum customers at a given point of time. Vacancy rate is when the customers are not present at the time of service.

Restaurants, hotels, theme parks and airlines want to maximize their customers at every possible time i.e. the usage rate. For hospitality industry, maximum profits are earned when the service is fully utilized as the fixed expense

remains the same throughout even if the services are not availed.

For example, an airline company has to ensure flights run on schedule, even if seats are booked or not. The airline company would want to maximize the usage rate as the fixed expense is constant but the earning is unpredictable. Naturally restaurants, hotels, theme parks and transportation seek to maximize their usage rate every time.

2.2.5 Development

There was a need for enhancement of services by the service providers at every domain in their business. Differentiation in services began to play an important role to attract customer as well as potential customers.

Innovative thinking began to play an important role in formulating services and manner to be delivered to end consumer. Organizations started to develop proper systems and maintain harmonious relationship with customers even after attaining the service.

Customer Relationship Management (CRM) evolved in order to retain existing customer and attract potential customers. With the help of technology, the hospitality industry developed for the betterment.

2.3 TRAVEL AND TOURISM

Tourism is very different as compared to the early human history. Tour word is derived from Jewish word 'Torah' which means search or study. Tourism

further developed from three words which have similar meaning and concept are 'Tornos' a Latin word is a type of round wheel symbolizing package tour or travel; Sanskrit word 'Paryatan' meaning to leave one's residence to travel in search for knowledge or to rest; and 'Deshatan' another Sanskrit word meaning to travel for economic benefits similar to a trader.

Definition

According to United Nations Travel and Tourism paper "A person who travels in India on foreign passport for a minimum period of 24 hours and the maximum period of 6 months is a tourist provided he or she does neither settles nor gets employed (or exiled) in this country." It applies to international tourists.

Mathieson and Wall (1982) created a good working definition of tourism as "the temporary movement of people to destinations outside their normal places of work and residence, the activities undertaken during their stay in those destinations, and the facilities created to cater to their needs."

According to Macintosh and Goeldner (1986) tourism is "the sum of the phenomena and relationships arising from the interaction of tourists, business suppliers, host governments and host communities in the process of attracting and hosting these tourists and other visitors."

"Tourism is the temporary short-term movement of people to destinations outside the places where they normally live and work, and activities during their stay at those destinations; it includes movement for all purposes, as well

as day visits and excursions.” 1981, by The International Conference on Leisure-Recreation.

“Tourism might be defined in terms of particular activities selected by choice and undertaken outside the home environment. Tourism might or might not involve overnight stays away from home.”

Tourism in current period means delivery of satisfaction and experience to guests, travellers and visitors from different cities or countries through combination of number of activities, service, tourist destinations and business like accommodation, food and beverage establishments, transportation, retail shops, entertainment and other hospitality services.

Movement of people for leisure activities and pleasure can be availed within own country known as “Domestic Tourism” or to another country known as “International Tourism”. Movement of people is only possible through transportation modes like road, rail, water or air. Therefore, travel and tourism are interrelated and support each other.

Travel and tourism is an important source of revenue for the country both in terms of domestic currency exchange as well as foreign currency. It is also dependent on both domestic and foreign travellers exchange who have disposable income and can afford leisure time. Travel and tourism further consists of tourist destinations, tourist attraction, travel brokers, transportation, accommodation and travel related services all of which combined attract tourists and travellers.

2.3.1 FACTS AND FIGURES ACCORDING TO WORLD TRAVEL TOURISM COUNCIL (WTTC) REPORT

- According to the latest United Nations World Tourism Organization (UNWTO) World Tourism Barometer, world international tourist arrivals grew by 4.7% in 2014 Year to Date (YTD). Strong North American performance helped the Americas region grow fastest (7.8%), followed by Asia-Pacific (5.0%). The slowest growing region was Africa(2.6%).
- 2014 Year to Date (YTD) (to November) global air passenger traffic growth of 6.1% has outpaced 2013 growth of 5.4%. The Middle East (12.9%) was the fastest growing region. With the exception of Africa, 2014 Year to Date (YTD) growth was stronger than 2013 growth for each region.
- 2014 Year to Date (YTD) (to December) hotel data is mainly positive and is broadly consistent with last month's data. Year to Date (YTD) occupancy rate growth is positive for all geographies except Sub-Saharan Africa.
- World international tourist arrivals grew by 4.4% for 2015 overall, slightly ahead of growth of 4.2% in 2014. Although combining arrivals with international receipts data suggests some weakness in 2015 average visitor spend. All world regions registered solid growth in arrivals of between 3% and 5%, with the exception of Africa, where a contraction of 3.3% was recorded.
- Global international air passenger traffic growth for the year to November 2015 stood at 6.8%, ahead of 2014 full-year growth by 0.7pp. Growth was positive across all regions, with the strongest growth recorded in the Middle East at 12.3%.

- Despite strong international arrivals and air passenger traffic growth, hotel performance across the world was mixed in 2015. The Middle East stood out as the weakest performing region, with negative growth across all performance indicators, while the Asia Pacific region recorded declines in ADR (Average Daily Revenue) and RevPAR (Revenue per Available Room).

Europe, aided by the weakness of the Euro, was the strongest performing region, with robust growth recorded on all indicators. Note that occupancy rate changes reflect both changes to the demand for and supply of hotel beds/rooms.

- Hotel performance to October 2016 remains diverse across world regions. In line with weak international tourist arrivals, hotel performance has been particularly weak in the Middle East, with declines recorded across all key performance indicators. In North Africa, significant declines have been recorded in occupancy rates and revenue per available room. Meanwhile, hotel performance has been stronger in Asia Pacific, Europe, North America and in particular, Sub-Saharan Africa.
- Asia Pacific was the fastest growing world region in terms of international tourist arrivals, with growth of 8.4% in 2016. Strong growth has been widespread throughout the region, with impressive growth recorded in South Korea (32%), Vietnam (25%) and Japan (22%). Other major Travel & Tourism economies, including Sri Lanka (14%), New Zealand (12%), Australia (11%), India (11%), Indonesia (11%), Thailand (9%), have also experienced robust growth. China's international arrivals year-to-date growth was only 4% up to June.

- According to the UNWTO World Tourism Barometer, global international tourist arrivals grew by 3.9% in 2016 overall, which is weaker than the growth of 4.6% recorded for 2015.

2.3.2. TOURISM IN INDIA

(India T. o., 2009) According to Tourism of India, it states that Indian civilization can be dated back to 3000 BC. Indus Valley civilization which flourished along the river Indus known for its development and trade routes. Harappa and Mohenjo-Daro two famous

known cities at that time built along the river Ravi, while development of urbanization took place around 1500 BC along the river of Ganges. During excavation, it can be found that Indus Valley civilization had traders and visitors which explains about early tourism.

During sixth century BC, Northern territory was dominated and ruled by the Magadh rulers. It was also during this period Jainism and Buddhism emerged to form new thoughts and challenged the Hindu orthodox thinking. Chandragupta Maurya (322 BC- 298 BC) ruled after the Magadh ruler and was one of the greatest emperors of India. The Mauryan rule reached its peak under Ashoka “the Great”, a ruler who promoted Buddhism and its teachings across India and in foreign lands like China and Sri Lanka. Later Buddhism developed into a religion which led to construction of monuments and monastery. Chandra Gupta I (380 AD – 412 AD) stabilized the Northern Indian empire after 400 years which was destroyed by the constant invasion of foreign

invaders who looted, raided and plundered. Under his rule, India's culture developed in the form of art, music and dance, at the same time the country started to prosper also known as 'The Golden Period' in Indian history.

Southern region of India was ruled by the Cholas, the Pandyas, the Cheras, the Pallavas and the Chalukyas were also famous rulers under whom Southern Indian art and craft prospered. Architecture also developed in various styles and techniques in the form of temples, the Cholas were known for their well-crafted Chola Bronzes.

During 1001 – 1025, India was first invaded by Muslims and the invader was Mahumud of Gazni. Prithviraj Chauhan, the Tomar of Delhi was defeated by Mohamed Ghorī, he made his deputy Qutub Ud Din in charge of Delhi. Qutub Ud Din is the one who built the Qutub Minar in Delhi. Later the Muslim rulers introduced Islam religion and concept in India.

Mughal empire was founded in 1525 after Babur invaded Punjab. The throne was then passed to his son Humayun who was overthrown by the Afghan chieftain Sher Shah. Sher Shah is known for construction of the Grand Trunk Road from Peshawar to Patna. After Sher Shah's death Humayun took over the throne and then passed on to his son Akbar, who's rule ensured prosperity and development. Jahangir succeeded the throne after Akbar then his son Shah Jahan who is known for the construction of the Jama Masjid, the Red Fort and one of the seven wonders of the world the Taj Mahal. Shah Jahan was succeeded by Aurangzeb, after the death of Aurangzeb the Mughal empire

declined in India.

India was no stranger to traders and foreigners, the rich culture and dominant producer of spices, art, craft and clothes attracted many from European countries. Vasco da Gama, Portuguese trader landed at Calicut in 1498, one of the first Europeans to come to India. In the 16th century, the Portuguese established a colony in Goa though they did not expand their colony in India but ruled till 1961 in Goa. The French, the Dutch and the English also followed the Portuguese to India as they had vested interest in the country. First starting as traders, the Dutch, the French and the English set up their factories in parts of India. In 1611, the English East India Company first set up a factory in Masulipatnam, eastern coast of India and in 1612, set up another factory in Surat with the permission of the Mughal Emperor Jahangir.

The Britishers had little clue that their control of the coast lines of India would give them a strategic dominance over their counterparts; the French, the Dutch and the Portuguese which eventually would become one of the largest colony for the Britishers. East India Company marked its presence in India over the victory in 1757, Battle of Plassey and in 1764, Battle of Buxar (Bihar) under Robert Clive. By 1773, the Britishers controlled the areas of Gangetic Plains Bihar, Orissa and Bengal as well as started to expand south of India.

The British expanded their territory via two methods; first one where they defeated the ruler of the state and annexed it into the British empire while the second one was treaties were formed between the ruler of the state, who would

support the Britishers financially as well as providing troops whenever required.

The British rule in India drained out all its riches and wealth of the country at the same time it also developed the India we know today. Transportation systems, communication, development of hospitality sector, development of infrastructure and well-planned cities is also a contribution of the British rule.

After India gained its independence on 15th August, 1947 it restricted the entry of foreigners and traders which to some extent led to decline of tourism. In 1961, the period of economic liberalization in India, known as Liberalization, Privatization and Globalization (LPG) led to changes in economic policies which allowed Foreign Direct Investment (FDI) and markets open to the world saw a tremendous boom in the tourism sector in India.

Tourism in India also gained due to the rich heritage and culture that was built by the rulers and emperors. Monuments, temples, monasteries, churches and the architectural designs are a proof of many cultures in India, which soon became an attraction and tourist hotspot.

Uttar Pradesh is a tourist attraction state as cities like Varanasi known for Ganges the holy river of India and Kashi Vishwanath Temple, Mathura known for Lord Krishna's birthplace and many temples, Allahabad city known for Triveni Sangama, Kumbh Mela and Allahabad Fort, Jhansi known for temples, forts, historical significance and museums, Fatehpur Sikri known for Jama Masjid mosque and Salim Chisti tomb, Jim Corbett National Park, Meerut

known for monuments, temples and churches, Ayodhya known for history Lord Ram's birthplace, temples and river, Dudhwa National Park, Aligarh known for temples and monuments, Kushinagar known for Buddhism, monasteries, temples and museums, Moradabad known for temples, arts and crafts, Mirzapur known for waterfalls, forest, wildlife and temples, Hastinapur known for temples, excavations, sanctuary and wildlife, Saharanpur known for temples, botanical garden, arts and crafts, Faizabad known for temples, gardens and monuments, Pilibhit known for forest, wildlife and tigers, Agra known for one of the seven wonders of the world Taj Mahal and Agra fort, upcoming cities like Noida known for amusements parks, shopping centers and botanical gardens and many more cities that have historical or religious significance that contribute to tourism. Cities have the architecture of Hindu and Mughal rulers/emperors as well as the Britishers.

Lucknow City well known for Mughal construction like Bara Imam bara shrine, Rumi Darwaza, Residency, non-vegetarian food joints, arts and crafts that have attracted domestic and foreign tourist since independence of India.

2.3.3 FACTS AND FIGURES ACCORDING TO VARIOUS SOURCE

- In 2014, the Hospitality industry is the third-largest foreign exchange earner, accounting for 6.23% of India's GDP and 8.78% of India's total employment, according to a report by the Planning Commission.
- As per Renub Research "Tourism in India is the largest service industry. The

travel and tourism sector currently employ 49 million people, or 1 in every 10 jobs, and this is projected to increase to 58 million, or 1 in every 9.6 jobs by 2020.”

- Travel and tourism is a USD 32.7 billion business in India, according to industry estimates; in addition, the hospitality sector is sized at USD 23 billion and is expected to grow to US\$ 36 billion by 2018.
- It is expected that the hospitality sector will witness an inflow of USD 12.17 billion in investments over the next two years, according to market research company Technopak Advisors.
- According to the Planning Commission, the hospitality sector creates more jobs per million rupees of investment than any other sector of the economy. The World Travel & Tourism Council (WTTC), which says India’s travel and tourism sector is expected to be the second-largest employer in the world, employing 40,37,000 people, directly or indirectly, by 2019.
- The Indian hotel industry is likely to witness a revenue growth of about seven per cent in 2012-13, according to a study by rating agency ICRA, an Indian credit rating agency.
- Foreign Tourist Arrivals (FTAs) to India increased from 5.17 million in FY09 to 5.78 million in FY10, thereby resulting in an increase of 11.8% YoY. It was better than UNWTO’s projected growth rate of 5% to 6% for the world in 2010.

* The share of India in international tourist arrivals in 2010 was 0.61%, which is 0.02% improvement over 2009. India's rank improved to 40th in 2010, from 41st in 2009.

* FTAs during the period January-June 2011 were 29.19 lakh with a growth of 10.9 per cent, as compared to the FTAs of 26.32 lakh with a growth of 8.9 per cent during January-June 2010 over the corresponding period of 2009.

* FEE from Tourism in INR terms during January-June 2011 were INR 351.6 billion with a growth of 12.1 per cent, as compared to the FEE of INR 313.7 billion with a growth of 27.1 per cent during January-June 2010 over the corresponding period of 2009.

* FEE from Tourism in terms of US\$ during January-June 2011 were US\$ 7.8 billion with a growth of 14.2 per cent, as compared to US\$ 6.8 billion with a growth of 36.6 per cent during January-June 2010 over the corresponding period of 2009.

* Tourism continues to play an important role as a foreign exchange earner for the country. In 2010, foreign exchange earnings (FEE) from tourism were US\$ 14.19 billion as compared to US\$ 11.39 billion in 2009, registering a growth of 24.6%.

* FEE from Tourism in INR terms during 2010 were INR 648.8 billion as compared to INR 549.6 billion during 2009 and INR 507.3 billion during 2008. FEE from tourism in US\$ terms during 2010 were US\$ 14.2 billion as

compared to US\$11.4 billion during 2009 and US\$ 11.7 billion during 2008.

* Number of domestic tourist visits in India during 2010 was 740.21 million as compared to 668.80 million in 2009, with a growth rate of 18.8%.

* Number of Indian national departures from India during 2010 was 12.99 million as compared to 11.07 million in 2009, registering a growth rate of 17.4%.

- According to the latest Tourism Satellite Accounting (TSA) research, released by the World Travel and Tourism Council (WTTC), the demand for travel and tourism in India is expected to grow by 8.2 % between 2010 and 2019. This will place India at the third position in the world. India's travel and tourism sector is expected to be the second largest employer in the world. Capital investment in India's travel and tourism sector is expected to grow at 8.8 % between 2010 and 2019. The report forecasts India to get more capital investment in the travel and tourism sector and is projected to become the fifth fastest growing business travel destination from 2010 through 2020.
- According to World Travel and Tourism Council (WTTC), India will be a tourism hot-spot from 2009-2018, having the highest 10-year growth potential. The Tourism sector is expected to contribute around INR 3,414.8 billion (USD77.0 billion) by 2021.
- India has been ranked the "best country brand for value-for-money" in the Country Brand Index (CBI) survey conducted by Future Brand, a leading

global brand consultancy. India also claimed the second place in CBI's "best country brand for history", as well as appears among the top 5 in the best country brand for authenticity and art & culture, and the fourth best new country for business. India made it to the list of "rising stars" or the countries that are likely to become major tourist destinations in the next five years, led by the United Arab Emirates, China, and Vietnam.

- According to the Tourism Satellite Accounting (TSA) research, released by World Travel and Tourism Council (WTTC) and its strategic partner Oxford Economics in 2011:

* India is expected to attract 6,179,000 international tourists (overnight visitor) arrivals in 2011, generating INR 678.6 billion (US\$ 15.3 billion) in visitor exports (foreign visitor spending, including spending on transportation). By 2021, international tourist arrivals are forecast to total 11,149,000, an increase of 6.1 per cent pa generating expenditure of INR 1,344.7 billion (US\$ 30.3billion*).

((WTTC), 2011)* The direct contribution of Travel & Tourism to GDP is expected to be INR 1,570.5 billion (US\$ 35.4 billion) (1.9 per cent of total GDP) in 2011, rising by 8.1 per cent per annum (pa) to INR 3,414.8 billion (US\$ 77.0 billion*) (2.0 per cent) in 2021.

* The total contribution of Travel & Tourism to GDP, including its wider economic impacts, is forecast to rise by 8.8 per cent pa from INR 3,680.4

billion (US\$ 83.0 billion) (4.5 per cent of GDP) in 2011 to INR 8,523.1 billion (US\$ 191.2 billion*) (4.9 per cent) by 2021.

* The Travel & Tourism sector is expected to attract capital investment of INR 1,233.0 billion (US\$ 27.8 billion), rising by 8.7 per cent pa to INR 2,827.5 billion (US\$ 63.7 billion). This means that the sector's share of total national investment will increase from 4.7 per cent in 2011 to 4.8 per cent in 2021. The Tourism Satellite Accounting (TSA) research also states that the Travel & Tourism sector is expected to support directly 24,931,000 jobs (5.0 per cent of total employment) in 2011, rising by 2.0 per cent pa to 30,439,000 jobs (5.2 per cent) by 2021.

- The World Travel and Trade Council, figures indicate that the Indian tourism demand is expected to grow at 8.8% from 2007-2016. According to the World Travel and Tourism Council, revenue from foreigners traveling to India is expected to grow to US\$424 billion by 2015. Indians traveling in India as well as abroad are expected to spend US\$63 billion by 2015.
- The country has the potential to become a major global tourist destination, with the Tourism sector expected to contribute around INR 3,414.8 billion (US\$ 77.0 billion*) by 2021, according to a report by the World Travel and Tourism Council (WTTC).
- As per the Travel and Tourism Competitiveness Report 2011 by the World Economic Forum, India is ranked 12th in the Asia Pacific region and 68th

overall, on the list of the world's attractive destinations. It is ranked the 14th best tourist destination for its natural resources and 24th for its cultural resources, with many World Heritage sites, both natural and cultural, rich fauna, and strong creative industries in the country. India also bagged 37th rank for its air transport network. The India travel and tourism industry ranked 5th in the long-term (10-year) growth and is expected to be the second largest employer in the world by 2019. According to World Travel Tourism Council (WTTC), the investment made in this sector in 2011 was Rs. 1,254 billion, approximately 5.1% of the total investment in the country and is expected to rise to 12.3% by the end of 2012.

- To encourage the tourism sector, the government in recent times, has taken some measures which will benefit the sector. In FY09, Rs.5.2 billion for development of tourism infrastructure was allocated. This figure is higher by Rs.970 m as compared what was allocated in the previous year. However, it is only 1% of the total government spending. RBI has allowed ECB up to US\$ 100 m in January 2009, which would help in raising funds. The Centre and States are also working out a PPP (Public-Private-Partnership) model to increase hotel capacity.
- The tourism sector is expected to generate around US\$42.8 billion (INR 1,897.7 billion) by 2017, according to an industry research note by auditing and consulting firm Deloitte Touche.
- The Tourism and the Hospitality sector generated a total of US\$ 2,468.39

billion (INR 1,094,48.4 billion) in Foreign Direct Investment (FDI) during April 2000-April 2011, according to the Department of Industrial Policy and Promotion (DIPP).

- The Indian Hospitality industry contributes around 2.2 per cent of India's GDP. The industry is expected to reach INR 230 billion (US\$ 5.2 billion*) by 2015, growing at a robust CAGR of 12.2 per cent. India will be investing around INR 448 billion (US\$ 10.1 billion*) in the hospitality industry in the next five years, according to a report 'The Indian Hotel Industry Report - 2011 Edition' by CYGNUS Business Consulting & Research Firm. In the next two years, a total investment of US\$ 12.2 billion (INR 545.2 billion*) is expected that will add over 20 new international brands in the hospitality sector.
- World of international fund companies - Blackstone, Morgan Stanley, Walton Street Capital, Starwood Capital, Merrill Lynch, Westbridge Capital, are looking to invest in the hospitality sector.
- Around 500 million domestic tourists are projected to travel across India by 2010 compared to around 325 million in 2006 and growing at over 10% annually.
- India's hospitality sector is expected to see an estimated investment of US\$11.41 billion in the next two years, and around 40 international hotel brands making their presence in the country by 2011, according to a report by Ma Foi Management Consultants. Moreover, the sector is expected to provide

over 400,000 jobs.

- In India, the industry supports 48 million jobs, directly or indirectly or 8.27 per cent of total employment and accounts for 5.83 percent of the GDP, according to Department of Tourism estimates.
- According to an HVS International report average employee to room ratio is 1:8 in Indian hotels across all markets and drops to 1:5 for three-star category of hotels. The report also states that the hotel sector would need a fresh workforce of at least 94,000 by 2010-11.
- ((FHRAI), 2014) India currently has over 200,000 hotel rooms spread across hotel categories and guest-houses and is still facing a shortfall of over 100,000 rooms. The country is witnessing an unprecedented growth in hotel constructions and will be adding almost 114,000 hotel guest rooms to its inventory over the next five years. (source: Hotels Valuation & Appraisals (HVS))
- In the Federation of Hotels and Restaurants Association of India (FHRAI's) memorandum presented to the government recently, it is said that at least 1,50,000 additional rooms are required to meet the target of 5 million foreign tourist arrivals. This entails an investment to the tune of over Rs. 15,000 crores. Currently there are 1, 05,000 hotel rooms in the three to five-star category in India. The annual growth rate of hotel rooms in India is 6%. Nearly 11 per cent of the hotel demand in the country is from long stay guests.

- To set up a 5-star deluxe hotel with 250-300 rooms will cost approximately Rs.300 crore, excluding the land cost. As per estimates by hospitality consultancy HVS International, around 150 hotel projects are in the works across the country, which are likely to add around 53,000 rooms over the next five years.
- There are about 1,285 approved budget hotels across the country with about 51,000 rooms apart from guesthouses, dharamshalas and devasthanans in the unapproved sector. The footprints of the IT and ITES in Tier 2 cities like Indore, Jaipur, Agra, et al, have played a role in driving the demand for budget hotels in these cities.
- The tourism ministry has proposed a cash subsidy of Rs.2 lakh per room for one- star category and Rs.3 lakh per room for two and three-star category hotels to facilitate their growth. According to Federation of Hotel and Restaurant Association of India (FHRAI), the country is short of 65,000 budget category rooms.
- Average Room Rate (ARR) of hotels in India is increasing at the rate of over 20%- almost equal to that of hotels in developed countries such as Europe and the US. The growth in ARR is a direct fallout of the shortage of five-star accommodation in India and high demand generated by the booming economy. This shortage has stimulated investments in the hotel industry.
- Most of the five-star hotels are witnessing an average room occupancy rate of

over 80%.

- For every room constructed, 3-5 jobs are created. The World Travel and Tourism Council has estimated that by 2010, tourism can support 25 million jobs (1 in every 15) in India through 8% annual growth.
- For every rupee that goes into building a hotel, three more are spent on furnishing it. More than 27000 items go into a hotel including building material, chandeliers, glassware, furnishings, energy saving devices etc., and at present 90% of hotel accessories are indigenously produced in India. So, the domestic accessories sector stands a good chance in the near future.
- The average duration of stay of a foreign tourist in India is one of the highest in the world. On an average, it exceeds 27 days in the case of non-package tourist & is 14 days in the case of package tourist.
- Wedding tourism is growing almost 100% on a year-on-year basis. Generally, the ratio of foreigners to Indians in an Non-Residential Indian (NRI) wedding is 7:3. On an average, an NRI wedding organized in India costs Rs.50 lakh. On an average, 50-150 rooms are booked in a star category hotel.
- Cruise shipping is growing globally at the rate of 12-15% annually. In India, the cruise market is in excess of 1,25,000 guests annually and will grow at over 10% annually.
- 22 Institutes of Hotel Management being operated as Centers of Excellence for

providing hospitality manpower. The government plans to set up four Indian Institutes of Hotel Management in Uttaranchal, Jharkhand, Chattisgarh and Haryana. To provide training in the area of tourism, the tourism ministry will also start 400 training programmes. Estimates indicate a need for about 15,000 more trained persons in the star category hotels, which includes about 2,700 managers, 2,500 supervisors and about 1,000 staff.

- According to Ministry of Tourism India “The industry is expected to generate 13.45 million jobs! across sub-segments such as Restaurants (10.49 million jobs), Hotels (2.3 million jobs) and Travel Agents/Tour Operators (0.66 million). The Ministry of Tourism plans to help the industry meet the increasing demand of skilled and trained manpower by providing hospitality education to students as well as certifying and upgrading skills of existing service providers.”
- Online travel industry is growing at a CAGR of 125%. Generating revenues of around \$300-500 million, the size of this industry is around 2% of the entire travel industry, which is estimated to be \$42 billion. Growing at the current rate the online travel industry in India is expected to become a \$2 billion industry by 2008.
- According to World Travel Tourism Council (WTTC) The Indian government has announced that it will cut taxes for poorer citizens and small companies and invest nearly \$60bn in infrastructure, as it seeks to revive demand and widen the tax net after the crackdown on ‘black money’ in late 2016.

- (Government, 2016) Uttar Pradesh is a favored tourist destination in India due to the location of Taj Mahal, one of the Eight Wonders of the World, in Agra. In 2015, 3.10 million foreign tourists visited the state of Uttar Pradesh. Under Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD) scheme, for the development of Varanasi, the amount sanctioned and released by the Ministry of Tourism for the state, during 2015-16, were recorded to be US\$ 3.06 million and US\$ 623.28 thousand, respectively.
- (India M., 2016) Uttar Pradesh offers a wide range of subsidies, policy and fiscal incentives as well as assistance for businesses under the Industrial and Service Sector Investment Policy, 2004 and Infrastructure & Industrial Investment Policy, 2012. The state has well-drafted, sector-specific policies for IT and biotechnology. In the 2015-16 Budget, the state government proposed an investment of US\$ 50.3 billion for enhancements in power, health and transportation sectors.
- (Uttar Pradesh, 2016) Uttar Pradesh has attracted Foreign Direct Investment (FDI) equity inflows worth US\$ 563 million during the period April 2000 to March 2016, according to data released by Department of Industrial Policy and Promotion (DIPP).

2.3.4 International Recognition

India's booming tourism sector has not only witnessed international investments but also achieved international accolades with its increasing appeal as the leading global tourist destination. The government has been instrumental

in making tourism a priority sector. Its efforts have borne fruits with a series of international recognition and awards.

- India has been elected to head the UN World Tourism Organization (UNWTO), the highest policy making world tourism body represented by 150 countries.
- The world's leading travel and tourism journal, Conde Nast Traveler, has ranked India as the 'numero uno' (number one) travel destination in the world.
- India was adjudged Asia's leading destination at the regional World Travel Awards (WTA).
- India's Taj Mahal continues to figure in the Seven Wonders of the World.
- Bangalore-based Leela Palace Kempinski was voted the favorite business hotel in the world in a Readers' Choice Awards by Conde Nast Traveler in 2007.
- India bagged the World's leading Destination Marketing Award for the Incredible India campaign.

2.3.5 Market Size

- (Bureau, 2015) The total market size of Indian tourism and hospitality sector stood at US\$ 117.7 billion and is expected to touch US\$ 418.9 billion by 2022.
- The foreign direct investment (FDI) inflows in hotel and tourism sector during April 2000 to July 2013 stood at US\$ 6,754.49 million, as per the data released by Department of Industrial Policy and Promotion (DIPP).

- Foreign tourist arrivals (FTA) during the Month of August 2013 stood at 4.74 lakh as compared to FTAs of 4.46 lakh during August 2012, registering a growth of 6.4 percent.
- Foreign exchange earnings (FEE) during the month of August 2013 were US\$1.294 billion as compared to FEEs of US\$1.306 billion during August 2012 and US\$ 1.264 billion in August 2011.
- The number of tourists availing of the tourist Visa on Arrival (VOA) Scheme during January to August, 2013 has recorded a growth of 29.4 percent. During the period, a total number of 12,176 VOAs have been issued as compared to 9,412 VOAs during the corresponding period of 2012.

(Source: Amrapali International Institute of Hotel Management, Noida, INDIA)

2.3.6 Government Initiatives

To unlock the huge potential in this sector, the government has taken various initiatives for the development of this sector. (Tourism, 2010)

- Launch of Incredible India campaign to promote tourism both in domestic and international markets.
- Guidelines issued for classification of Apartment Hotels / Timeshare Resorts/ Guest Houses and Bed & Breakfast establishments. Railways have planned to set up 100 budget hotels at various stations along with private hospitality players. Recognition of spare rooms available with various house owners by classifying these facilities as "Incredible India Bed and Breakfast

Establishments", under 'Gold' or 'Silver' category.

- Other Initiatives by the Ministry of Tourism: - Paradigm shift towards Rural Tourism/ Agri Tourism, Eco-Tourism; Medical Tourism launched as a new product.
- The Government has launched a Scheme of 'Visa on Arrival' (VoA) from January 2010 for citizens of five countries, viz. Finland, Japan, Luxembourg, New Zealand and Singapore, visiting India for tourism purposes. The Government has now extended this Scheme for the citizens of six more countries, namely Cambodia, Indonesia, Vietnam, Philippines, Laos and Myanmar from January 2011. During the period, January-June 2011, a cumulative figure of 5774 VoAs were issued, with a total of 865 & 770 VoAs issued in the months of May & June respectively.
- As per the press release by Press Information Bureau (PIB) dated November 15, 2010, the Union Ministry of Tourism has included Medical Tourism under the Marketing Development Assistance (MDA) Scheme. The Ministry of Tourism has sanctioned US\$ 27,742 as MDA to 10 Medical Tourism Service Providers during current year.
- As per a market research report 'Booming Medical Tourism in India' by RNCOS, India's share in the global medical tourism industry will reach around 3 per cent by the end of 2013. Moreover, medical tourism is expected to generate revenue worth US\$ 3 billion by 2013, growing at a CAGR of around 26 per cent during 2011-2013. The number of medical tourists is anticipated to

grow at a CAGR of over 19 per cent during the forecast period to reach 1.3 million by 2013. Domestic medical tourism in the country has also seen growth in the recent years. As per the report 'Domestic Tourism in India, 2008-09' released by the National Sample Survey Office (NSSO), trips for 'health and medical' purposes formed 7 per cent of overnight trips in the rural population and about 3.5 per cent in the urban population. 'Health and medical' purposes accounted for 17 per cent of same-day trips in rural India and 8 per cent in urban India. Expenditure on medical trips accounted for 30 per cent of all overnight trip expenditure for rural India and 15 percent for urban India.

- According to a report by Federation of Indian Chambers of Commerce & Industry (FICCI) and Ernst & Young (E&Y), medical tourism industry, currently pegged at \$450m, has the potential to grow into a \$2.2bn (Rs. 10,000 crore) industry by 2012. According to a study by McKinsey and the Confederation of Indian Industry (CII), medical tourism in India could become a US\$ 2 billion industry by 2012 (from US\$ 350 million in 2006). An estimated 1.75 lakh medical tourists visited India in 2005 for cardiac care, cosmetic surgery, joint replacements and dentistry, about 30% more than 2004. Inbound medical tourism is expected to contribute about 15% of corporate hospitals total earnings by 2009. Another initiative in the pipeline is industry body CII's partnership with 29 hospitals across 16 states to work out a price band for specialty services in cardiology, orthopedics, oncology and minimally invasive surgery. The healthcare industry is working closely with the tourism ministry, which will incorporate these packages under its 'Incredible India'

campaign to promote medical tourism in overseas markets. Currently 5 hospitals in the country have got National Accreditation Board for Hospitals and Healthcare Providers (NABH) accreditation. 15 more hospitals are expected to be accredited in one year. 32 hospitals have applied for the accreditation with the NABH and many are expected to follow. International Society for Quality in Healthcare (ISQua) - an international body that certifies quality of healthcare delivery, recognizes the NABH accreditation is of the highest global standards. A new category of visa, "Medical Visa" ('M'-Visa), has been introduced which can be given to foreign tourists coming into India for medical tourism.

- Eco-tourism - The government is considering various fiscal and policy measures to promote ecological and adventure tourism in the country including formulating uniform ecological guidelines to conserve nature and waiver of service tax charged on adventure tours.
- Ministry of Tourism has tied up with United Nations Development Programme (UNDP) to promote rural tourism. 15 key tourist destinations/circuits being developed to world class standards and identified 50 villages for exposition of handicrafts and handloom.
- A maximum amount of Rs.50 lakh is sanctioned for each rural tourism project under the Rural Tourism Infrastructure Development scheme for development of tourism related infrastructure.

- The Ministry of Tourism has launched a scheme for development of nationally and internationally important destinations and circuits through Mega Projects. As on 4.2.2011, 38 mega projects have been identified, out of which 26 projects have already been sanctioned.
- The United Nations Educational Social and Cultural Organization have declared 16 centrally protected monuments: Ajanta, Ellora, Elephanta Caves, Agra Fort, Taj Mahal, Fatehpur Sikri, the Sun Temple at Konark, the Churches and Convents of Goa, Khajuraho, the Buddhist monuments of Sanchi, Humayun's Tomb, Qutab Minar, Hampi monuments, Pattadakal monuments, Brihadisvara temple and the Mahabalipuram monuments as world heritage sites.
- The Ministry of Tourism has sanctioned 781 projects in 34 States / Union Territories (UTs) in the country amounting to US\$ 511.82 million during the last three years up to June 2010, as per a press release dated October 18,2010.
- During the 11th Five Year Plan, (as on 31.12.2010) Ministry of Tourism has sanctioned, an amount of Rs.3112.71 crore for 991 tourism infrastructure projects, including Rural Tourism and Human Resource Development projects.
- 924 Infrastructure projects worth Rs.1440.86 crore sanctioned during the 10th Plan. The government has already Okayed plans to substantially upgrade 28 regional airports in smaller towns. The up gradation of national highways connecting various parts of India has opened up the way for the development of

budget hotels in India.

- Focus on Buddhist Circuit through infrastructure upgrading of Buddhist Circuits and "Walk with the Buddha" Campaign. The Tourism Ministry has identified 62 centers of Buddhist interest for development.
- Tourism revival in J&K through a special tourism package. Focus on North East as India's tourism gateway to the East.
- Tourism ministry has proposed to declare a conditional 10-year tax holiday for all tourism projects in the country. Companies would enjoy full tax exemption up to 50% of the profits, but to enjoy tax benefits for balance amount they would be required to re-invest that part of the profits in tourism projects.
- According to the Consolidated Foreign Direct Investment (FDI) Policy, released by Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry, Government of India, the government has allowed 100 per cent foreign investment under the automatic route in the hotel and tourism related industry. And with the relaxation of FDI restrictions on the real estate sector the hospitality industry has registered an increase in investments.
- Social awareness among Service Providers and capacity building of Taxi Drivers and Guides through "Atithi Devo Bhavah" Campaign.

2.3.7 Indian Tourism Statistics

(INDIA TOURISM STATISTICS AT A GLANCE, 2016) states the following tables and graphs stating the facts and figures of Indian Tourism Statistics.

Table 2.2

Foreign Tourist Arrivals (FTAs) in India, 1999-2015

Year	FTAs in India # (in million)	Percentage (%) change over the
1999	2.48	5.2
2000	2.65	6.7
2001	2.54	-4.2
2002	2.38	-6.0
2003	2.73	14.3
2004	3.46	26.8
2005	3.92	13.3
2006	4.45	13.5
2007	5.08	14.3
2008	5.28	4.0
2009	5.17	-2.2
2010	5.78	11.8
2011	6.31	9.2
2012	6.58	4.3
2013	6.97	5.9
2014	7.68	10.2
2015	8.03	4.5

(Source: Bureau of Immigration, Govt. of India, for 1999-2015 and Ministry of Tourism, Govt. of India, for Jan-June, 2016)

Figure 2.1

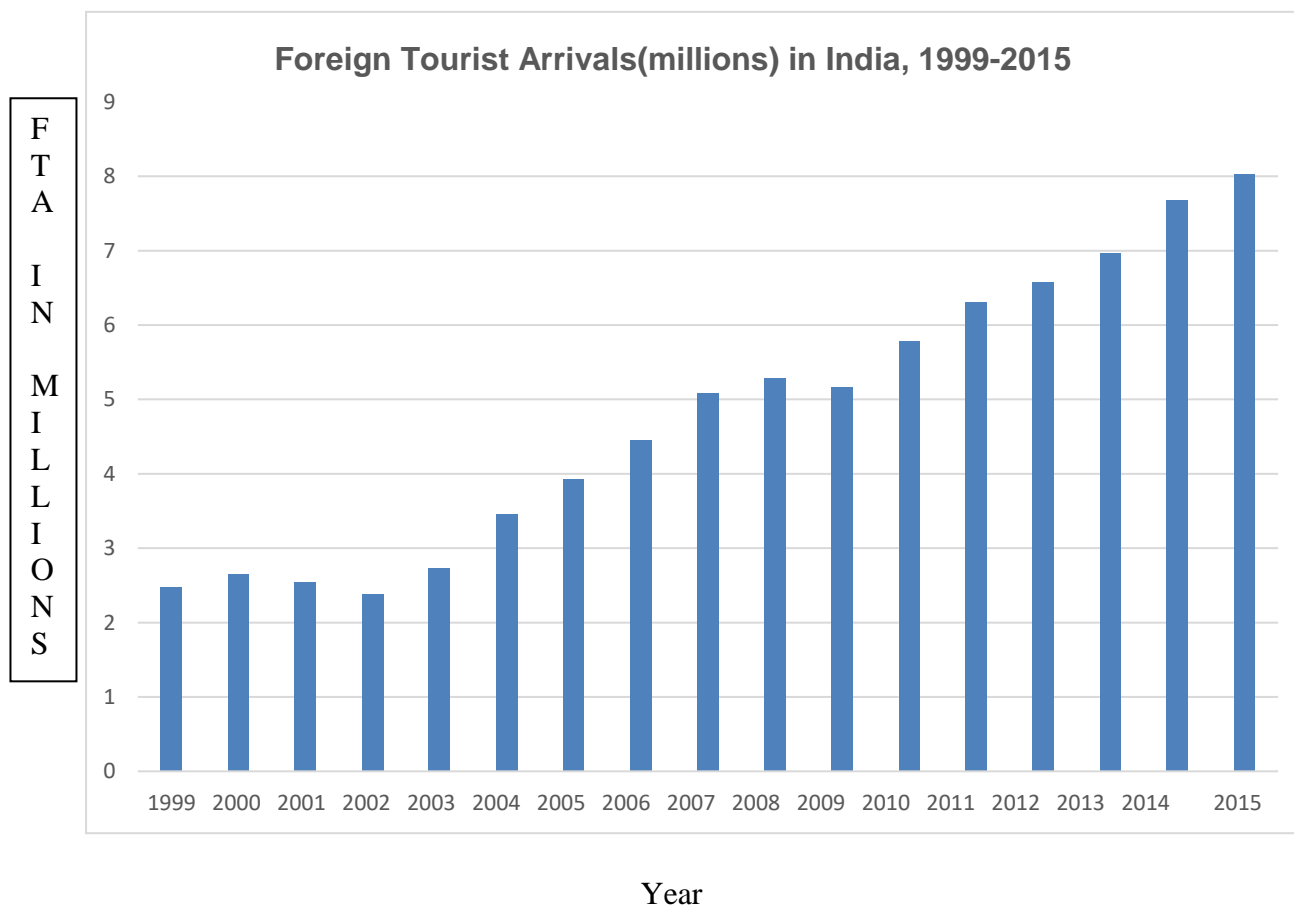


Table 2.3
Month-wise Foreign Tourist Arrivals in India, 2014-2016 (till June)

Month	Foreign Tourist Arrivals (FTAs) in India #				
	2014	2015	2016 (P)	Percentage (%)	
				2015/14	2016/15
January	757786	790854	844388	4.4	6.8
February	755678	761007	846652	0.7	11.3
March	690441	729154	817205	5.6	12.1
April	535321	541551	599314	1.2	10.7
May	465043	509869	528763	9.6	3.7
June	502028	512341	549805	2.1	7.3
July	568871	628323		10.5	
August	575750	599478		4.1	
September	509142	542600		6.6	
October	668398	683286		2.2	
November	765497	815947		6.6	
December	885144	912723		3.1	
Total	767909	8027133	418612	4.5	
Subtotal	370629	3844776	418612	3.7 @	8.9@

P: Provisional, @ : Growth rate over Jan-June of previous year.

#: Excludes Nationals of the country residing abroad

(Source: Bureau of Immigration, Govt. of India, for 2014 & 2015 and Ministry of Tourism, Govt. of India for 2016)

Table 2.4

Foreign Exchange Earnings (FEEs), in US\$ million, from Tourism in India, 1999-2016
(till June)

Year	FEEs from Tourism in India (in US\$)	Percentage (%) change over the
2000	3460	15
2001	3198	-7.6
2002	3103	-3.0
2003	4463	43.8
2004	6170	38.2
2005	7493	21.4
2006	8634	15.2
2007	10729	24.3
2008	11832	10.3
2009	11136	-5.9
2010# ¹	14193	27.5
2011# ¹	16564	16.7

2012# ¹	17737	7.1
2013# ²	18445	4.0
2014# ²	20236	9.7
2015 # ²	21071	4.1
2016# ¹ (Jan to June)	10865	6.5 @

#¹ : Provisional estimates (based on Provisional FTAs), @ : Growth Rate over Jan-June, 2015

#² : Provisionally Revised estimates (based on the final FTAs received from BOI)
(Source: Reserve Bank of India, for 1999 -2010 and Ministry of Tourism, Govt. of India, for 2011-2016)

Figure 2.2



Table 2.5
Top 10 Source Countries for Foreign Tourist Arrivals (FTAs) in India in 2015

S.No	Source Country	FTAs	Percentage (%) Share
1	United States	1213624	15.12
2	Bangladesh	1133879	14.13
3	United Kingdom	867601	10.81
4	Sri Lanka	299513	3.73
5	Canada	281306	3.50
6	Malaysia	272941	3.40
7	Australia	263101	3.28
8	Germany	248314	3.09
9	France	230854	2.88
10	Japan	207415	2.58
	Total top 10	5018548	62.52
	Others	3008585	37.48
	G.Total	8027133	100.00

(Source: Bureau of Immigration, Govt. of India)

Figure 2.3

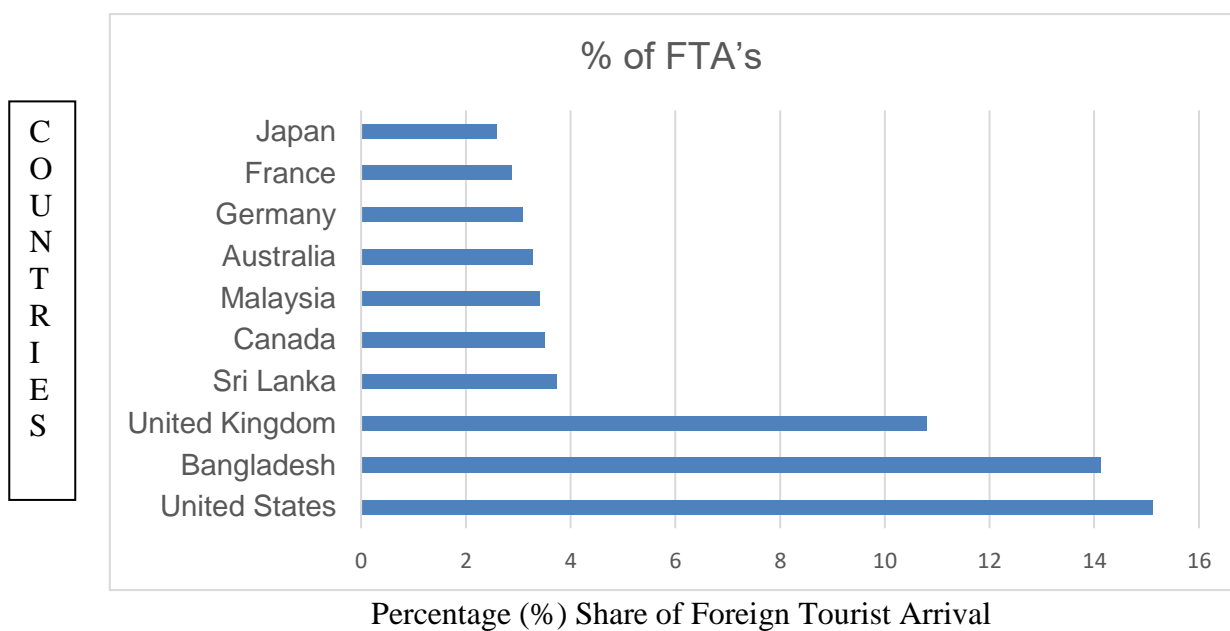


Table 2.6

Number of Domestic Tourist Visits (DTV's) to all States/UTs in India, 1999-2015

Year	No. of DTVs (in million)	Percentage (%)
1999	190.6	13.4
2000	220.1	15.4
2001	236.4	7.4
2002	269.6	14.0
2003	309.0	14.6
2004	366.2	18.5
2005	392.0	7.0
2006	462.4	18.0
2007	526.7	13.9
2008	563.0	6.9
2009	668.8	18.8
2010	747.7	11.8
2011	864.5	15.6
2012	1045.	20.9
2013	1142.	9.3

2014 \$	1282.	12.3
2015	1431.	11.6

Note: \$-DTVs figure of 2014 has been revised and Figures for Delhi &

Maharashtra have been estimated

(Source: State/ (Union Territory) UT Tourism Departments)

Figure 2.4

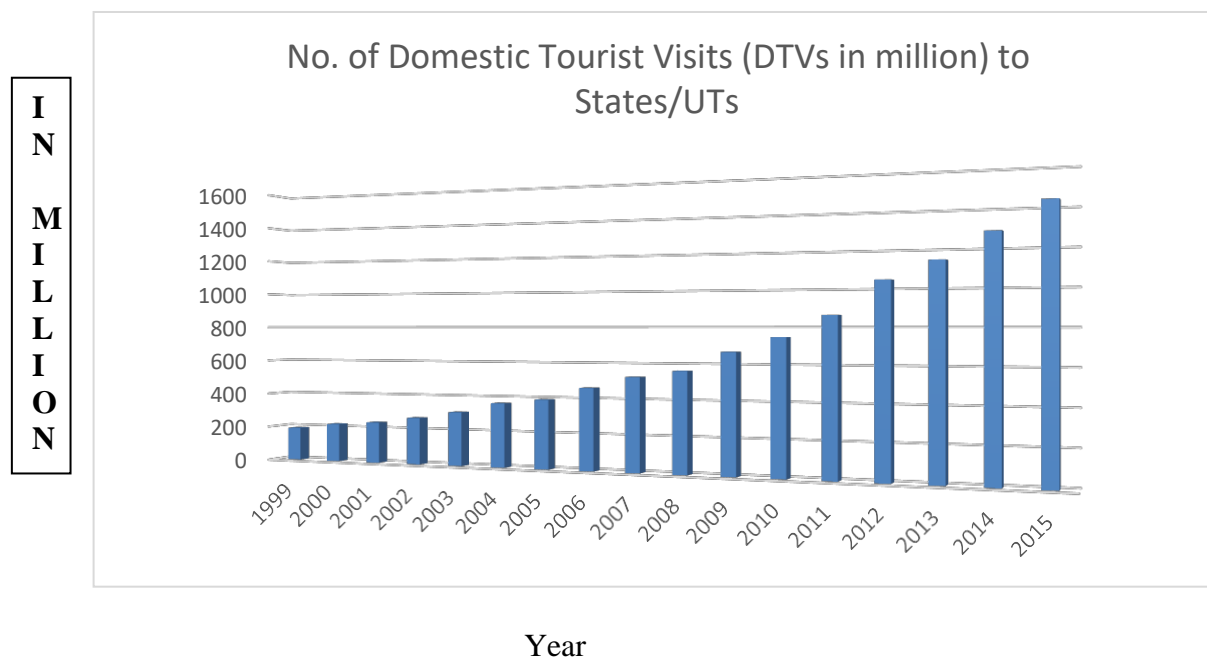


Table 2.7

Share of Top 10 States/UTs of India in Number of Domestic Tourist Visits in 2015

Rank	State/UT	Domestic Tourist Visits in 2015	
		Number	Percentage (%)
1	Tamil Nadu	333459047	23.3
2	Uttar Pradesh	204888457	14.3
3	Andhra Pradesh	121591054	8.5
4	Karnataka	119863942	8.4
5	Maharashtra#	103403934	7.2
6	Telengana	94516316	6.6
7	Madhya Pradesh	77975738	5.4

8	West Bengal	70193450	4.9
9	Gujarat	36288463	2.5
10	Rajasthan	35187573	2.5
	Total of top 10	1197367974	83.6
	Others	234605820	16.4
	Total	1431973794	100.0

Figures have been estimated

(Source: State/UT Tourism Departments)

Figure 2.5

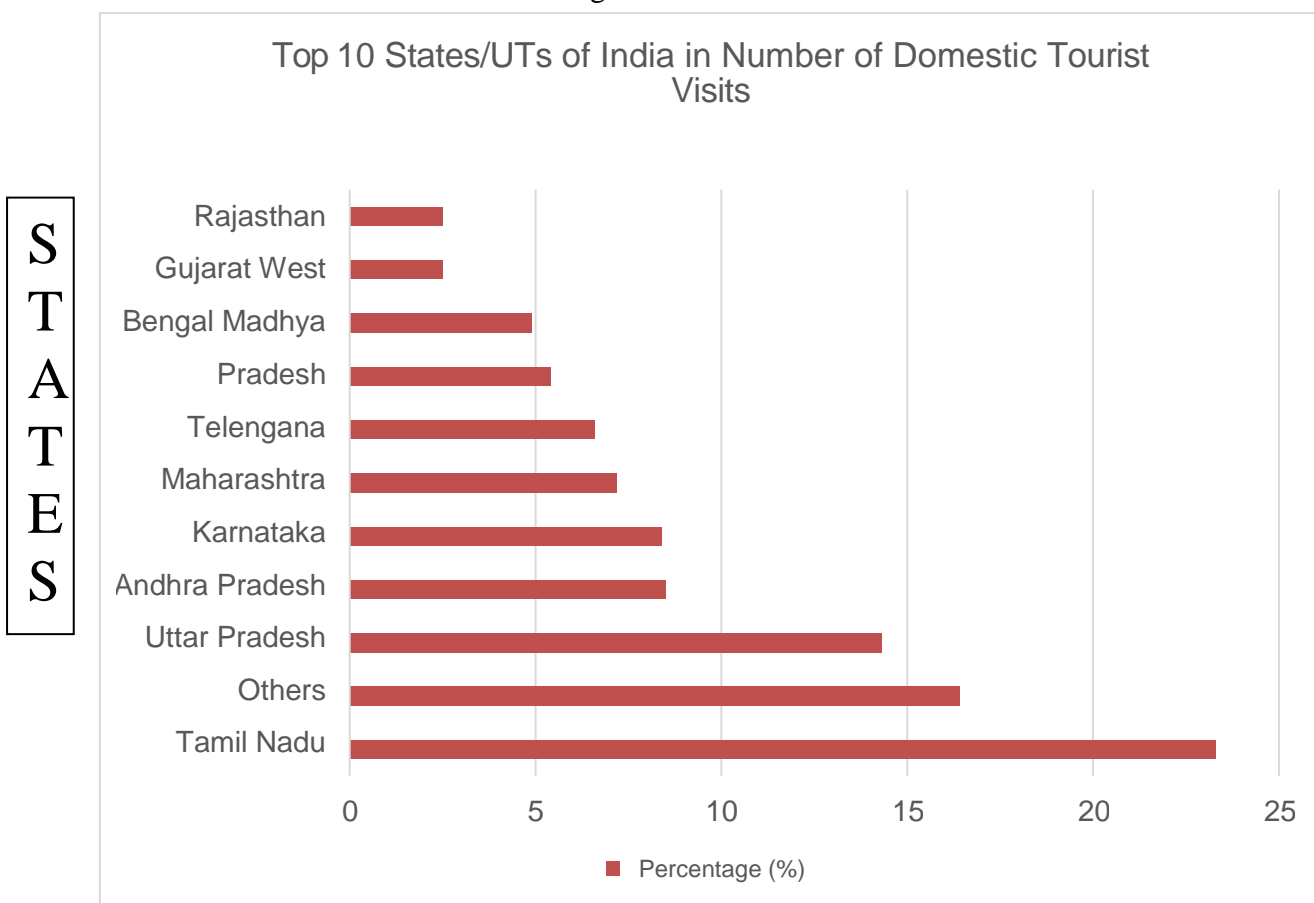


Table 2.8

Share of Top 10 States/UTs of India in Number of Foreign Tourist Visits in 2015

Rank	State/UT	Foreign Tourist Visits in 2015	
		Number	Percentage (%)
1	Tamil Nadu	4684707	20.1

2	Maharashtra #	4408916	18.9
3	Uttar Pradesh	3104062	13.3
4	Delhi #	2379169	10.2
5	West Bengal	1489500	6.4
6	Rajasthan	1475311	6.3
7	Kerala	977479	4.2
8	Bihar	923737	4.0
9	Karnataka	636502	2.7
10	Goa	541480	2.3
	Total of Top 10	20620863	88.4
	Others	2705300	11.6
	Total	23326163	100.0

Figures have been estimated (Source: State/UT Tourism Departments)

Figure 2.6

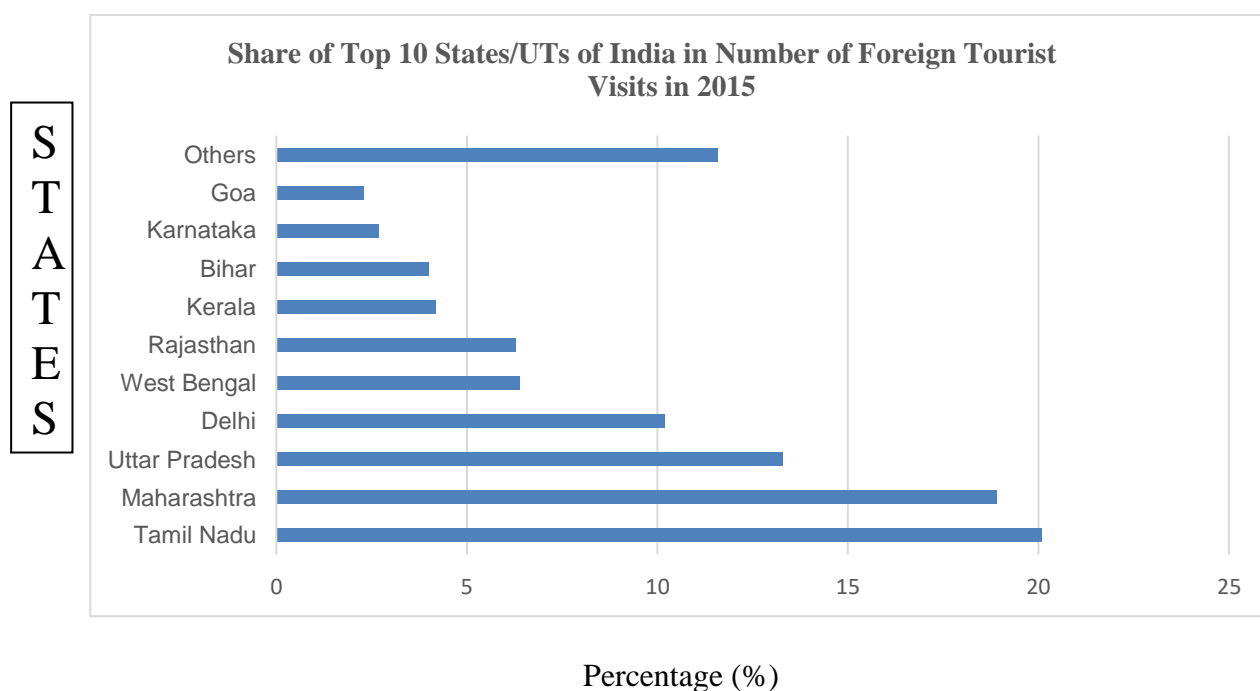


Table 2.9

Number of Approved Hotels and Availability of Hotel Rooms in the Country, as on
31st December, 2014

S. No.	Category	No. of Hotel	No. of Rooms
1	One Star	41	1193
2	Two Star	80	1902
3	Three Star	554	22724
4	Four Star	134	7969
5	Five Star	92	11744
6	Five Star (Deluxe)	113	23907
7	Apartment	3	249
8	Guest House	5	77
9	Heritage Hotels	42	1237
10	Silver Bed & Breakfast	52	242
11	Unclassified	117	8323
	Total	2333	79567

From the above given data by Ministry of Tourism (MoT) India; State/UT Tourism Departments; Bureau of Immigration, Govt. of India; and Reserve Bank of India states that there has been an increase in tourism of India both in terms of foreigners and domestic citizens. Foreign tourists arriving in India in 1999, were 2.48 million, by 2015 there was 4.19 million foreign tourists visiting India. While domestic tourism also increased within the country i.e. in

1999, there were 190.6 million domestic tourists and in 2015, it was 1431 million domestic tourists.

The rapid growth in foreign and domestic tourism had a positive impact on the Indian economy both financially and development of infrastructure. The Foreign Exchange Earning (FEE) in 1999, was 3009 million \$ which increased substantially to 10865 million \$ in 2015.

Such growth in the tourism sector saw a need of providing accommodation, eatery establishments and infrastructure to cater the tourist and guests, for which hotels and restaurants became very popular and lot of investments were made both domestically and Foreign Direct Investment (FDI).

2.4 INTRODUCTION TO HOTELS

Definition

(Business Dictionary, 2001) A hotel is an establishment that provides lodging, dining, entertainment and other services which are paid on a short-term basis. The provision of basic accommodation, in times past, consisting only of a room with a bed, a cupboard, a small table and a washstand has largely been replaced by rooms with modern facilities, including in-suite bathrooms and air conditioning or climate control.

(Research and Markets: Hotels & Motels: An Essential Global Industry Guide, 2010) states, “The Hotels & Motels industry value consists of all revenues

generated by hotels & motels and other accommodation and food service. The value does not include any revenues generated through other interests such as casinos, shops and telecommunication services. The industry is segmented according to the origins of the revenue (domestic consumers, domestic business and international business & consumers).”

2.4.1 History

According to (Levy-Bonvin, 2003), The history of hotels date back to the human civilization, evidence supports the facts that facilities and provisions are provided to guests, travellers and strangers via lodging and accommodation buildings.

Ancient times (Phase I- Pre 15th Century) Greek Civilization

The villages during the era of Greek civilization had establishments providing hospitality and facilities for travellers to rest, avail medical benefits and recover for further journey. In order to provide these facilities, the Greeks were the first to pioneer thermal baths in the establishments in their villages.

Herodotus, a Greek historian (484 BC – 425 BC) during the 5th century also known as “The Father of History”, was the first to find the therapeutic effects of hot springs on humans. Hippocrates, a Greek Physician (460 BC- 370 BC) to systemize the hot springs into thermal baths, categorize it and the treatment for the type of disease.

Hot spring water have different composition of minerals like iron, alkaline, Sulphur, radioactive etc. Hypertension, stress, skin diseases, rheumatic disorders, respiratory disorders etc., could be cured by the hot spring treatment under guidance of physician. Otherwise, the thermal baths provided a place for relaxation which spread to other civilizations.

Roman Civilization

During the period of Roman civilization from small establishments to mansions were built for lodging purposes. Also during this period special official rooms were introduced. Mansions were especially built for government officials and those travellers on government business.

Romans were the first to introduce Thermal baths in these mansions spreading across England, Switzerland and Middle East routes. The concept of thermal baths in hotels is now a global phenomenon, most of the hotels have a spa or thermal bath facility. It is a great attraction for their clients and tourists.

Inns

(Burke, 1927) During the middle age religion played an important in role in the history of hotels. Monasteries and abbeys were built to provide accommodation to travellers and refuge to the oppressed.

It is during this era that accommodation and lodging were provided on a regular basis rather than temporary basis. Religious institutions built inns, hospice and hospitals to support travellers and guests.

(Everitt, 1985) Inns is an establishment where travellers can stay, rest and provide shelter to their animals. Inns began to multiply during the course of time and yet none of them provided the facility of meals to travellers. The first inn was built in Florence, Italy, year 1282. Self-service inns started in Paris, year 1312.

Staging posts were established for government officials and transports. As horses and mules was the only medium of transport during this period. Therefore, not only human beings required resting, while the animals too needed rest in order to continue further journey. Thus, staging posts provided shelter to horses as well as allowed officials to change horses.

Caravansaries (/kærə'vænsəri/; Persian: کاروانسرا; Turkish: *Kervansaray*)

In the Middle East where it is very difficult to build establishments or mansions, caravans started to provide facilities for resting and lodging on the trade routes. An inn built on the roadside at specific routes to provide hospitality to the travellers mainly traders or businessmen. Monasteries and Abbeys were the first to build inns so that the travellers could rest and recover for further journey.

Caravansaries was the pillar of trade which ensured trade flourished, flow of information and merchants could rest. The routes covered was Asia, Middle East, Africa and South-Eastern Europe, mainly known as the silk route. Over the period of time Persians built comfortable and luxurious inns, a 2,500 Km

stretch highway known as the Persian Empire's Royal Road. During the Mughal rule, Caravansaries were built along "The Grand Trunk Road", Indian sub-continent.

Middle Ages (Phase II- 15th century to 19th century)

Beginning of hotel industry at 15th century, where the structure of inns grew at a large scale. Inns started to change their mode of operations by offering food and drinks, small inns expanded enormously by size and operations.

Their small property grew and they changed their architecture to a hallway entry of beautifully designed arched porch, a courtyard, luxury bedrooms suited for scenery view, public/ waiting room in the front hall, kitchen, hall where guest could dine like a restaurant, stables and a storehouse behind the property. A travel Guide book first to be published in France, during this period.

As the inns grew they started to be called as 'hotels'. French and English government introduced rules, regulations and law for the inns and hotels where a register is to be maintained related to guest information. Now the Government started to introduce a systematic law for the operation of inns and hotels.

This is the birth of the hotel industry, looking at the potential of hotel industry, it grew significantly in Europe. Establishments now started to brand themselves with signs, banners and boards placed outside their property displaying their

cuisine or specialty to attract visitors, guests and officials. In England at the end of 16th century, stagecoaches

first rolled out to follow a regular schedule or time table to reach to the station or respective destination.

After 50 years, the concept of “English gentlemen’s clubs”, masonic lodge/private lodge and pubs similar to that of England sprung up in America. During the reign of Louis XIV, King of France introduced a fine architectural designed complex for multiple uses. The property which accommodates saloons, shops selling fashionable clothes, accessories or jewelry known as “boutique”, residential apartments, offices, deluxe and fashionable hotels like Ritz. The property is spread over length 213m (699ft) and width 124m (407ft).

Modernization Era (19th century onwards)

During this period hotels started to take over the town supported by the industrial revolution. Industrial revolution started in 1760 which led to the fast construction and development of hotel properties especially in England, mainland Europe and America.

Due to industrial revolution modes of transportation began to change as horse and animal drawn transport were replaced by locomotives and train which led to a decline in highway inns and other guest houses. It led to change in concept and acceptance of hotels to the general public and guests.

Traditional Japanese inn known as ‘Ryokan’, was built along highways of

Japan which served travellers during the period 1603 to 1868. It featured tatami (type of flooring material mat used in traditional Japanese-style rooms) matted rooms, common bathrooms and public areas for the visitors. Ryokan is typically situated in scenic areas like mountains or by the river or by the sea and it developed as a luxury property rather than a highway inn.

Royal Hotel, London located in the heart of Kensington built in the early 1800s. Currently a five-star hotel having 394 bedrooms, 10 floors and two restaurants park terrace on the ground floor & Ming Jiang, a Chinese restaurant situated on the 10th floor. As the hotel industry grew, holiday resorts flourished along the Italian and French rivieras.

(Nagle, 1999) Resort is a commercial property or establishment having the facilities of a hotel and recreational activities like entertainment, sports, shopping, feel of natural habitat and other amenities. A resort is self-sustained property.

Venice, during 1822 the Venetian Giuseppe Dal Niel who rented a floor in a palace for housing his guests and own purpose. In 1824, Giuseppe appreciated the property and saw its potential to gather people for meetings and social interaction. Thus, he bought the property, reconstructed and converted the building into a lavish hotel naming it 'Le Danieli'.

Hotel des Bergues, only hotel to be built on shores of Lake of Geneva in 1834.
Hotel des Trois Couronnes built on ruins of "Belles Truches" castle in 1842

located in Vevey, Switzerland. The hotel is a showcase of royalty and has attracted many tourists as well as artists worldwide. The Baur au Lac hotel in Zurich, Switzerland founded by Johannes Baur in 1844.

(shepherd-hotel, 2010) (Sattin, 1988) In 1841, a hotel established by Samuel Shepherd in Cairo, Egypt named “Hotel Des Anglias” which was later named as Shepherd’s Hotel. The hotel was well known for its grandeur services to guests and was also used as a military base. The property was lavish laid with Persian carpets, studded stained glasses, garden terrace and pillars made of granite very similar to Ancient Egyptian temples. There was an American bar which attracted British and French officers. The night at the hotel was lively as there were night dances featured men in military uniforms and women in evening gowns. Officers and guests could check in their excess luggage in a storeroom. The cuisine always varied from time to time and was excellent to savor. There were shops facing the hotel from across the street which attracted tourists. The Shepherd’s Hotel is an example of a complete transformation from an ancient historical city to a luxurious city Centre.

Hotels were also constructed in ‘city centres’, city centre is described as a commercial, cultural, historical, political and geographical heart of any city. New York being one of the first city to establish a hotel in city centre then followed by Copenhagen capital of Denmark. Boston’s city centre had the first deluxe hotel ‘The Tremont House’, offered amenities like an inside room toilet, an “à la carte” menu for their diners and locks on doors. First hotel to provide

lift for guest's luggage was by 'The Holt Hotel in New York City. Private bathrooms in hotel rooms were first equipped by 'The New York Hotel' in New York city.

(Stanford, 1961) In India, Dak bungalows or Dak-house a government run building during the period of British India which served travellers with reliable accommodation. Name is derived from Hindi word 'Dak' in English means 'Imperial Mail Service'.

The Dak bungalows were quite similar to Dharamshala, caravanserais and various guesthouses built by Indian rulers especially for Hindu and Muslim pilgrims. During 1840s the Dak bungalows were properly built and served as a staging post for the imperial mail service and government officials.

Officials posted at Dak bungalows was 'dakwala' (postman), 'durwan' (caretaker) and 'khansamah' (attendant). Free accommodation was only for the Government officials and if they permitted travellers could stay at a very cheap price. Guests would have to pay for damages caused and costs of goods used like grass for horses, firewood, food and other needs.

Le Grand hotel, Paris, France designed by a famous architect Alfred Armand and funded by two wealthy brothers Isaac & Émile Pereire. The hotel's construction started on April, 1861 and was inaugurated by Empress Eugenie, wife of Napoleon III on 5th of April, 1862. The hotel is designed to fill an entire city block, having 800 rooms, four floors for visitors and guests while another floor for their helps and servants. The hotel was built to show the world

what progress Paris made in the era of arts, science and industry. As per the luxury, dimension and installations it is the grandest hotel in Europe. It was the first hotel to install hydraulic lift. By 1890, entire hotel was run by electric lighting.

The Fifth Avenue Hotel, 200 Fifth Avenue, Manhattan, New York a luxurious hotel built during 1856 to 1859 was the first property to install guest elevator known as “vertical screw railway” which was powered by a steam engine and carried guests from ground to upper four floors.

(Winship, 1978) The Mena House, Cairo, Egypt built in 1869 as a hunting lodge for Egyptian King Isma'il Pasha. Later in 1886 it was renovated to a hotel and open for public. First hotel in Egypt to construct a swimming pool. The hotel is situated at the foot of famous pyramids of Cheops, Chephren and Mikerinos, therefore, exhibits calm, luxurious and extravagant feeling to the guests.

(Hall, 2002) The Palmer House Hotel, Chicago, America built on 26th September, 1871 but 13 days later on 9th October, 1871 it burnt down in the ‘Great Chicago Fire’. The owner Mr. Potter Palmer immediately started its construction and renovation with the help of an architect John M. Van Osdel. After its reconstruction, The Palmer House Hotel became the fanciest hotel after the ‘Great Chicago Fire’ as it was seven stories high, rooms were extra spacious, luxurious décor in the premise of the hotel and lavish meals served in extravagant style. Due to its nature of construction and restructuring, The

Palmer Hotel globally came to be known as "The World's Only Fire Proof Hotel."

The Hotel Imperial well known as 'The Imperial', Vienna, Austria originally known as Palais Württemberg displays an Italian Neo-Renaissance style. The property was actually planned as a city palace and residential purpose for Duke Philipp of Württemberg (1838–1917) and his wife Maria Theresa (1845–1927), *née* Archduchess of Austria. The Duke and the Duchess moved in at 1866 and 1871 five years later they sold the palace. In 1873, the palace was transformed into a luxurious hotel, in 1928 two floors were added. The palace's architecture and design is still evident which contributes to the luxurious atmosphere of the hotel.

The Sagamore Hotel a Victorian era resort hotel, Lake George, Bolton Landing, New York opened in 1883. The hotel is built on private Green Island, Lake George. It was the first hotel in New York to provide electricity in all its guest rooms. Majority of its clients were wealthy and belonged to high society due to its location and facilities offered.

In 1890, the hospitality industry got integrated as an education system. The first school for hospitality management École hôtelière de Lausanne, Lausanne, Switzerland was established. Jacques Tschumi its founder and director opened the school as tourism in Switzerland saw a boom and during late 19th century the industry saw a need for highly skilled, qualified and well-trained professionals.

Hotel Hermitage, Monte Carlo, Monaco situated in the heart of the city on French Riviera is a luxurious and admired palace style hotel with designs of Victorian and Edwardian era. The hotel was completed in 1890 and opened doors in 1896, offered an atmosphere of luxury and refined atmosphere to the rich and high-class society gentry.

The Victoria Hotel, Kansas City was the first to offer bathrooms attached to every room. While the Netherland Hotel, New York City was the first hotel to provide telephone in every guest rooms.

The Hotel Grande Bretagne, Athens, Greece is a luxury hotel and considered one of the best in southern Europe. The property built in 1842, as a residential house for a Greek businessman Antonis Dimitriou. In 1874, the property was bought a chef Efstathios Lampsas who fulfilled his dream by building the hotel. During the period, Athens suffered from water shortage and the management had to buy water from the streets and supply it to the 80 bedrooms and two bathrooms.

César Ritz born in Valais, Switzerland founder of many hotels and most famous ones being Hotel Ritz, Paris and the Ritz Hotel, London. In 1898, when he opened Hotel Ritz, Vendôme, Paris earned the title and was famously known as "king of hoteliers and hotelier to kings".

Age of Prosperity (20th century)

20th century marks a new beginning to the new world- world war was over, kingship and aristocratic rule declined and globalism took over. Similarly, the hospitality industry during the early twentieth century grew rapidly as many luxurious hotels were being established globally to attract tourism and rich clientele.

Famous architect Edouard Niiermans also known as “architect of palaces” redesigned many palace and transformed to luxurious hotel. In 1900, he was given the task to transform the summer villa “Villa Eugénie” of the Emperor Napoléon III and his wife Eugénie de Montijo, by 1905 the hotel was completed and named it Hôtel du Palais. The villa is situated beside Atlantic beach and has a scenic beauty of the shore, naturally attracts the tourist and high esteem guests to visit and stay at the premise.

During 1900s Ritz Hotel was built in Paris and London, therefore, King Alphonse XIII felt that there must be similar Ritz Hotel to serve guests, royalty and ranked officials in Madrid, Spain. On request of King Alphonse XIII, The Ritz, Madrid, Spain opened on 2nd October, 1910.

The Hotel Negresco, Nice, France named after its founder Henri Negresco is a palatial hotel facing the Mediterranean Sea constructed in 1912 and was opened in 1913 in presence of seven kings.

In 1919, Barcelona also inaugurated its own hotel similar to the Ritz named

Hotel Majestic. New luxury feature in which bathrooms had hot and cold water at the same time.

Even during the great depression in 1929, the famous Waldorf Astoria , New York was constructed. The greatest hotel built during troubled times.

The Taj Mahal Palace Hotel opened to guests on 16th December, 1903 previously known as Taj Palace Hotel or Taj Mahal Hotel or the Taj. The hotel was constructed by Jamsetji Tata as he was refused to enter into Watson's Hotel, one of the luxurious hotel at that time, as only whites were allowed. While it is contradicted that Jamsetji Tata built the hotel because Bombay needed a luxurious hotel not for revenge. Hotel's original architects were Indian named Sitaram Khanderao Vaidya and D. N. Mirza but the property was finally completed by W. A. Chambers, an English engineer. Initially the ocean was on the back side of the hotel and the entrance on the other side.

The hotel's architectural design is two buildings comprise of the hotel then the Taj Mahal Palace and the Taj Mahal tower built in 1973 are two different building. It was the first hotel in India to have electricity, German elevators, American fans, English butlers and Turkish baths. After some time, the hotel had a licensed bar which was first in Bombay, all-day restaurant and discotheque first in India.

In 1970, Taj Mahal Resorts and Palaces became organized and started to construct properties across India as well as convert palaces into luxurious heritage hotels. In 1980, it became an international chain.

The prosperous 20th century saw an incredible boom in hotel industry. Hotels of many types opened during this decade. Due to technology and advancement construction of hotels were not limited to cities but in mountains, rivers, caves, bunkers, cliffs and ocean. Ski resorts sprang up, first one was built in Switzerland which attracted tourist to have an experience of winter sports.

20th century is known as the prosperous century as the hotel industry shifted from just providing food and lodging to become one of the highest employment and revenue generation industry globally. Casino hotel were built and airline companies started to construct properties.

Tourist resorts started to flourish around the Mediterranean. City and beach hotels became popular with Spain, Greece and Balearics island as tourist destinations. Each summer these properties were filled with guest who were eager for relaxation, water sports and enjoy the sunshine. Portugal and Scandinavian countries also started to build properties and attract tourists.

Hotels also became a point for official and business meetings. This was majorly contributed due to globalization and airline companies tying up with hotels to increase the frequency of fliers.

As the industrial age developed and now into the information age, demand for oil known as black gold started to increase. Therefore, Middle East saw a boom in hotel industry in cities like Abu Dhabi, Dubai, Jedda, Kuwait and Riyadh. Due to the investment in luxurious properties, it also gave rise to upgrading the

city infrastructure which is now a prominent tourist and business class destination.

Growth of hotel industry also led to rise in demand and expectation of the guests. Hotel chains began to enhance their services and offer variety of services. Design of rooms changed: technology took over to appease guests, got more spacious, enhanced bathroom facilities, in room services like a safe and tea and coffee maker and cuisines offered are now sophisticated than before. Slowly, the known luxurious hotels mainly former palaces and city centre hotels which were dying started to renovate and systemize their operations which brought life to these hotels. After 1970s, China allowed foreign tourists in their country to display their historical monuments and heritage, which led to formation of international hotel experts during this period.

Further development

Hotel industry saw further development to their approach and attracting clients. This was majorly supported by inventive and innovative marketing by the hotel proprietors and chains of hotel. Hotels began to adapt to their clientele rather than wanting to offer the services.

This trend led to hotels being constructed near transportation facilities like bus station, railway station and airports, also specially for conferences, banquets and parties, health industry became synonymous to the hotel industry, ski

resorts, holiday villages with various adventure sports and marina hotels started to boom.

Technology Takes Over

Property Management Systems (PMS) or Hotel Operating Systems (Hotel OS) first appeared in the hospitality market in 1980s. The software covers all objectives required to systemize the operations of hotels from operational function to the front office to sales and planning to financial reporting to human resource functions.

The software automates all the hotel operations and functions like guest's enquiry, guest's booking, online reservations, guest details, point of sale, guest check in and check out, calculation of charges, telephone, marketing and sales, accounts receivable, accounts payable, events to be managed, availability of rooms, conference halls and banquet venue, food and beverage costing, human resource functions and payrolls, material costing, quality management and provision of other amenities.

Property Management Systems (PMS) developed into Cloud Computing Property Management Systems allowed hotel chains to now have a centralized control and extend their services to guests. Functions like online check ins, virtual tour of hotels, guest staff communication and give ratings, feedback and comment about the hotel through a mobile device.

Now reservation, availability of rooms, check ins and to find out about the

hotel have become more easy and smooth for the client. Now any one can book hotel rooms from any part of the world. Records and information of each guest could now be easily maintained by the hotel which ensured prompt and efficient services to the respective guest as soon as they arrive in the property. Various personalized services as well as loyalty programs could be designed by the marketing team.

Green environment technology being used in hotels also started to attract guests and create a goodwill. For the first time after 1991, environment friendly and energy conservation properties attracted client from all over the world which led to protection of nature and maintaining customer loyalty to the hotel.

After 2004, guests and travellers have now shifted to digital and paperless mode of doing business. Therefore, hotels had to provide additional services like internet connection, power supply points compatible to other countries and a printer-scanner in the rooms.

Alliances

Main focus of luxurious hotel chains was in Continent of Europe and America, after 1994 hotel chains began to venture into Asia mainly China and India while Singapore, Indonesia and Malaysia were also targeted, the Middle East mainly Egypt and the United Arab Emirates (UAE) and Latin America. To expand into these countries various hotel chains started to form alliances or merge to gain global advantage like Six Continents hotel chain is a merger of

Crown Plaza, Holiday Inn and Intercontinental; Renaissance and Ramada International were absorbed by Marriott to be one of the leading hotel chains in the world; Accor hotels signed various joint ventures in the East and Far East to increase their dominance in 95 countries; Sol Meliá a Spanish hotel chain focused on holiday resorts and expanded into Boutique hotels to become the largest hotel chain in Spain; Forte group of hotels and restaurants acquired Meridian to strengthen their global position; and Westin and Italian Ciga was absorbed by Starwoods (Sheraton).

City and country capitals in the world also started to develop properties and infrastructure; at the same time collaborate with the hotel chains to attract tourists and business class clientele to mark a presence in the world.

Extravaganza

The hotel industry started to look at the next stage of luxury. In 1995, Dubai constructed its most prestigious and tourist complex opened in 1997. It is a wave shaped hotel comprising of 598 rooms and suites, a beach for guests and 19 beachfront villas, there is also a water park and 20 restaurants and bars. The hotel establishment has the potential to satisfy need of an average tourist, business people and the high-class clientele able to afford real luxury.

This trend has continued and now we see an era of extravaganza hotels being built especially in Dubai and Gulf countries.

2.4.2 Classification

Hotels are classified based on their mode of operation. Hotels vary in size, function, facilities offered and cost. Most hotels and hotel chains operate hotels on an accepted industry standard to classify their hotel properties. General category hotels now seen are

- **Upscale Luxury**

Hotel establishment that provide full service facility and highest level of professional service like on premise full service restaurant and bar, 24-hour room service, high speed wireless internet access, electronic safe, high definition television with premium channels, coffee and tea maker, self-control room air conditioner, premium bed and mattress, study table and added bathroom facilities while they offer luxurious amenities like personal butler, sona baths, spa, shopping mall, child care, pet facilities, personalized/ custom fridge/ mini-bar and medical treatment facilities.

They are also known as luxury hotels, most countries have them classified as a Four-star, Five-star or Five-star deluxe rating depending on the local rating standards. Waldorf Astoria, Ritz Carlton, Fairmount and Conrad are such luxurious hotel chains.

- **Full-service**

Full service hotels provide all the facilities to the guests and visitors like on premise full service restaurant and bar, swimming pool, health club,

gymnasium, conference facilities, banquet hall, ballrooms, internet facility, pick and drop facility and shopping facility.

In most countries depending on the ratings and classification they fall under category of Three-star and Four-star category. Hotel chains like Starwood, Inter Continental, Marriott, Hilton, Westin and Hyatt mainly operate in this range.

- **Historic Inns and Boutique Hotels**

Old palaces, forts, historic inns and residential properties of kings and queens which have a historic significance have been transformed mostly into luxurious hotels that offer full scale services based on size and mode of operation. Such hotels display a unique and intimate atmosphere to their guests and visitors. Mostly they fall into the category of Four-star and Five-star hotels.

- **Focused or Select Service**

Hotels that offer limited number of services to the customers generally offering the basic on-premise services similar to full service hotels, it does not include the various luxurious facilities like full functioning restaurant and bar; swimming pool or health club. They target and cater to a certain segment of market especially to travellers on business purpose or single travellers. In most countries based on ratings such hotels fall into Two-star or Three-star category.

Hilton Garden Inn, Holiday Inn and Courtyard by Marriott are few examples catering to this segment.

- **Economy and Limited Service**

Hotel establishments of small to medium sized that target travellers who desire no comfort or luxury or any frills, they just want accommodation. These hotels only offer the basic facilities to the guests like telephone, attach bathroom, may be an air conditioner, complimentary breakfast or a restaurant.

Such hotels are very economical and fall in the budget of travellers and fall under the category of Two-star hotels like Fairfield Inn, Four Points by Sheraton and Hampton Inn.

- **Extended Stay**

Very similar to the economy and limited service hotels just that its mode of operation is different, they offer longer period of stay. These hotels have non-traditional pricing methods like weekly rates or monthly rates depending on the requirement of customers. Certain known are Stay Bridge Suites, Residence Inn by Marriott, Homewood Suites by Hilton and Extended Stay Hotels.

- **Timeshare Resorts and Destination Clubs**

Timeshare Resorts are self-sustained properties which include Full-Service hotel, on premise restaurant and bar, recreation ground, swimming pools and various luxury amenities. All the facilities are within the property itself, guests spend few days to avail the leisure and luxury facilities. Resorts are generally desired for a particular season.

Destination clubs operate on a more luxurious scale providing private

accommodation in villas or houses generally in a setting like a colony or neighborhood style with all facilities of a luxurious hotel.

Examples are Marriott Vacation Club, Hilton Grand Vacations, Starwood Vacation Ownership, Westgate Resorts and Disney Vacation Club.

- **Motel**

Small size and very low budget lodging property that provides services of a limited service hotel. It does not fall under category of hotel, as motels are located on the highways and do not focus on providing personal service to their guests. Classification wise they are of the lowest type of lodging properties with minimum staff and services provided to guests. One of the cheapest mode of lodging.

- **Capsule Hotel**

First originated in Japan, where small rooms in size of 2 by 1 by 1.25 meters or 6 feet 7 inches in by 3 feet 3 inches in by 4 feet 1 inches also known as capsules. Rooms are made of fiberglass or modular plastic, rooms are placed side by side and one level on top and ladder like steps to access upper level rooms. Capsule hotels provide basic facilities like television, internet connection, electric console, locker to store luggage and privacy of guest is protected by fiberglass door or curtain at the entry of the capsule. Washrooms and bathrooms are common and located near the capsule in separate room.

Capsule hotels objective is to offer basic and cheap accommodation to guests

who want to stay the night and do not want to avail the facilities and services offered by the conventional hotels.

Popularity of capsule hotels have grown and spread across the world. People visit capsule hotels for an experience rather than just basic accommodation.

- **Bunker Hotels**

As the name suggests bunker built during second world war used by soldier to evade bombing and nuclear bombs have been converted into hotels like Null Stern Hotel, Teufen, Switzerland and Concrete Mushrooms, Albania. In Albania about 7,50,000 nuclear bunkers have been converted in hotels, cottages, restaurants, bars and even self-sustainable Eco resorts.

- **Cave Hotels**

Natural caves in Spain, Turkey and Australia have been converted into hotels maintaining their natural beauty with even some underground cave rooms being built. The Desert Cave Hotel, Coober Pedy in South Australia a famous cave hotel built out of the remains of once very famous opal mine. Coober Pedy a town also known as ‘opal capital of world’ now is a tourist hotspot for their cave hotels. Guests and residents sleep underground and have all the luxury of a Full-Service hotel. The temperature of the hotel is naturally cool and pleasant due to the temperature of the earth.

- **Cliff Hotel**

Hotels constructed on cliffs facing the sea which are high above the sea level. Cliff hotels offer their guests an extraordinary experience with a panoramic and

an unobstructed view of the sea and its beauty; the guest have the pleasure of enjoying their privacy.

Riosol Hotel, Gran Canaria ; Aman Resorts, Amankila, Bali; Caruso Belvedere Hotel, Amalfi coast, Italy; The Caves, Jamaica' Birkenhead House, Hermanus, South Africa and Caesar Augustus, Capri are well known cliff hotels around the world.

- **Ice, Snow and Igloo Hotels**

Ice hotels built from ice and snow depending on the sub-freezing temperature (colder than 0 degree Celsius or 32-degree Fahrenheit are temporary hotels rebuilt every year. Ice hotels now exist in many countries like Canada, Japan, Finland, Norway, Sweden and Romania. The ice hotel in operation is very similar to an upscale luxury or full-service hotel, they provide all facilities in form of ice like a bed made of ice warmed by the blanket and quilt; restaurant is made of ice as well as the cutlery and glasses, shopping malls and sculpture are also made of ice.

Igloo also known as snow hut or snow house built as housing facility to the population of Greenland and Canada's central Arctic region. The construction of an igloo is easier when snow can be compacted. It is built in a catenoid form where there is a dome for living, resting and sleeping, in between the ice blocks there are holes for ventilation as well as a small window and a passage way for entry and storage. The igloo is warm due to the insulation properties of snow.

- **Garden Hotels**

Huge private properties or residences having gardens, have been converted into hotels. Various historical properties like palaces, castles, mansions, country side properties, retreat residences by the waterbodies, inns and monasteries which were no more used as residential areas have had a successful conversion into hotels.

Therefore, the concept of garden hotels emerged. Residential private properties already known for their beautiful and spectacular gardens got converted into garden hotels as well as retaining their original beauty and providing an experience to the guests and visitors.

Famous garden hotels are

- i. Palais Schwarzenberg, Vienna, Austria constructed in early 18th century. Today a five-star property consists of an orangery which is a room or building built during 17th – 19th century on fashionable residential properties to protect fruits mainly oranges, limes and various fruit trees, shrubs, exotic plants and tender plants during winter season very similar to conservatory and greenhouse.

The garden hotel also has a riding school or equestrian facility or riding hall, is a building or structure built mainly for accommodation, training or breeding horses. Depending on the barn or stable, nature of the riding school is constructed.

- i. Gravity Manor, East Grinstead, West Sussex in England is the former house of

William Robinson an Irish Gardner and journalist who was passionate about wild gardening. His passion popularized the concept of 'English Cottage Garden' in England.

Gravetye Manor was purchased by Robinson in 1884, the estate spanned 200 acres (0.81 km²) consisting of green pasture and forest land. Robinson developed the property by 1911, the property grew to about 1000 acres (4 km²).

After his death in 1935, the estate was taken over by the Forestry Commission. In 1958, the estate and property was leased to a restaurateur Peter Herbert, his first wife Pip and business partner Robin Howard. Peter Herbert is the one who pioneered the concept to convert the property into 17 rooms country house hotel. During the forty years of Peter's ownership, the beautiful property of 52 acres was restored to its former glory.

Currently it is rated as one of the top 5 hotels in United Kingdom.

- iii. Clivedon, Buckinghamshire, border of Berkshire is an Italian designed mansion and estate. The estate belonged to Nancy Astor and served as a meeting place of the Cliveden set (upper class of individuals having political influence in Britain) during 1920 –1930.

Blankeney Hotels (later Cliveden Hotel Ltd.) acquired the estate on lease in 1984, the estate was restored and interiors were refurnished. In 1990, an indoor swimming pool was constructed and spa treatment rooms were added in the

walled garden. There are total 37 bedrooms, four private dining rooms as well as a terrace dining room.

Today it is owned by the National Trust and operated by London Regional Properties and is one of the most expensive five-star properties in London.

- iv. Udaipur Lake Palace in Udaipur, Rajasthan in India, a luxury hotel built on the natural foundation of an island of Jag Niwas, Lake Pichola, Udaipur which is of 4 acres (16,000 m²). Guests, tourists and visitors use a speed boat operated by the hotel authorities to travel from the coast to the hotel.

Between 1743 and 1746 The Lake Palace was built under the supervision of Maharana Jagat Singh II as a winter residential Palace. While the successors used the Lake Palace as a summer resort.

The Lake palace is beautified with flower garden consisting of jasmine, yew bushes, palm trees, moss rose, bougainvillea, verbena, nasturtiums and frangipani trees. In 1971, the Lake Palace was converted into a heritage luxurious hotel by The Taj Hotels group, consisting of 66 luxurious rooms and 17 grand suites with all the amenities and facilities of a Luxurious hotel.

- **Railway Hotels**

Railway companies who were expanding their rail routes started to build hotels at terminals or station and was used by those travelling by rail as well as other guests.

England and Canada are well known for railway hotels like

- i. Midland Hotel is a grand hotel built in Manchester, England in September, 1903 by Midland Railway.
- ii. The St. Pancras Renaissance London Hotel built in 1873, above St. Pancras railway station. It has an 82m tall clock tower. The hotel then closed in 1935, then during between 1935-1980 the property was being used as railway office. The hotel was redeveloped between 2005-2011 and reopened in 2011 as a hotel.
- iii. Canada's railway hotels built by Canadian railway companies across Canada covering local and national landmarks. The hotels built were all 5-star categories which catered and served the passengers travelling by rail. First hotel opened in 1878 along Windsor railway station, Montreal by the name of Windsor Hotel and then many more followed.

- **Straw Bale Hotel**

The first hotel built out of straw bales is in Swiss Alps, Europe is The Maya Guesthouse. Hotel constructed at 1,300 meters of altitude and needs no heating or air condition system due to the insulation properties of the straw bale.

- **Transit Hotels**

Hotels used for short stay by international travellers who wait to change airplanes are known as transit hotels. Transit hotels are found at international

airports and travellers do not need a visa to check-in the hotel. Transit hotel is now very popular as number of foreign travellers have increased.

2.4.3 Hotel Star Rating Concept

(Bruce, 2010), Depending on the classification of hotel properties certain ratings are used known as 'Hotel Ratings', 'Classification' or 'Grading'. Hotel Star ratings is a concept to provide the tourist, travellers or guests to identify the hotel property which will provide the facilities required to their expectations. In current times the 'hotel rating' also determines the experience and service which a guest will receive in the hotel property.

Variety of rating schemes are used by different organizations worldwide and in the country, they are operating in. Many systems have 'Stars' given or rated or assigned to a hotel property which means more the number of stars greater the luxury. Star rating system was launched in 1958, by Mobil Travel Guide, now known as Forbes Travel Guide. Another organization American Automobile Association (AAA) and their affiliated bodies have a 'Diamond rating' system to identify the classification of hotels and restaurants. Other common hotel classification include letter grading from "A" to "F" or simply "satisfactory" and "unsatisfactory". While some systems use the words or terms which determine the hotel type rather than hotel standard like Deluxe/Luxury, First Class/Superior, Tourist Class/Standard, and Budget Class/Economy.

Global Acceptance

The Hotel Star rating over the years have been criticized by experts, travellers and guests as the Star Rating of the various systems are complex and difficult to understand. One of the main reason is that there is no universal standard for grading or rating the hotels.

Different countries have their own system and method to rate their hotels and services.

- (Hotel Rating System in France: Categories and Map, 2014) In France, the public tourist board About, uses a four-star system of rating (plus “L” for luxury). Since 2009 plus “L” has changed to five-star.
- In South Africa, the Hotel Rating system is up to 5 stars (1 star means basic facilities and 5 star means the most luxurious hotel) with strict rules set up by Tourist Grading Council of South Africa.
- In Australia, the grading and rating of Hotels is owned by Australian Auto Clubs which are independent accommodation classification systems uses the Star Ratings.

Ratings of the hotels have more than 200 criteria rated and ranked by at least twenty-five travellers according to their need, what is important and what they desire. After the travellers’ review, a team of qualified professionals visit and inspect the property to approve the Star Rating. Properties awarded Star Ratings are on six accommodation types

- i. Hotels
- ii. Motels

- iii. Service departments
- iv. Self-catering
- v. Hostel accommodation
- vi. Caravan-holiday parks

Australia's star ratings have operated since 1950 through state owned automobile clubs. Currently Star Ratings Australia prevails across the country and the automobile clubs cannot display their logo for promotion.

- (Quality assessment schemes, n.d.) In Great Britain, ratings of hotels are given from 1-star to 5-stars very similar to other countries. The national tourist boards across Great Britain like Visit England, Scottish Tourist Board, Visit Wales and Northern Ireland Tourist Boards have now come together and agreed to form a consistent rating scheme.
- European Hotel Stars Union is governed by The Hotels, Restaurants & Cafes (HOTREC), Europe is an organization that controls 39 associations from 24 European countries. In 2004, the organization drafted a classification system for hotels which laid down national standards to be accepted across European countries. In 2007, the organization launched European Hospitality Quality scheme (EHQ) which laid down parameters for inspection of hotel ratings. The European Hotel Stars Union is governed by The Hotels, Restaurants & Cafes (HOTREC) which is similar to German hotel star rating system that influenced the star rating and classification of hotels in central Europe. The hotel star rating has criteria of 21 qualification focusing on 270 parameters which can be mandatory and optional depending on the

classification of hotel.

- World Star Rating for hotels as of now has not adopted any international classification or star rating. Attempts have been made to unify the star rating and classification system to internationally recognize and form a reliable standard but failed as number of countries would not be able to comply with the set international standards.
- Six and Seven Star Hotels have been claimed by few members of the hospitality industry but it is not recognized by any star rating body as maximum star rating is 5-star deluxe rating.
- Star classification of hotels by Government of India, Ministry of Tourism (H&R Division) states “Hotels are an important component of the tourism product. They contribute in the overall tourism experience through the standards of facilities and services offered by them. With the aim of providing contemporary standards of facilities and services available in the hotels, the Ministry of Tourism has formulated a voluntary scheme for classification of operational hotels which will be applicable to the following Star Category Hotels and Heritage Category Hotels:

i. Star Category Hotels: 5 Star Deluxe, 5 Star, 4 Star, 3 Star, 2 Star & 1 Star

ii. Heritage Category Hotels: Heritage Grand, Heritage Classic & Heritage Basic

The Hotel & Restaurant Approval & Classification Committee (HRACC)

inspects and assesses the hotels based on the facilities and services offered.

2.4.4 Departments

(ms3304hospitalitymgt, 2012) States departments in hotels include

- **Housekeeping-** This department takes care and maintains the cleanliness of the public area, guest rooms and common area. The staff of this particular department is highly trained to ensure the guests do not have problem with hygiene and availability of room facilities. After the guests check out, it is also their duty to tidy the rooms so that new guests can occupy the rooms .
- **Security-** Hotel security ensures the protection of the guests and staff including of the property and belongings. They are also in charge of securing the property by patrolling, monitoring the Closed-Circuit Television (CCTV) and if needed investigation.
- **Front Office –** Known as nerve center of any hotel property. They are the staff who are in direct contact with the guests and customers of the hotel. Their duty is to welcome the guests, understand their query, provide them with room keys, help in registration or check ins, ensure the luggage is delivered to their rooms, explain about the activities happening in the property and help in checkouts.
- **Accounts-** Various tasks like customer invoices, daily receivables, processing the payments, accounts reconciliation, budgeting and financial analysis as well as periodic financial reporting are handled by the accounting department.
- **Food & Beverage-** The department concerned with preparation of food and beverage to be served to the customers. Restaurants and kitchen in the hotel prepare the food while alcoholic and non-alcoholic beverages are prepared

in the bar.

- **Human Resource-** The department concerned with recruitment, selection, hiring, training and development of employees in the hotel premise. Their functions also relate to communication of objective and system to its employees. They also perform administrative functions to ensure smooth functioning of the hotel.
- **Maintenance-** Problems mainly concerned with repair and maintenance of plant and machinery, water treatment, water heating, boilers, air conditioning duct, room lightings, common area lighting, external lighting, sewage treatment, fountains, swimming pool and other electronic items in the property.

2.4.5 Contribution of Hotel Industry to Indian Economy

- As per an analysis done by retail consultancy Technopak, by 2010 the Indian hotel industries was worth US\$ 17 billion. Of the total revenue, nearly 70 per cent is being contributed by the unorganized sector and the remaining 30 per cent (US\$ 5 billion approx.) comes from the organized sector. The hotel industry was estimated to grow at a CAGR (Compounded Annual Growth Rate) of around 15 per cent over the next five years.
(Source: Retail consultancy Technopak)
- The share of hotel and restaurant sector in the overall economy is still below 2 percent. For the last five years, the total contribution of the hospitality sector has remained stagnant. Although the overall share increased from 1.46 per cent in 2004-05 to 1.69 per cent in 2007-08, but then after the phase of economic meltdown in US the total share again decreased to 1.45 per cent in 2009-10.

(Source: Economic Survey 2010-11)

Table 2.10
Annual growth rate of hotel and restaurant in India (in percent)

Year	2005-06	2006-07	2007-08	2008-09	2009-10
Hotels & Restaurants	17.5	14.4	13.1	-3.1	2.2

Annual growth rate

(Source: Economic Survey 2010-11)

Foreign Direct Investment (FDI)

- Contribution to the Indian economy in terms of Foreign Direct Investment (FDI) by the hotel and tourism industry was US\$ 2.35 billion from April 2000 to February 2011. By late 2010 numerous International hotel chains have been expanding their forte into India. Thus, the Indian hospitality sector is expected to generate investment of over US\$ 11 billion in 2012. In the next few years 40 international hotel brands present in the Indian market.

(Source: The Department of Industrial Policy and Promotion (DIPP))

2.5 RESTAURANT

A restaurant is a property or an establishment that prepares food either cooked, semi cooked or fresh and drinks/ beverages either alcoholic and/or non-alcoholic to serve its customers for exchange of money which can be paid prior or just after the meal. Some restaurants have tab system for certain type of customers. Food is prepared and eaten in the restaurant

premises, but nowadays restaurants offer the service of packing and home delivery where food is prepared in the premises but eaten outside the restaurant premises.

Ambience and cuisine vary according to different restaurant. The proprietor is called restaurateur, both words derive from the French verb *restaurer*, meaning "to restore".

2.5.1 History

(Spang, 2000) Restaurant first originated in France in 1765, opened by a soup vendor A. Boulanger in Paris.

Cafeteria Restaurants serving ready cooked meals arranged behind a counter with little or no table service. Servings may be ordered from attendants; selected servings are already on a plate or self-service. Cafeteria is common in hospitals and education/corporation institutions. Which was first opened in 1891, in the Young Women Christian Association (YWCA) of Kansas City.

First drive in restaurant opened in Glendale, California in 1936 during the period of pre- world war and became very popular in the early 1950's.

2.5.2 Types

(Green, 2001), (Mealey, 2010), (Cowen, 2012) (mapsofindia, n.d.) mentions about various types of restaurants.

1. Fast food- Fast food or Quick Service Restaurants (QSR) is known for their

speedy service to the customers. From small scale street vendor with carts omega corporations like Mc Donald's and Kentucky Fried Chicken (KFC) fall under this category.

2. Fast casual- Establishments which offers quality food with no full table service and prices tend to be higher. They may offer non-disposable plates and cutlery to the customers.
3. Casual dining- Restaurants serving moderately priced food in a casual atmosphere. Except for buffet style, they typically provide table service. Cater to the market segment between food establishments and fine dining restaurants. Often, they have a full bar service with separate bar staff. It is usually independently owned and operated, not necessary to have a wide chain or chain of restaurants. In Italy, they are called 'trattoria'.
4. Family style- Types of casual dining restaurants, where food is served on platters by the service staff and diners serve themselves. Alcoholic beverages are not served in family style restaurants.
5. Fine dining- Full service restaurants with specific dedicated meals, the ambience features are of high quality material and atmosphere desired by restaurateur. Wait staff are usually highly trained and wear formal attire. Rules are to be followed by diners and are usually expensive to dine in fine dining establishments.

Variations (Subtypes)

1. Brasserie and bistro- Restaurants well-known in U.S.A. which evolved from French concept to serve somewhat high-priced heart filling meals to diners in a modest setting of ambience and atmosphere. More refined decor,

fewer tables, finer food and hygiene, consists of a continental menu.

2. Buffet and smorgasbord - Restaurants offering variety or selection of food and sometimes beverage at a fixed price, which are served at a counter from which diners, customers and guests serve themselves and the service staff have little role to play i.e. remove plates, clean the table, refill drinks and food.

The buffet charges can be moderately priced or on an expensive side depending on the menu offered by the restaurant. Menu of the buffet is generally divided into categories such as soups, salads, starters/ appetizers, main course, cold entrees, variety of fruits and desert. Cuisine depends on the restaurer.

3. Café- Typically, it does not fall under the category of restaurants since their main source of income is earned from beverages and hot drinks. Now cafés have evolved which serves hot meals, sandwiches, fast food with choice of beverages like hot/ cold coffee, caffeine drinks and mock tails. The ambience and set up have also changed which are appealing and attractive to the guests and customers, few cafes offer outdoor seating.
4. Cafeteria- Restaurants that serves cooked meals ready to eat placed behind a counter, it offers little or no table service to the guests. Food is served either by an attendant or selected food servings and portions on a plate are collected by the consumer. Cafeteria is common in hospitals and education/ corporation institutions.
5. Destination Restaurants- Restaurants built outside communities and are on highways that have a strong appeal in attracting travellers or customers. First, originated in France where not only travellers but people would take

trip with their car to visit these restaurants. In India, they are known as 'Dhabas'.

6. Table Top Cooking- Restaurants with casual dining atmosphere and setting, where customers are served food items which are to be prepared on fixed gas stoves, charcoal grills or induction cookers on the table. Diners have the control of heating power.
7. Mongolian barbeque- The concept is derived from Taiwan which is inspired by Japanese teppanyaki. The customers can choose the variety of ingredients and raw material displayed to them, after that they give the assortment to the cook who cooks the food and serves it to the selector.
8. Pub- Pub in short for public house a type of bar which focus on alcoholic beverages then food influenced by British culture. Pubs have evolved from just serving alcoholic beverages to now fine dining establishments known for high quality served food, well themed as well as interior is maintained and on the expensive side.

2.5.3 Departments

1. Front Office Operations- This department deals directly with the customers/ guests related to their queries, requirement of food, beverages and services. The concerned requirement and demand is then passed on to the kitchen for its preparation.

The front office generally consists of the-
 - Front desk manager who deals with the cash of the establishment i.e. receiving money from the guests and payment to the suppliers or other day to day expenses

- The captain is one who takes the order, looks after the customers and also takes care of their grievances and complaints.
 - Steward are those in charge of serving the food and beverage which is prepared by the chef to the customers.
 - Busboys are the helpers who serve glass of water to the guests, lay the table, clear the plates from the table after the customers have finished their meal and clean the table so that next guests can take their place.
2. Back Office Operations- The department that involves in preparation of food and beverage to be served to the customers. They do not directly deal with the customers yet play an important role in the satisfaction of the guests.

The back office consists of-

- Kitchen manager is the mediator between the food ordered and to be prepared. They also see that the steward takes the right meal and beverage to be served to the right table.
- Chef is the professional cook who is trained to prepare specialized cuisine meals and beverages. They look after the quality and standard of the food and beverage to be served to the guests.
- Helper are those who ensure the requirements that are needed to prepare the food as quickly as possible such as supplying the required type of cut vegetables, meat, spices and other raw materials. They also look after additional work required in the kitchen
- Kitchen Porter are ones concerned with washing the dishes, glasses, pots and pans. Basic kitchen cleaning is also taken care by the kitchen porter.

2.6 ATTRITION

2.6.1 Meaning

(mbaskool, n.d.) defines “Attrition, in Human Resource terminology, refers to the phenomenon of the employees leaving the company. It is usually measured with a metric called attrition rate, which simply measures the number of employees moving out of the company (voluntary resigning or laid off by the company). It is also referred as churn rate or turnover.”

It also refers to decrease in number of employees and staff of an organization either due to resignation or retirement and the management are unable to find an immediate replacement to fill the vacant post.

2.6.2 Secondary Sources

(Facing Attrition, 1997), interviewed few of the managers and owners of restaurant in U.S.A. who stated that it is very difficult to measure the performance of restaurant employees, there no set or easy formula it is just the on the spot performance that matters. There must connection between the top management and store level. The performance rating is more of a subjective assessment rather than a quantitative. One is a better performer and learns from experience as well as failure. Even at that time restaurants faced an average of 23-25% attrition in the management and around 40% in the staff level.

(Piromruen, 2000), found out that employees and staff of restaurants quit job due to long working hours, lack of training and lack of career opportunities. Attrition leads to high cost and loss of customers.

(Hoogervorst, Flier, & Koopman, 2004), states behavior of employees is determined mainly by three factors i.e. organizational culture, organizational structures and systems, management practices. Therefore, it is must for management to communicate with the employees to maintain a healthy relationship and build the environment and culture of organization.

(Toh, Yates, & DeKay, 2007), describes that the product is the room, marriage hall, conference hall, restaurants, club and other respective facilities are perishable products which are mostly intangible in nature. Most of the hotels suffer due to late cancellations, no show of guests, early departures and guests not staying in their room allotted. At the same time the hotel managers the dilemma of overbooking any of the services or any of the guests decides to use the facilities and services beyond the booked period. While attrition was a major point of consideration for all the hoteliers and managers, for any of the products or services to be rendered & sold there was requirement of the human element. The suggestions were mainly related to the booking of products by the customers.

(Hughes, Ginnett, & Curphy, 2008), a book on leadership defines leadership in many ways though each quality of a leader is debatable yet they all matter. Leadership based on the number of followers and relationship with them or physical traits, personality and behavior or it doesn't exist for most of the researcher.

(Chen & Chu, 2010) Conducted a study in XinHua hotel in Guangdong, China on 100 employees. Findings of the study is that job satisfaction is

connected to value addition and expectation of employees. Human Resource department must hire the right employees that adjust to the culture and working of the organization. Salary, incentives and benefits were the main reason for attrition of employees.

(Industry, 2012) Sudhir Sinha, President and Chief Operating Officer, Best Western mentions that there is a gap between the demand of employees required by the hospitality sector especially in hotels and the supply of skilled as well as quality employees from the education institutes. Many respondents have expressed the challenge of high attrition rates especially in Food & Beverage (F&B) and front office.

(Saner & Eyupoglu, 2012), conducted a study of managers in 5- Star hotels in North Cyprus described power and behavior as autocratic, democratic, charismatic, and laissez-faire. In recent times females have risen to the top management post in most of the hotels but as compared to men what are their leadership styles. Results obtained from applying different leadership styles, such as democratic style yields high level of commitment and effort while autocratic style which is mostly followed in the organizations results in inconsistency of outcomes. The result showed that the managers did not define their leadership styles but were positive and very flexible. Further it is noted that male managers tend to be a democratic leader and the female manager were following laissez-faire style. There was insignificant change in behavior according to gender in North Cyprus.

(Kumar, Ramendran, & Yacob, 2012), studies about the fast food chains and its franchise across Malaysia related to employee turnover intention,

naturally there is loss when there is employee attrition related to various factors such as new hiring costs, training cost, loss of goodwill, retention of customers, loss of company knowledge, motivate existing employees to leave the organization. Here three major factors were considered for employees to be loyal to their organization organizational culture, organizational commitment and person organization fit. All the three factors play an important role while the most important factor for high attrition was person organization fit then organizational commitment finally organizational culture.

(Laghane & Deshmukh, 2012), states that the hotels are valuable asset to the Indian tourism industry as well as contributing to creation of numerous job opportunities globally and number of leading hotel chains are present in India. Since, the major services provided by hotels are intangible and require more of the human element; therefore, many problems arise such as

- Retention of employees
- Retaining quality workforce
- Shortage of rooms
- Customer expectation,
- Human resource development
- Manual backend
- Intense competition and image of India

Major problems faced due to employee attrition rate in the hotels lead to higher cost of turnover, company knowledge is lost, leads to more

turnovers, hamper customer service, goodwill and regaining efficiency.

(Dahiya, 2013), mentions human resource combined with technology and other significant factors contributes to the productivity in tourism and hospitality industry. Better the combination better the productivity. Therefore, the article has focussed on the growth and development of tourism and hospitality education system in India with the support of national and local governing bodies. Further it has been noted in 12th five-year plans of Government of India that tourism sector will generate additional jobs for about 2.5 crore persons, both directly and indirectly, during the period 2010-16. Tourism and hospitality sector employees comprise mainly of unskilled and semi-skilled workers, 70% workforce comprise of women and those below 25 years of age. During the mid-1950s India saw its first training and education for hospitality industry funded by United Nations. Later in October, 1982 the program was transferred to Ministry of Tourism (M.O.T.) to present various private and government funded institutions have been established.

(Peshave & Gujarathi, 2013), studies about the factors affecting the increasing attrition rate in hotels of Pune city, India. Factors such as salary & wages, long working hours, nature of work, poor work life balance, improper employment policies, low job profile and rise in competition resulting in customer dissatisfaction, loss of attraction of customers, increased cost regarding training & hiring of new employees, effect on goodwill & reputation, reduction in quality of workforce, increased workload on existing employees & decrease in moral of existing workforce. They suggested the hotel management of Pune must focus on salaries &

long working hours, design employee centric policies; employee participation programs& concentrate on the existing and loyal employees to boost their morale.

(Kumar, 2013), mentions about the issues, challenges and career opportunities in hospitality and tourism education sector in India. Mentioning that the hospitality industry has had major changes in the past four decades, from just providing lodging and food to this present moment it has become one of the central point for recreation and leisure activities. At such a growing pace the institutions related to hospitality and tourism is still ill equipped and there is a big gap between demand and supply of human personnel. To overcome such problems there must be flexibility, standardization, more research and better equipped faculties in course curriculum. There are nearly 1,31,829 of accommodation units and employs around 18,63,595 workforces in India, 152 employees average work in 1-3-star hotel and at entry level there are about 2,197,06 personnel hired in India. Maximum growth percentage in hotels segment is in south India which is about 12% as compared to other regions in India.

(Anitha, 2014) States factors encouraging employee engagement in an organization. Major factors are work environment, leadership, compensation, training and career development, co-workers and team, organizational policies and workplace well-being. The study found that employees are social human beings, thus co-workers and team & working environment enhance employee engagement thus directly affecting employee performance.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 STATEMENT OF PROBLEM

The major problem faced by the hotels & restaurants is the sudden departure of the employees without prior notice to the concerned authorities. Demand for hotel & restaurant staff and support staffs have been increasing while the supply remains sluggish. Hoteliers & Restaurateurs often face employee attrition problem, especially during the marriage season. The employees tend to switch jobs without prior notice. They work for caterers as the wages received is much higher than in a hotel or restaurant despite the fact that it is a seasonal job.

In the case of restaurants, many newly open restaurants tend to wind up within first six months of opening; one of the major reasons is the non-availability of staff with required skill set rather than customers.

The sudden departure of employees without prior notice results in financial and non- financial losses to restaurant. Few of them are:

1. Financial loss
 - i. Recruitment and selection cost
 - ii. Training the new employee cost
 - iii. Loss of customers due to lack of adequate service
 - iv. Hike in wages demanded by existing employees
 - v. Loss of goodwill of the restaurant
2. Non-financial loss
 - i. Replacement pressure of the previous employee
 - ii. Psychological pressure on restaurateurs
 - iii. Dissatisfied customers
 - iv. Motivates existing employees to follow the same way of leaving the job

3.2 SELECTION OF TOPIC

The topic “Employee attrition in hotels & restaurants of Lucknow” has been chosen because of the continued failure on the part of restaurateurs to

minimize the employee attrition rate in restaurants. Its profitability is always under pressure because of different types of expenses arising due to employee attrition which they have not been able to reduce it.

3.3 EXPECTED CONTRIBUTION OF RESEARCH

The research project is expected to contribute to the hotels and restaurants.

1. Identify the reasons for employee attrition behavior of hotels & restaurants.
2. To find the effect of each factor for employee attrition behavior of hotels & restaurants.

3.4 RESEARCH AIM, OBJECTIVE AND SCOPE

3.4.1 Aim of research

1. To find out the reasons of attrition in hotels.
2. To find out the reasons of attrition in restaurant.

3.4.2 Objectives

1. To find out the type of internal factors affecting attrition in hotels.
2. To find out the type of internal factors affecting attrition in restaurants.
3. To find out the type of external factors affecting attrition in hotels.
4. To find out the type of external factors affecting attrition in restaurants.

3.4.3 Scope

The project is expected to contribute to the existing, newly opened and those entrepreneurs who want to open a new hotel and / or restaurant in Lucknow city and how to retain their employees and minimize the unexpected departure from the job without prior notice.

The research project will be applicable in hotels & restaurants owned by individuals or partners.

3.5 LIMITATIONS

1. Geographical constraints as the study is only done in Lucknow

2. Change in guidelines regarding compensation issued by the Government might make the research ineffective.
3. Change in guidelines regarding working hours issued by the Government might make the research results & recommendations ineffective.
4. Introduction of any new policy, guidelines might affect the outcome of research.

3.6 HYPOTHESES

Hypothesis formed are the variables used in descriptive research, some variables like long working hours and salary offered by competitors have already been proved in literature review while variable pursue for higher studies had little relevant to employee attrition in hotels and restaurants.

Hotel owner/ manager

Hypothesis I

H₀: Odd working hours of employees has insignificant impact on attrition in hotels

H₁: Odd working hours of employees has significant impact on attrition in hotels

Hypothesis II

H₀: Adjustment problem with colleague has insignificant impact on attrition in hotels

H₁: Adjustment problem with colleague has significant impact on attrition in hotels

Hypothesis III

H₀: Lack of personal development of employees has insignificant impact on attrition in hotels

H₁: Lack of personal development of employees has significant impact on attrition in hotels

Hypothesis IV

H₀: Work pressure on employees has insignificant impact on attrition in

hotels

H₁: Work pressure on employees has significant impact on attrition in hotels

Hypothesis V

H₀: Health problem of employees has insignificant impact on attrition in hotels

H₁: Health problem of employees has significant impact on attrition in hotels

Hypothesis VI

H₀: Family problem of employees has insignificant impact on attrition in hotels

H₁: Family problem of employees has significant impact on attrition in hotels

Restaurant owner/ manager

Hypothesis I

H₀: Odd working hours of employees has insignificant impact on attrition in restaurants

H₁: Odd working hours of employees has significant impact on attrition in restaurants

Hypothesis II

H₀: Adjustment problem with colleague has insignificant impact on attrition in restaurants

H₁: Adjustment problem with colleague has significant impact on attrition in restaurants

Hypothesis III

H₀: Lack of personal development of employees has insignificant impact on attrition in restaurants

H₁: Lack of personal development of employees has significant impact on attrition in restaurants

Hypothesis IV

H₀: Work pressure on employees has insignificant impact on attrition in restaurants

H₁: Work pressure on employees has significant impact on attrition in restaurants

Hypothesis V

H₀: Health problem of employees has insignificant impact on attrition in restaurants

H₁: Health problem of employees has significant impact on attrition in restaurants

Hypothesis VI

H₀: Family problem of employees has insignificant impact on attrition in restaurants

H₁: Family problem of employees has significant impact on attrition in restaurants

Hotel employees

Hypothesis I

H₀: Odd working hours of hotels has insignificant impact on employee attrition

H₁: Odd working hours of hotels has significant impact on employee attrition

Hypothesis II

H₀: Adjustment problem with colleague in hotels has insignificant impact on employee attrition

H₁: Adjustment problem with colleague in hotels has significant impact on employee attrition

Hypothesis III

H₀: Lack of personal development in hotels has insignificant impact on

employee attrition

H₁: Lack of personal development in hotels has significant impact on employee attrition

Hypothesis IV

H₀: Work pressure in hotels has insignificant impact on employee attrition

H₁: Work pressure in hotels has significant impact on employee attrition

Hypothesis V

H₀: Health problem has insignificant impact on employee attrition in hotels

H₁: Health problem has significant impact on employee attrition in hotels

Hypothesis VI

H₀: Family problem has insignificant impact on employee attrition in hotels

H₁: Family problem has significant impact on employee attrition in hotels

Restaurant employees

Hypothesis I

H₀: Odd working hours of restaurants has insignificant impact on employee attrition

H₁: Odd working hours of restaurants has significant impact on employee attrition

Hypothesis II

H₀: Adjustment problem with colleague in restaurants has insignificant impact on employee attrition

H₁: Adjustment problem with colleague in restaurants has significant impact on employee attrition

Hypothesis III

H₀: Lack of personal development in restaurants has insignificant impact on employee attrition

H₁: Lack of personal development in restaurants has significant impact on

employee attrition

Hypothesis IV

H₀: Work pressure in restaurants has insignificant impact on employee attrition

H₁: Work pressure in restaurants has significant impact on employee attrition

Hypothesis V

H₀: Health problem has insignificant impact on employee attrition in restaurants

H₁: Health problem has significant impact on employee attrition in restaurants

Hypothesis VI

H₀: Family problem has insignificant impact on employee attrition in restaurants

H₁: Family problem has significant impact on employee attrition in restaurants

3.7 RESEARCH DESIGN

3.7.1 Type

Initially it will be an exploratory research, as we progress it will be a Descriptive research.

3.7.2 Sample design

For exploratory research design-

1. Population

Universe – Owners and managers of hotels and restaurants in Lucknow city, Uttar Pradesh, India for minimum three years.

2. Sample size - 23 restaurants

10 hotels

3. Sampling method-

Non-probabilistic sampling method.

4. Sample units-

Owners are the proprietor and partners of hotel and restaurant of Lucknow City, Uttar Pradesh, India.

Managers are the department managers and general manager of hotel and floor manager managing restaurant of Lucknow City, Uttar Pradesh, India.

5. Sampling procedure-

Purposive sampling used to collect information from experts of industry.

6. Sample selection technique

Judgmental method.

7. Area of Study

Lucknow City

8. Data Collection- Primary source

9. Data collection method

Interview method

10. Data Collection Technique

Schedule technique

For descriptive research design

1. Population

Universe – Owners and managers of hotels and restaurants in Lucknow city, Uttar Pradesh, India for minimum three years.

Sample size

Hotels-27

Restaurants-52

2. Sample units- Owners are the proprietor and partners of hotel and restaurant of Lucknow City, Uttar Pradesh, India.

Managers are the department managers and general manager of hotel and floor manager managing restaurant of Lucknow City, Uttar Pradesh, India.

3. **Sampling procedure-** Probabilistic sampling
4. **Sampling method-** Complex Random Sampling Method
5. **Sample selection technique-** Systematic sampling.
6. **Area of Study-** Lucknow City

7. Data Collection Sources

- I. Primary data via questionnaire in which
 - a. Dichotomous question (Yes or No),
 - b. Likert scale to know the opinion of respondents
 - c. Rating scale out of 100 (0 minimum effect- 100 maximum effect).

Variables of the questionnaire is used from the exploratory study conducted.

- II. Secondary data collection via books, online journals, website, etc.

For employees

1. Population

Universe – The personnel working in Hotels and restaurants in Lucknow city, Uttar Pradesh, India.

2. Sample size

Hotels- 100

Restaurants- 50

3. **Sample units-** Employees of hotels & restaurants in Lucknow city
4. **Sampling method-** Non- probabilistic method
5. **Sampling procedure-** Purposive sampling used to collect information from establishments of industry.
6. **Sample selection technique-** Judgmental Sampling Method
7. **Area of Study-** Lucknow City
8. **Data Collection Sources**

- I. Primary data via questionnaire in which
 - a. Dichotomous question (Yes or No),
 - b. Likert scale to know the opinion of respondents
 - c. Rating scale out of 100 (0 minimum effect- 100 maximum effect).

Variables of the questionnaire is used from the exploratory study conducted.

- II. Secondary data collection via books, online journals and website.

8. Data collection method

Interview method

9. Data Collection Technique

Schedule technique

3.8 Statistical Design

Tools to be Used in Descriptive statistics

- Measure of Central tendency
- Measure of Dispersion

Statistical Tools Used in Inferential statistics

- Z - test
- T –test
- Hypotheses Testing.

Level of confidence - 95%

Level of Significance- 0.5%

3.9 Observational Design

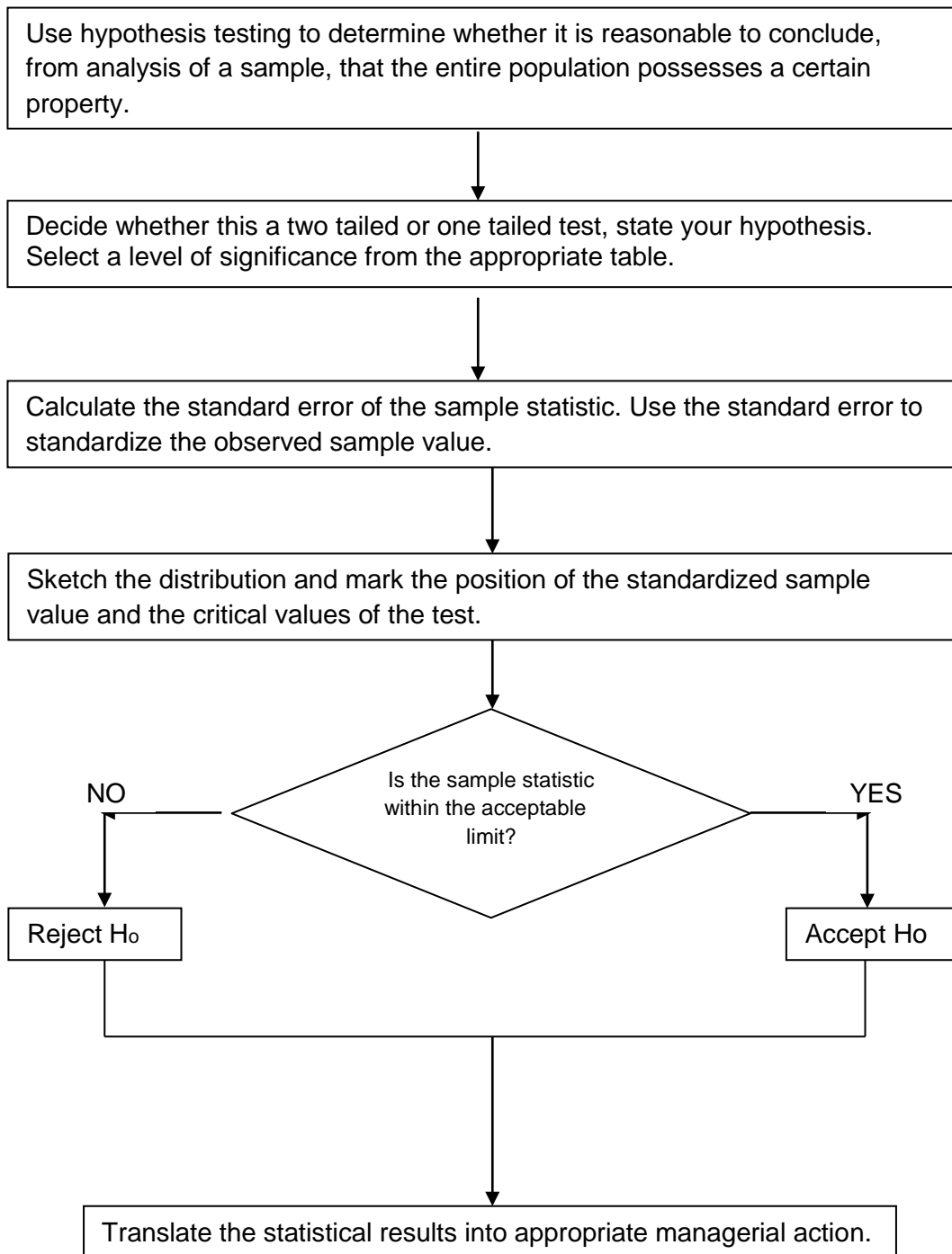
Conditions in which the research was carried out are

1. Hotels and restaurants that are operational for at least minimum period three years.
2. Owners/ managers of hotels and restaurants facing employee attrition.
3. Reasons of employees for quitting the job.

4. The data collected was qualitative in nature.

5. Monetary loss caused due to employee attrition.
 - Cost of recruitment.
 - Cost of hiring new employees.
 - Cost of training new employees.
 - Affecting the organization goodwill and brand
 - Loss of employee efficiency in delivering goods and service.
 - Dissatisfied customers.
 - Loss of customers and clients.
6. Non- monetary loss caused due to employee attrition.
 - Dissatisfaction among employees.
 - Additional work pressure on employees.
 - Lack of required productivity by employees.
 - Stress on owners and managers.
7. Employees job satisfaction in the work environment.

3.10 ANALYSIS OF DATA



CHAPTER 4

DATA ANALYSIS AND FINDINGS

4.1 EXPLORATORY DATA ANALYSIS

Data collected via schedule using interview technique. Sample of 21 restaurants and 10 hotels owners/ managers were chosen using purposive sampling, those establishments operating in Lucknow city for at least 3 years.

Open ended questions via schedule using interview method was used to find the major reasons found out are classified as external factors (not within the control of the management) and internal factors (within the control of the management).

External Factors

1. **Salary and Allowances Offered-** A monetary form of payment made to an employee for their work performed or services rendered by employer is known as salary. The payment can be made hourly, weekly or monthly based on the type of work performed.

Salary is a major component to retain and acquire human resources for smooth running of operations and company performance.

Now salary can be broken down to various components such as fixed pay, commissions, bonus, incentives, House Rent Allowance (HRA), medical allowance, insurance and Provident Fund.

A slight hike in the salary of an employee will result in attrition. Also, employees after gaining experience from a particular establishment, will

demand for higher salary from the competitors in the market.

Due to competition, the players in the market are ready to pay for the salary demanded by the experienced employees.

In Lucknow, out of 21 respondents 16 stated employees quit due to better offer of salary and allowances in restaurants.

In case of hotels out of 10 respondents 9 stated employees quit due to better offer of salary and allowances.

2. Better Brand Opportunity- A brand is an identity, name or association which is intangible in nature yet an important factor determining the choice of job. For an establishment brand can be in terms of image, business turnover, clientele, recognition in the market, number of outlets and style of working.

An employee may quit a job for a better brand opportunity even after being offered the same salary structure and allowance.

In Lucknow, out of 21 respondents 12 stated that employees quit for a better brand opportunity at the same salary package and allowance in restaurants.

In case of hotels out of 10 respondents 9 stated employees quit for a better brand opportunity at the same salary package and allowance.

3. Family Issues- Employees working in the properties of Lucknow city come from tier 1 and tier 2 agrarian cities as well as from neighboring country like Nepal. They have little or no education qualification which makes it easier to find job in establishments. They work for higher income, growth opportunity, provide monetary support to their family in

rural areas and experience. Employees face family issues related to marriage, aging parents, rural related activities and celebration of festivals.

In Lucknow, out of 21 respondents 10 stated the reason of family issues that led to attrition of employees in restaurants.

In case of hotels out of 10 respondents 7 stated the reason of family issues that led to attrition of employees.

4. Health Problems- Employees working in the property are facing health problems due to stress, long working hours, and other prolonged illness. The working hours are generally long and hectic. Therefore, the employees facing health challenges tend to quit the job.

Employees also facing health challenges tend to take more sick leaves which result in employees not reporting for work, therefore the management tends to quickly find a replacement.

In Lucknow, out of 21 respondents 8 stated that employees having health problems will quit the job in restaurants.

In case of hotels out of 10 respondents 8 stated that employees having health problems will quit the job.

5. Start Own Restaurant Business- Ambitious employees after gaining experience and learning the tricks of trade from the current organization in which they are working, after certain period of time the employee start their own restaurant/ or fast food joint. Mostly quit their job to support their new venture.

The scale of business started by the employee as such poses little or no competition to the management but it affects the employee attrition and is a loss both monetary and non-monetary terms.

In Lucknow, out of 21 respondents 3 stated that employees would quit to support their venture in restaurants.

In case of hotels out of 10 respondents 1 stated employees would quit to support their venture.

Internal Factors

1. Work Environment- A very important factor for employee attrition in a restaurant, work environment comprises of working hours, work shift timings, policies of the premise, nature of work, distribution of work, grievance handling procedure and management board. Work environment differs from organization to organization.

In Lucknow, out of 21 respondents 14 stated that employees would quit due to tough work environment in restaurants.

In case of hotels out of 10 respondents 9 stated that employees would quit due to tough work environment.

2. Adjustment with colleagues- Employees have always had conflict with each other. Same for a restaurants and hotels where employees working as a team tend to have issues with each other often resulting in adjustment problems in the premise.

It has been found out that the owner/ manager/ older employees of the

premise tend to take charge and interfere in the working of the new employees. At the same time the owner/ manager/ older employees performing their duty in rightly pointing out the flaws of the new employee which is disliked by the employee also leads to adjustment issues.

In either of these cases employees tend to leave the organization without informing the management.

In Lucknow, out of 21 respondents 11 stated adjustment problems is a reason for attrition in restaurants.

In case of hotels out of 10 respondents 6 stated adjustment problems is a reason for attrition.

3. Personal Growth- Restaurant and hotels as a business might grow in terms of brand and scale but at the same time there is limited growth of employees in the premise.

Like a wait staff or service staff at a point of time will want to hold the post of a captain i.e. the person taking orders, handling customers and managing other staff. Depending upon the scale of business there will 1 to 3 captain's posts available while there is no limit to the service staff post. Therefore, the structure of restaurant limits the personal growth of employees within.

In Lucknow, out of 21 respondents 7 stated that attrition due to lack of personal growth within the organization in restaurants.

In case of hotels out of 10 respondents 9 stated that attrition due to lack

of personal growth within the organization.

4.2 DESCRIPTIVE STUDY DATA ANALYSIS

After conducting exploratory research, the variable start own business was not considered as the number of respondents were very less and other variables were refined as

Table 4.1

Internal Factors	External Factors
Odd working hours	Salary offered by competitors
Long working hours	Health issues
Adjustment problem with colleagues	Family problem
Lack of personal development	Higher education
Pressure of job	

The questionnaire designed comprised of the variables/ factors which were qualitative in nature.

For restaurant owners/ managers

Q8. Do you think odd working hours leads to attrition of employees?

Yes

No

\bar{p} = Owner/ managers of restaurants who said yes that odd working hours leads to attrition of employees.

\bar{q} = Owner/ managers of hotels and restaurants who said no that odd working hours leads to attrition of employees.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p} = 51$

$$\bar{q}=1$$

$$n= 52$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p}= 51/52$$

$$= 0.98$$

$$\bar{q} = 1/52$$

$$= 0.02$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{0.98 \cdot 0.02}{52}} = 0.019$$

$$= 0.019 \cdot 1.96$$

$$= 0.037$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.98 \pm 0.037$$

$$= 0.94 \text{ to } 1$$

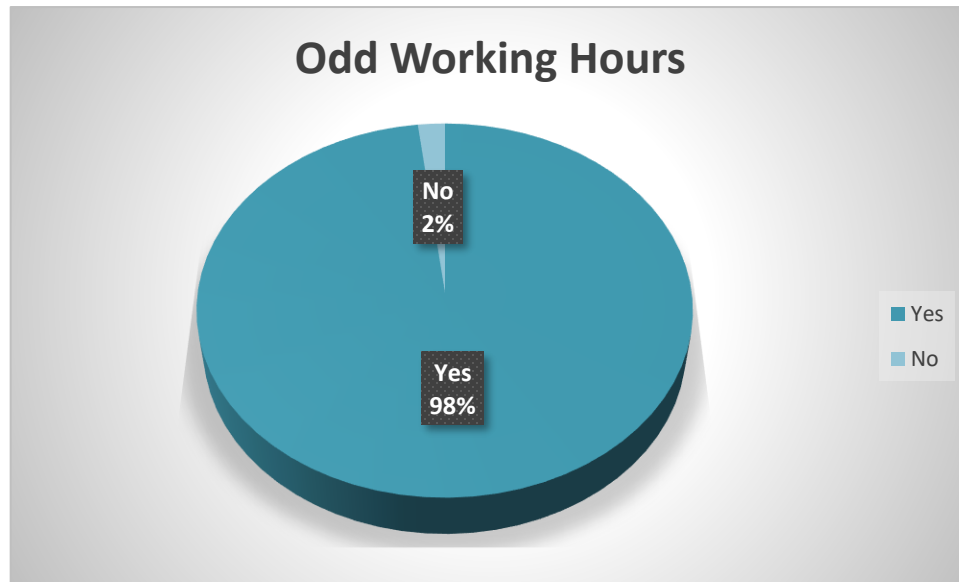
Interpretation

With 95% confidence level, 94% to 100% people believe that odd working hours leads to attrition of employees.

Out of every 100 samples taken in 95 samples 94% to 100% people

believe that odd working hours leads to attrition of employees.

Figure 4.1



Q9. Do you think long working hours leads to attrition of employees?

Yes

No

\bar{p} = Owner/ managers of restaurants who said yes that long working hours leads to attrition of employees.

\bar{q} = Owner/ managers of hotels and restaurants who said no that long working hours leads to attrition of employees.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

\bar{p} = 50

$$\bar{q}=2$$

$$n= 52$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p}= 50/52$$

$$= 0.96$$

$$\bar{q} = 2/52$$

$$= 0.04$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.96*.04}{52}} = 0.03$$

$$= 0.03 * 1.96$$

$$= 0.05$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.96 \pm 0.05$$

$$= 0.91 \text{ to } 1$$

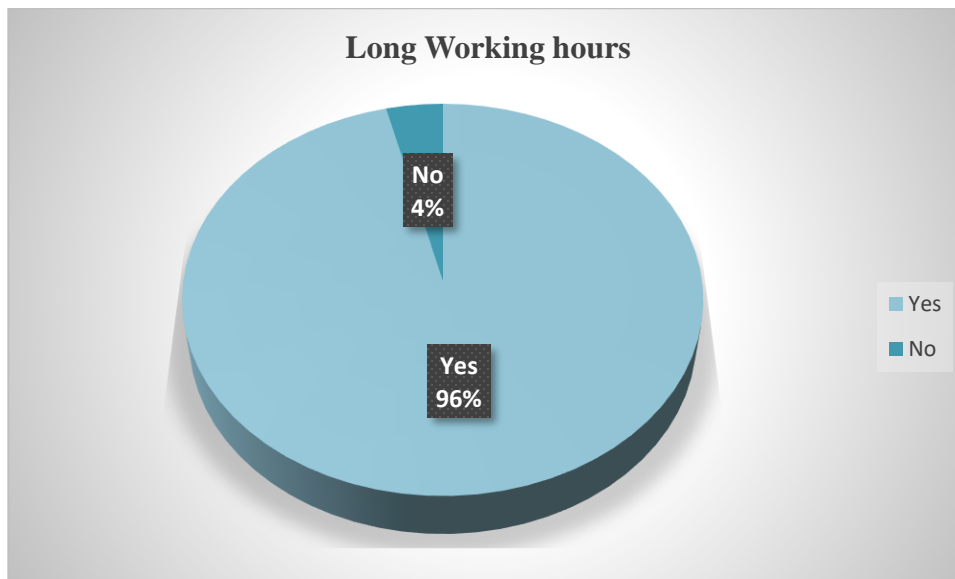
Interpretation

With 95% confidence level, 91% to 100% people believe that long working hours leads to attrition of employees.

Out of every 100 samples taken in 95 samples 91% to 100% people

believe that long working hours leads to attrition of employees.

Figure 4.2



Q10. Do you think employees quit due to adjustment problem with colleagues?

Yes

No

\bar{p} = Owner/ managers of restaurants who said yes that employees quit due to adjustment problem with colleagues.

\bar{q} = Owner/ managers of hotels and restaurants who said no that employees quit due to adjustment problem with colleagues.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p} = 24$$

$$\bar{q} = 28$$

$$n = 52$$

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{pq}}{\sqrt{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 24/52$$

$$= 0.46$$

$$\bar{q} = 28/52$$

$$= 0.54$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{.46 \cdot .54}}{\sqrt{52}} = 0.069$$

$$= 0.069 \cdot 1.96$$

$$= 0.13$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.46 \pm 0.13$$

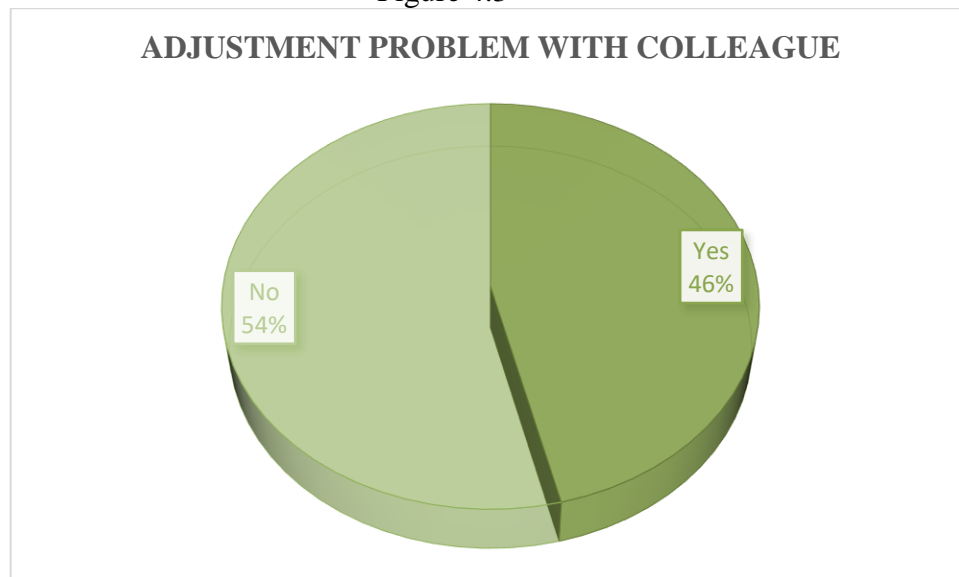
$$= 0.33 \text{ to } 0.59$$

Interpretation

With 95% confidence level, 33% to 59% people believe that employees quit due to adjustment problem with colleagues.

Out of every 100 samples taken in 95 samples 33% to 59% people believe that employees quit due to adjustment problem with colleagues.

Figure 4.3



Q11. Do you think employees quit due to lack of personal development within organization?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that employees quit due to lack of personal development within organization.

\bar{q} = Owner/ managers of hotels and restaurants who said no that

employees quit due to lack of personal development within organization.

n= Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p}=21$$

$$\bar{q}=31$$

$$n=52$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p}=21/52$$

$$= 0.40$$

$$\bar{q} = 31/52$$

$$= 0.60$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.40 \cdot .60}{52}} = 0.068$$

$$= 0.068 * 1.96$$

$$= 0.13$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.40 \pm 0.13$$

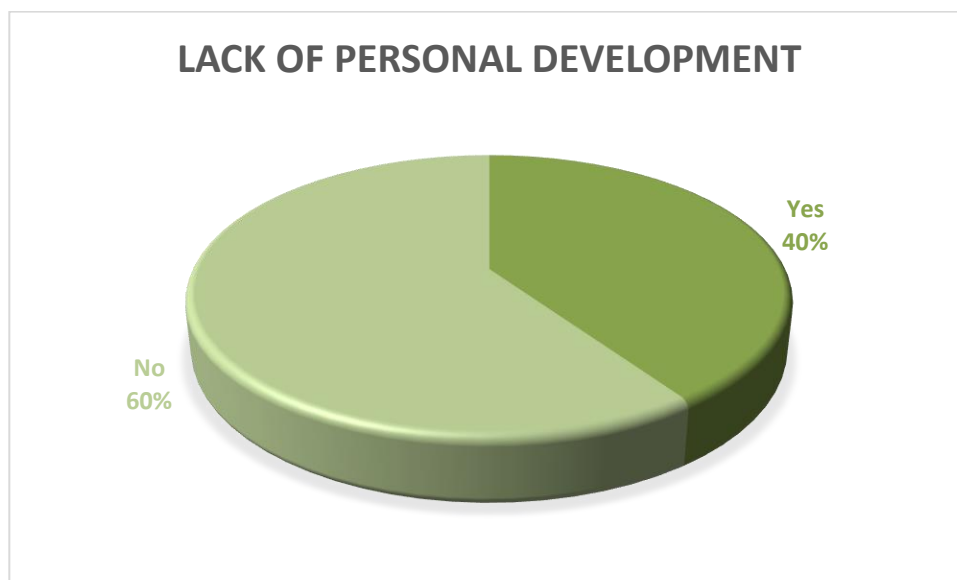
$$= 0.27 \text{ to } 0.53$$

Interpretation

With 95% confidence level, 27% to 53% people believe that employees quit due to lack of personal development within organization.

Out of every 100 samples taken in 95 samples 27% to 53% people believe that employees quit due to lack of personal development within organization.

Figure 4.4



Q.12 Do you think employees quit due to work pressure in job?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that employees quit due to work pressure in job.

\bar{q} = Owner/ managers of hotels and restaurants who said no that employees quit due to work pressure in job.

n= Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p}=44$$

$$\bar{q}=8$$

$$n=52$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p}=44/52$$

$$= 0.85$$

$$\bar{q} = 8/52$$

$$= 0.15$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.85 \cdot .15}{52}} = 0.05$$

$$= 0.05 * 1.96$$

$$= 0.097$$

$$\bar{p} \pm z \hat{\sigma}_{\bar{p}}$$

$$= 0.85 \pm 0.097$$

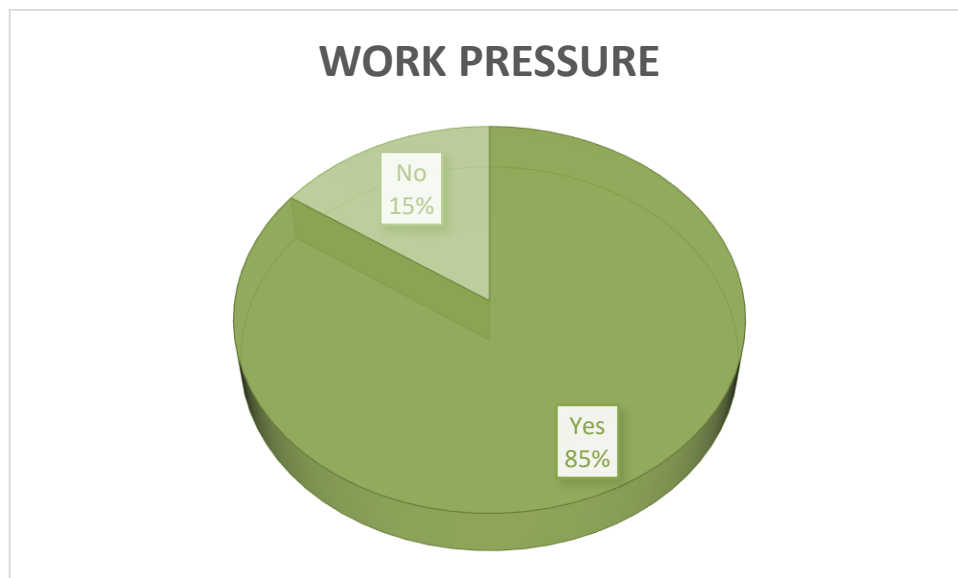
$$= 0.75 \text{ to } 0.95$$

Interpretation

With 95% confidence level, 75% to 95% people believe that employees quit due to work pressure in job.

Out of every 100 samples taken in 95 samples 27% to 53% people believe that employees quit due to work pressure in job.

Figure 4.5



Q.13 Do you think higher salary offered by competitors lead to attrition of employees?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that higher salary offered by competitors lead to attrition of employees.

\bar{q} = Owner/ managers of hotels and restaurants who said no that higher salary offered by competitors lead to attrition of employees.

n= Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=51$

$\bar{q}=1$

n=52

$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$

$\bar{p} \pm \hat{\sigma}_{\bar{p}}$

$\bar{p}=51/52$

= 0.98

$\bar{q} = 1/52$

= 0.02

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.98*.02}{52}} = 0.019$$

$$= 0.019 * 1.96$$

$$= 0.037$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.98 \pm 0.037$$

$$= 0.94 \text{ to } 1$$

Interpretation

With 95% confidence level, 94% to 100% people believe that higher salary offered by competitors lead to attrition of employees.

Out of every 100 samples taken in 95 samples 94% to 100% people believe that higher salary offered by competitors lead to attrition of employees.

Figure 4.6



Q14. Do you think employees quit due to health problems?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that employees quit due to health problems.

\bar{q} = Owner/ managers of hotels and restaurants who said no that employees quit due to health problems.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=45$

$\bar{q}=7$

$n=52$

$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{\bar{p}\bar{q}}{n}}$

$\bar{p} \pm \hat{\sigma}_{\bar{p}}$

$\bar{p}=45/52$

$$= 0.87$$

$$\bar{q} = 7/52$$

$$= 0.13$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.87 \cdot .13}{52}} = 0.047$$

$$= 0.047 \cdot 1.96$$

$$= 0.092$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.87 \pm 0.092$$

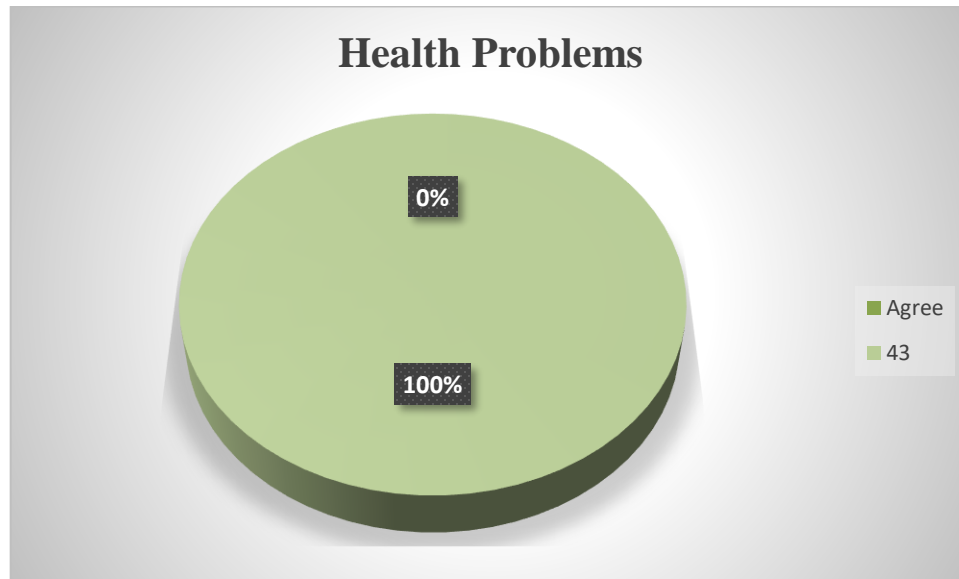
$$= 0.77 \text{ to } .96$$

Interpretation

With 95% confidence level, 77% to 96% people believe that employees quit due to health problems.

Out of every 100 samples taken in 95 samples 77% to 96% people believe that employees quit due to health problems.

Figure 4.7



Q15. Do you think employees quit due to family problems?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that employees quit due to family problems.

\bar{q} = Owner/ managers of hotels and restaurants who said no that employees quit due to family problems.

n= Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=50$

$\bar{q}=2$

n=52

$\sqrt{\quad}$

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{pq}}{\sqrt{n}}$$

$$\hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 50/52$$

$$= 0.96$$

$$\bar{q} = 2/52$$

$$= 0.04$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{.96 \cdot .04}}{\sqrt{52}} = 0.028$$

$$= 0.028 \cdot 1.96$$

$$= 0.05$$

$$\hat{\sigma}_{\bar{p}}$$

$$= 0.96 \pm 0.05$$

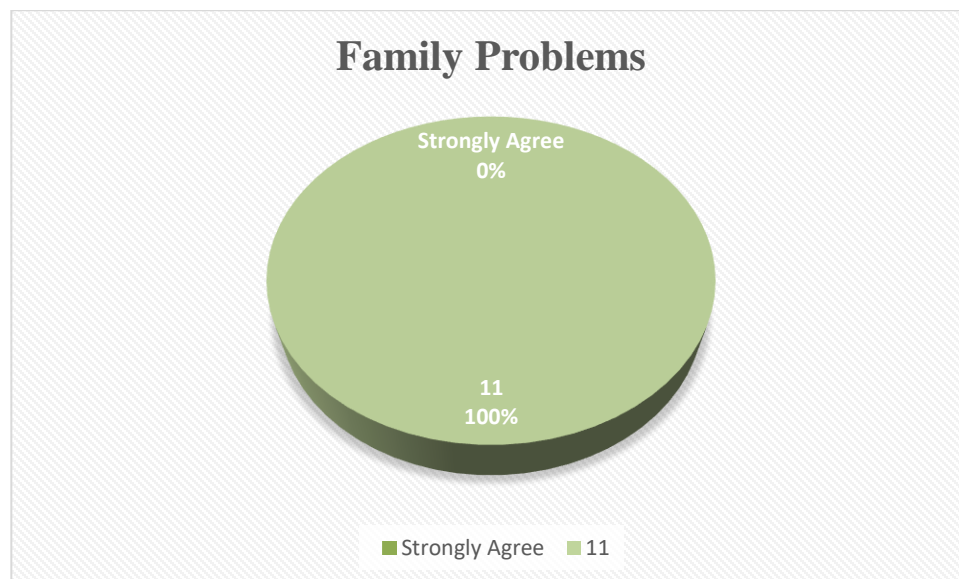
$$= 0.91 \text{ to } 1$$

Interpretation

With 95% confidence level, 91% to 100% people believe that employees quit due to family problems.

Out of every 100 samples taken in 95 samples 91% to 100% people believe that employees quit due to family problems.

Figure 4.8



Q16. Do you think employees quit due to higher education?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that employees quit due to higher education.

\bar{q} = Owner/ managers of hotels and restaurants who said no that employees quit due to higher education.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=7$

$$\bar{q}=45$$

$$n=52$$

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{pq}}{\sqrt{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p}=7/52$$

$$= 0.13$$

$$\bar{q} = 2/52$$

$$= 0.87$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{.13*.87}}{\sqrt{52}} = 0.05$$

$$= 0.05 * 1.96$$

$$= 0.05$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.13 \pm 0.05$$

$$= 0.8 \text{ to } .18$$

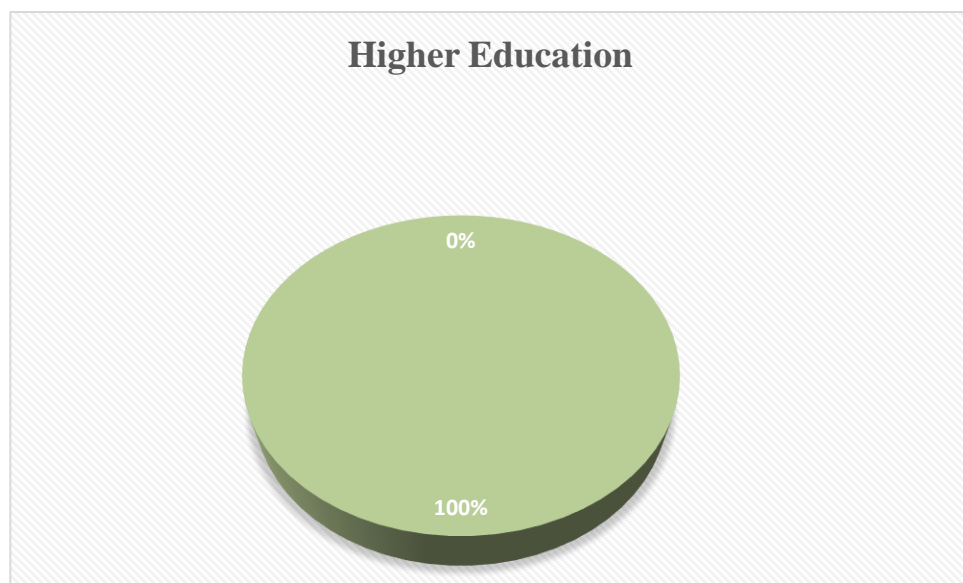
Interpretation

With 95% confidence level, 8% to 18% people believe that employees quit due to higher education.

Out of every 100 samples taken in 95 samples 8% to 18% people believe

that employees quit due to higher education.

Figure 4.9



Q17. Does odd working hours increase employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree

- v. Strongly agree

Table 4.2.1

Weights	F	<i>fx</i>
1	52	52
2	52	104
3	52	156
4	52	208
5	52	260

Table 4.2.2

Scale	
52 to 103	Strongly Disagree
103 to 155	Disagree
156	Neither agree nor disagree
157 to 207	Agree
208 to 260	Strongly Agree

Weights	F	<i>fx</i>
1	0	0
2	2	4

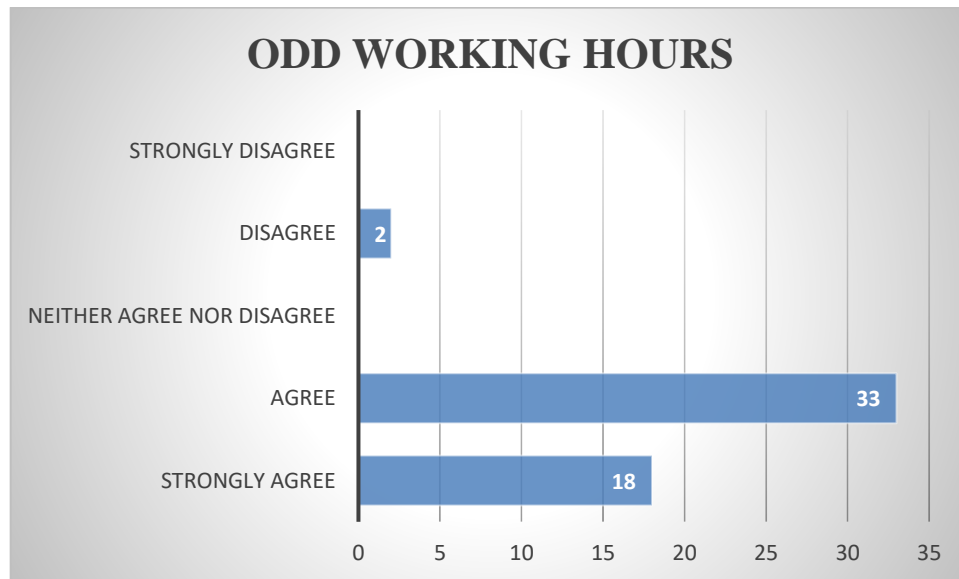
3	T	0	0
4	a	33	132
5	b	18	90
l			

e 4.2.3

Total is 226

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed odd working hours increase employee attrition.

Figure 4.10



Total No. of respondents is 52

Q18. Does long working hours increase employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.3.1

Weights	f	fx
1	52	52
2	52	104
3	52	156
4	52	208
5	52	260

Table 4.3.2

Scale	
52 to 103	Strongly Disagree
103 to 155	Disagree
156	Neither agree nor disagree
157 to 207	Agree
208 to 260	Strongly Agree

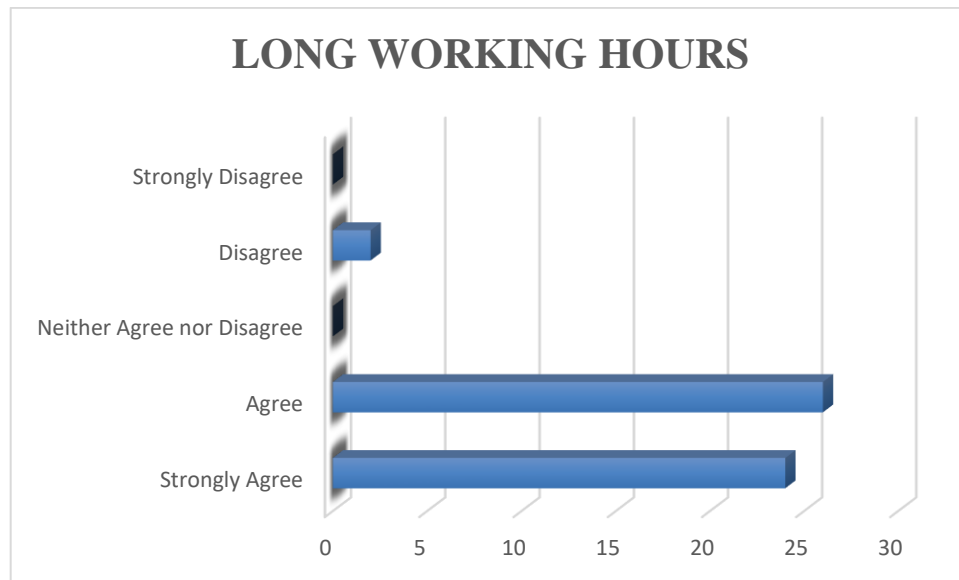
Table 4.3.3

Weights	F	<i>fx</i>
1	0	0
2	2	4
3	0	0
4	26	104
5	24	120

Total is 228

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed long working hours increase employee attrition.

Figure 4.11



Total No. of respondents is 52

Q19. Does adjustment problem with colleagues result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.4.1

Weights	f	fx
1	52	52
2	52	104
3	52	156
4	52	208

5	52	260
---	----	-----

Table 4.4.2

Scale	
52 to 103	Strongly Disagree
103 to 155	Disagree
156	Neither agree nor disagree
157 to 207	Agree
208 to 260	Strongly Agree

Table 4.4.3

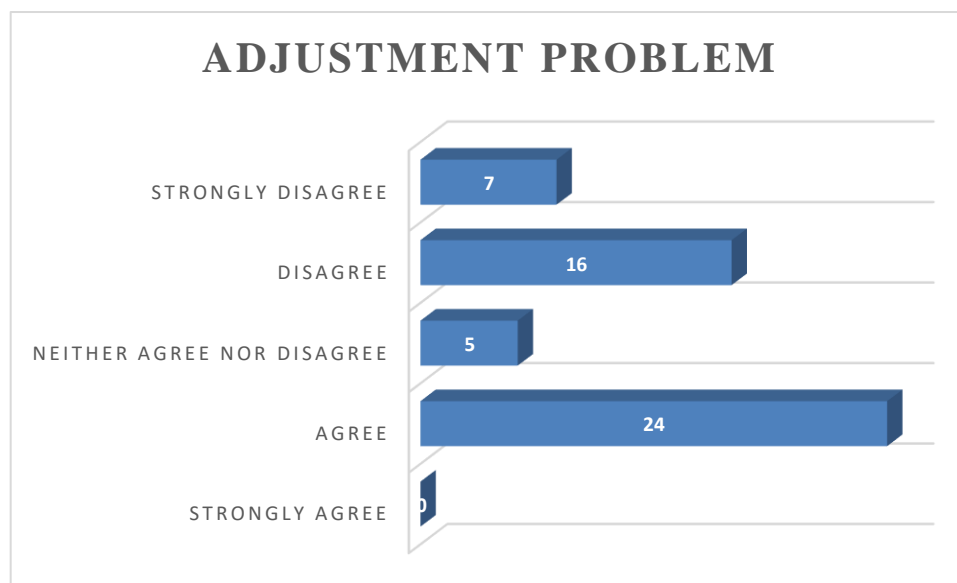
Weights	f	fx
1	7	7
2	16	32
3	5	15
4	24	96
5	0	0

Total is 150

Since it falls in the area of Disagree, therefore most of the people

disagreed adjustment problem with colleagues result in employee attrition.

Figure 4.12



Total No. of respondents is 52

Q20. Does lack of personal development within organization result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree

- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.5.1

Weights	F	Fx
1	52	52
2	52	104
3	52	156
4	52	208
5	52	260

Table 4.5.2

Scale	
52 to 103	Strongly Disagree
103 to 155	Disagree
156	Neither agree nor disagree
157 to 207	Agree
208 to 260	Strongly Agree

Table 4.5.3

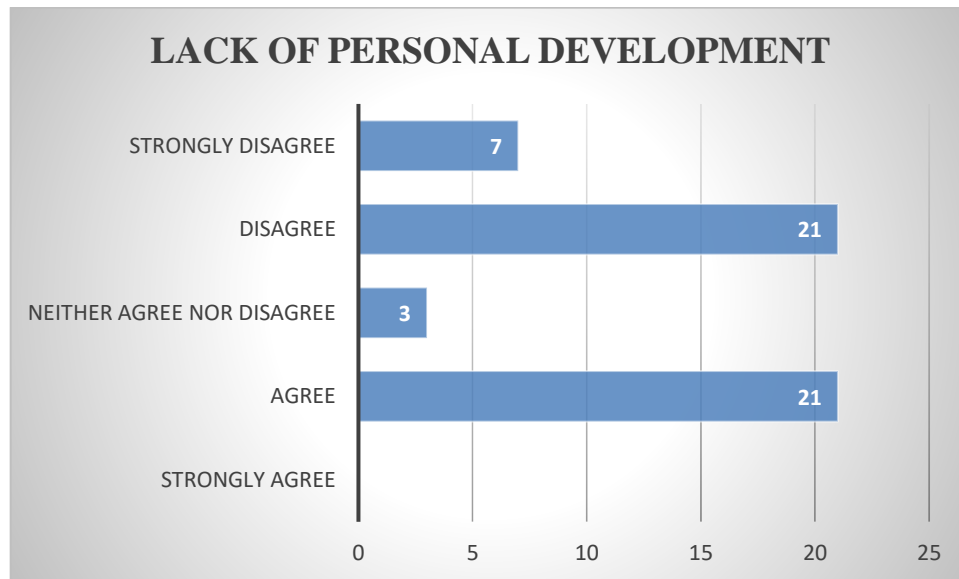
Weights	F	<i>f</i>x
1	7	7
2	21	42
3	3	9
4	21	84

5	0	0
---	---	---

Total is 142

Since it falls in the area of Disagree, therefore most of the people disagreed lack of personal development within organization result in employee attrition.

Figure 4.13



Total No. of respondents is 52

Q21. Does work pressure result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.6.1

Weights	f	fx
1	52	52
2	52	104
3	52	156
4	52	208
5	52	260

Table 4.6.2

Scale	
52 to 103	Strongly Disagree
103 to 155	Disagree
156	Neither agree nor disagree
157 to 207	Agree
208 to 260	Strongly Agree

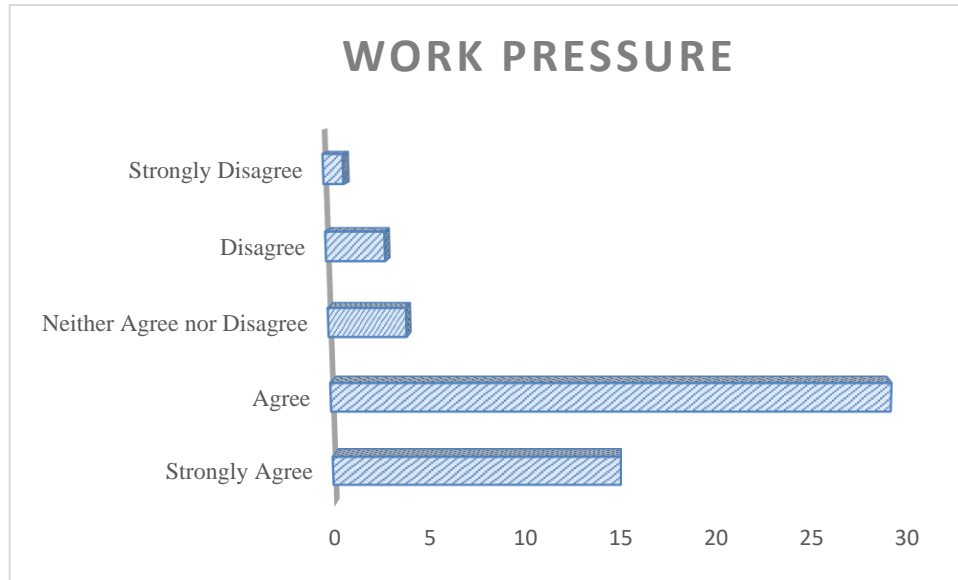
Table 4.6.3

Weights	<i>f</i>	<i>fx</i>
1	1	1
2	3	6
3	4	12
4	29	116
5	15	75

Total is 210

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed work pressure result in employee attrition.

Figure 4.14



Total No. of respondents is 52

Q22. Does higher salaries offered by competitors result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.7.1

Weights	F	f_x
1	52	52
2	52	104
3	52	156
4	52	208
5	52	260

Table 4.7.2

Scale	
52 to 103	Strongly Disagree
103 to 155	Disagree
156	Neither agree nor disagree
157 to 207	Agree
208 to 260	Strongly Agree

Table 4.7.3

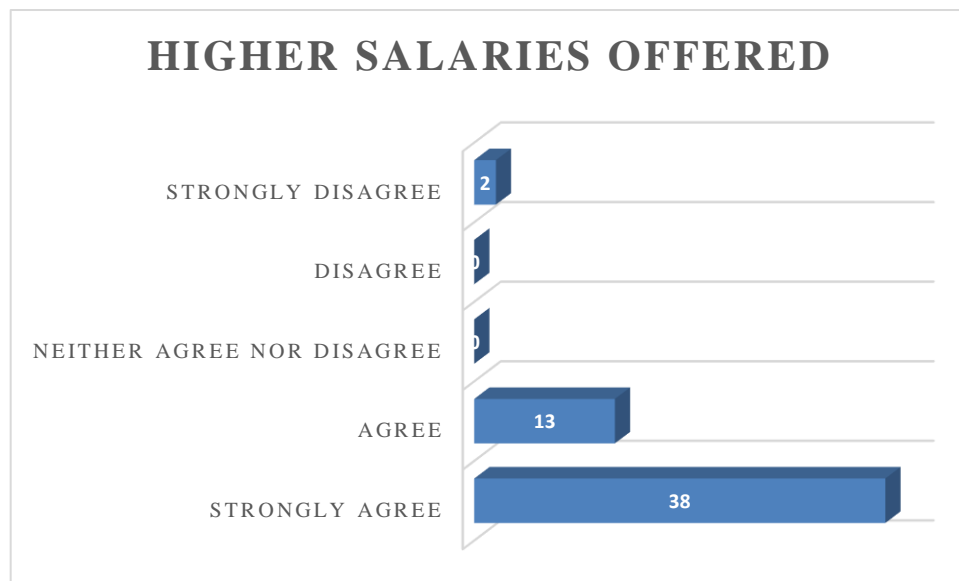
Weights	F	<i>fx</i>
1	2	2
2	0	0
3	0	0
4	13	52
5	38	190

Total is 242

Since it falls in the area of Strongly Agree, therefore most of the people

strongly agreed higher salaries offered by competitors result in employee attrition.

Figure 4.15



Total No. of respondents is 52

Q23. Does health problem result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree

- v. Strongly agree

Table 4.8.1

Weights	F	Fx
1	52	52
2	52	104
3	52	156
4	52	208
5	52	260

Table 4.8.2

Scale	
52 to 103	Strongly Disagree
103 to 155	Disagree
156	Neither agree nor disagree
157 to 207	Agree
208 to 260	Strongly Agree

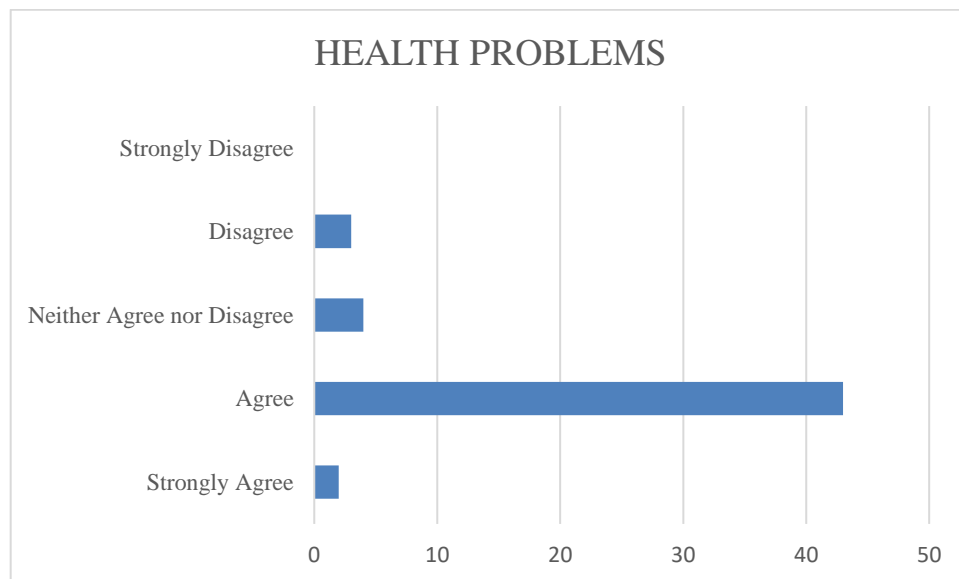
Table 4.8.3

Weights	F	fx
1	0	0
2	3	6
3	4	12
4	43	172
5	2	10

Total is 200

Since it falls in the area of Agree, therefore most of the people agreed health problem result in employee attrition.

Figure 4.16



Total No. of respondents is 52

Q24. Does family problem result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree

- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.9.1

Weights	F	<i>fx</i>
1	52	52
2	52	104
3	52	156
4	52	208
5	52	260

Table 4.9.2

Scale	
52 to 103	Strongly Disagree
103 to 155	Disagree
156	Neither agree nor disagree
157 to 207	Agree
208 to 260	Strongly Agree

Table 4.9.3

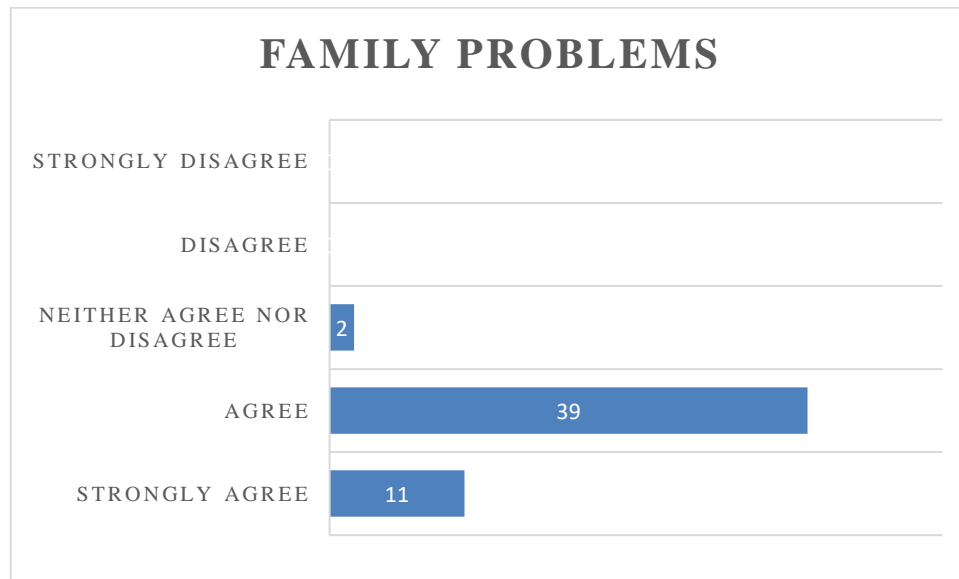
Weights	F	<i>fx</i>
1	0	0

2	0	0
3	2	6
4	39	156
5	11	55

Total is 217

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed family problem result in employee attrition.

Figure 4.17



Total No. of respondents is 52

Q25. Does higher studies result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.10.1

Weights	F	fx
1	52	52
2	52	104
3	52	156
4	52	208
5	52	260

Table 4.10.2

Scale	
52 to 103	Strongly Disagree
103 to 155	Disagree
156	Neither agree nor disagree
157 to 207	Agree
208 to 260	Strongly Agree

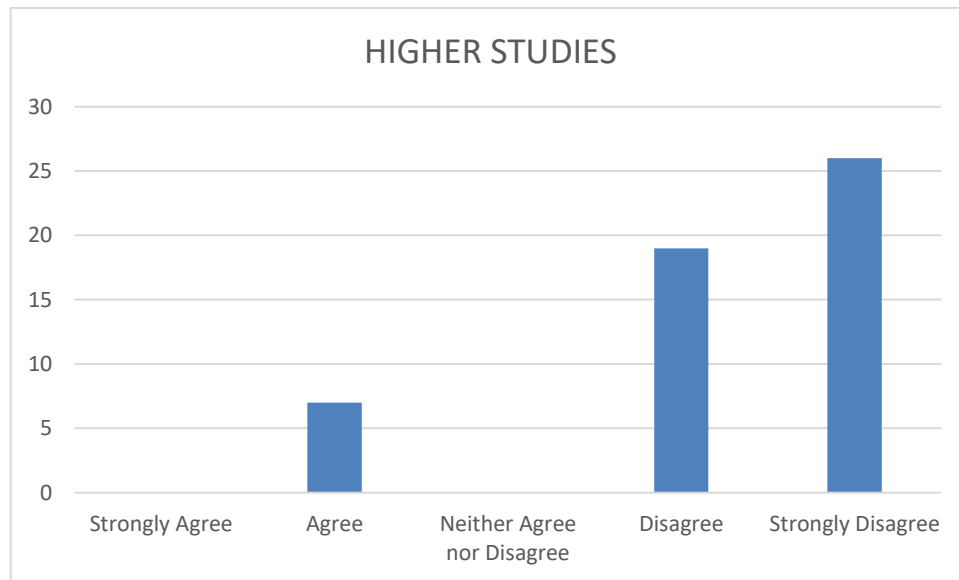
TabTable 4.10.3

Weights	f	fx
1	26	26
2	19	38
3	0	0
4	7	28
5	0	0

Total is 84

Since it falls in the area of Strongly Disagree, therefore most of the people strongly disagreed higher studies result in employee attrition.

Figure 4.18



Total No. of respondents is 52

Please rate the following question between 0 (minimum effect) to 100 (maximum effect)

Q26. Odd working hours lead to employee attrition.

$$4000 / 5200 = 77\%$$

Interpretation

People believed that odd working hours effected around three fourth of the employee attrition in restaurant.

Q27. Long working hours lead to employee attrition.

$$4185 / 5200 = 79\%$$

Interpretation

People believed that long working hours effected around three fourth of the employee attrition in restaurant.

Q28. Adjustment problem with colleagues lead to employee attrition.

$$2340 / 5200 = 47\%$$

Interpretation

People believed that adjustment problem with colleagues effected around less than half of the employee attrition in restaurant.

Q29. Lack of employee personal growth lead to employee attrition.

$$2250 / 5200 = 45\%$$

Interpretation

People believed that lack of employee personal growth effected around less than half of the employee attrition in restaurant.

Q30. Work pressure in job lead to employee attrition.

$$3845 / 5200 = 74\%$$

Interpretation

People believed that work pressure in job effected around three fourth of the employee attrition in restaurant.

Q31. Higher salaries offered by competitors lead to employee attrition.

$$4588 / 5200 = 87\%$$

Interpretation

People believed that higher salaries offered by competitors effected more than three fourth of the employee attrition in restaurant.

Q32. Health Problem of employee lead to attrition.

$$3735 / 5200 = 82\%$$

Interpretation

People believed that health problems of employees effected more than three fourth of the employee attrition in restaurant.

Q33. Family Problem lead to employee attrition.

$3965 / 5200 = 75\%$

Interpretation

People believed that family problems of employees effected around three fourth of the employee attrition in restaurant.

Q34. Pursue for higher studies of employee lead to employee attrition.

$955 / 5200 = 23\%$

Interpretation

People believed that Pursue for higher studies of employee effected less than three fourth of the employee attrition in restaurant.

For hotels

Q8. Do you think odd working hours leads to attrition of employees?

Yes

No

\bar{p} = Owner/ managers of restaurants who said yes that odd working hours leads to attrition of employees.

\bar{q} = Owner/ managers of hotels and restaurants who said no that odd working hours leads to attrition of employees.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p} = 27$

$\bar{q} = 0$

n = 27

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

Interpretation

With 95% confidence level, 100% people believe that odd working hours leads to attrition of employees.

Out of every 100 samples taken in 95 samples 100% people believe that odd working hours leads to attrition of employees.

Figure 4.19



Total No. of respondents is 27

Q9. Do you think long working hours leads to attrition of employees?

Yes

No

\bar{p} = Owner/ managers of restaurants who said yes that odd working hours leads to attrition of employees.

\bar{q} = Owner/ managers of hotels and restaurants who said no that odd working hours leads to attrition of employees.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p} = 27$

$\bar{q} = 0$

$n = 27$

Confidence level 95%

Level of significance (α) = 0.05

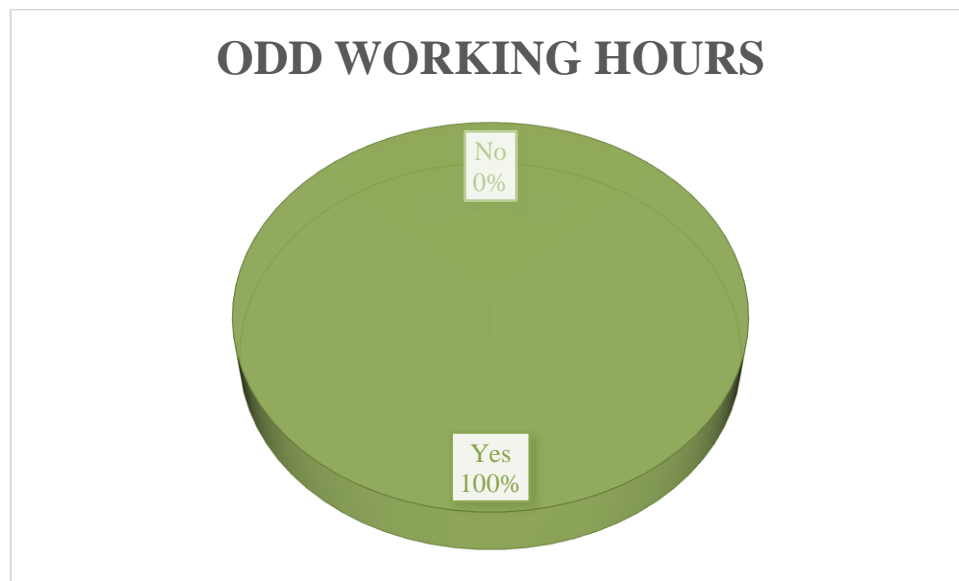
Value of Z= ± 1.96

Interpretation

With 95% confidence level, 100% people believe that odd working hours leads to attrition of employees.

Out of every 100 samples taken in 95 samples 100% people believe that long working hours leads to attrition of employees.

Figure 4.20



Total No. of respondents is 27

Q10. Do you think employees quit due to adjustment problem with colleagues?

Yes

No

\bar{p} = Owner/ managers of restaurants who said yes that employees quit due to adjustment problem with colleagues.

\bar{q} = Owner/ managers of hotels and restaurants who said no that

employees quit due to adjustment problem with colleagues.

n= Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p} = 18$$

$$\bar{q} = 9$$

$$n = 27$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 18/27$$

$$= 0.66$$

$$\bar{q} = 9/27$$

$$= 0.34$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.66 \cdot .34}{27}} = 0.09$$

$$= 0.09 \cdot 1.96$$

$$= 0.18$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.66 \pm 0.18$$

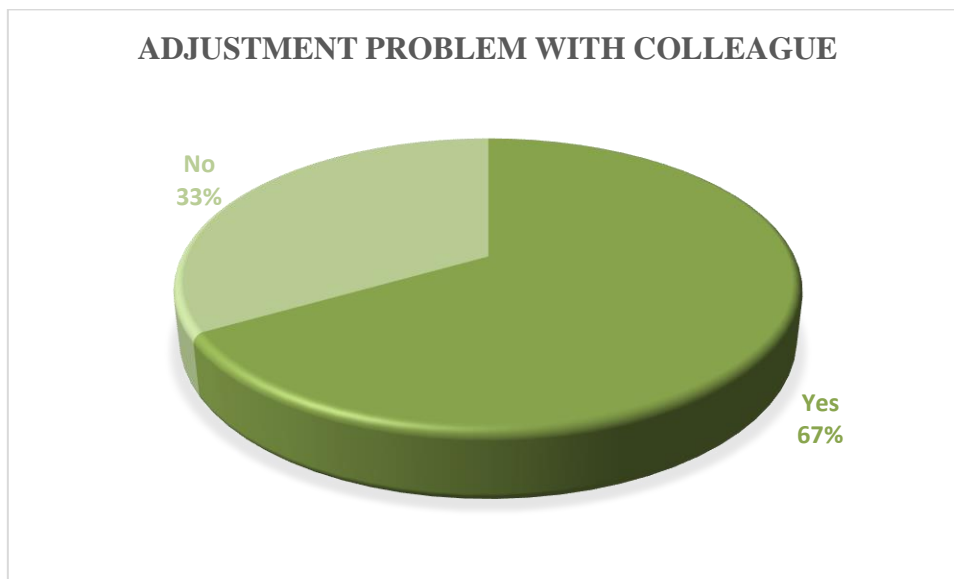
= 0.48 to 0.84

Interpretation

With 95% confidence level, 48% to 84% people believe that employees quit due to adjustment problem with colleagues.

Out of every 100 samples taken in 95 samples 48% to 84% people believe that employees quit due to adjustment problem with colleagues.

Figure 4.21



Total No. of respondents is 27

Q11. Do you think employees quit due to lack of personal development within organization?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that employees quit due to lack of personal development within organization.

\bar{q} = Owner/ managers of hotels and restaurants who said no that employees quit due to lack of personal development within organization.

n= Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p} = 17$$

$$\bar{q} = 10$$

$$n = 27$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 17/27$$

$$= 0.63$$

$$\bar{q} = 10/27$$

$$= 0.37$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.63 * .37}{27}} = 0.93$$

$$= 0.93 * 1.96$$

$$= 0.18$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.63 \pm 0.18$$

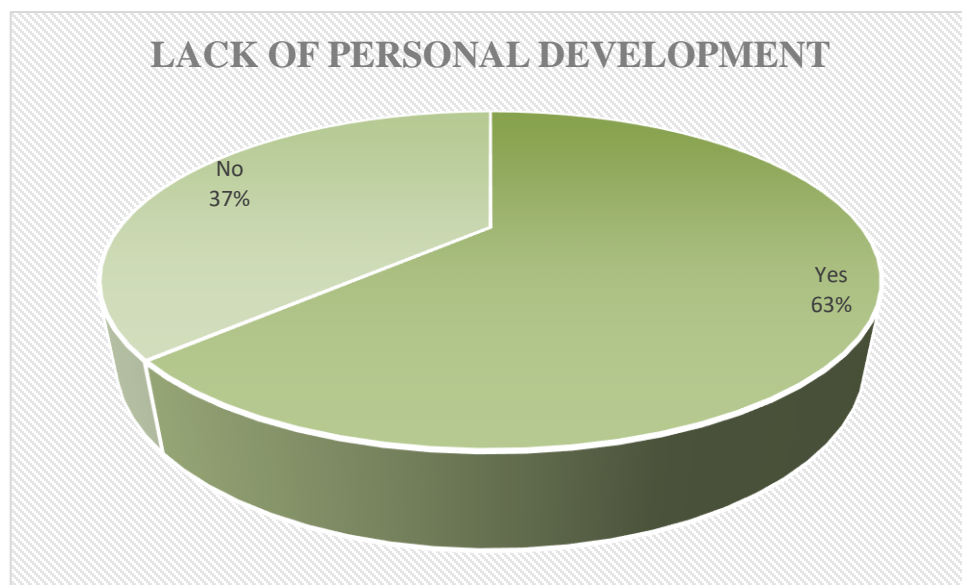
= 0.45 to 0.81

Interpretation

With 95% confidence level, 41% to 81% people believe that employees quit due to lack of personal development within organization.

Out of every 100 samples taken in 95 samples 41% to 81% people believe that employees quit due to lack of personal development within organization.

Figure 4.22



Total No. of respondents is 27

Q.12 Do you think employees quit due to work pressure in job?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that employees quit due to work pressure in job.

\bar{q} = Owner/ managers of hotels and restaurants who said no that employees quit due to work pressure in job.

n= Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p}=19$$

$$\bar{q}=8$$

$$n=27$$

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{\bar{p}\bar{q}}}{\sqrt{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 19/27$$

$$= 0.70$$

$$\bar{q} = 8/27$$

$$= 0.30$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{.70 \cdot .30}}{\sqrt{27}} = 0.08$$

$$= 0.08 * 1.96$$

$$= 0.17$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.70 \pm 0.17$$

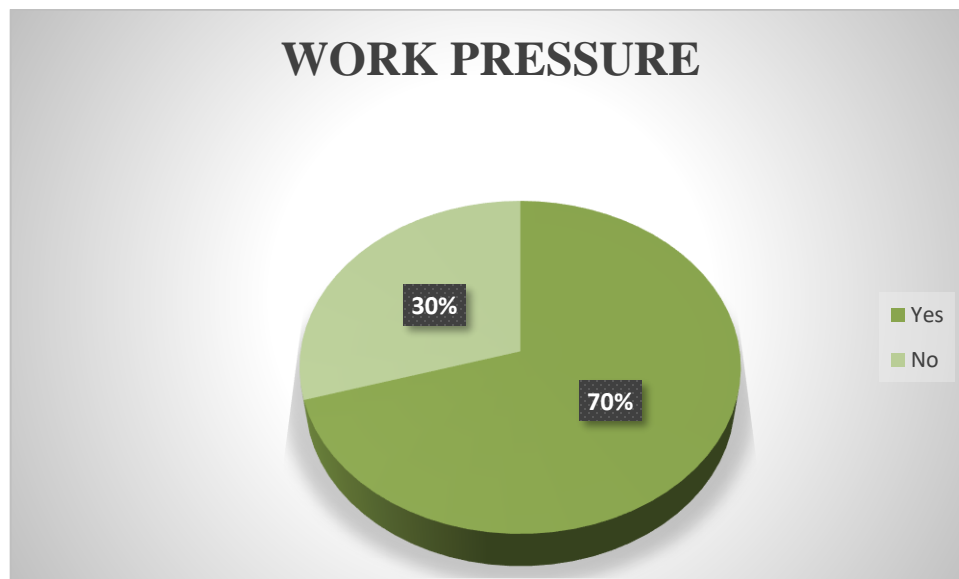
$$= 0.53 \text{ to } 0.87$$

Interpretation

With 95% confidence level, 53% to 87% people believe that employees quit due to work pressure in job.

Out of every 100 samples taken in 95 samples 53% to 87% people believe that employees quit due to work pressure in job.

Figure 4.23



Total No. of respondents is 27

Q.13 Do you think higher salary offered by competitors lead to attrition of employees?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that higher salary offered by competitors lead to attrition of employees.

\bar{q} = Owner/ managers of hotels and restaurants who said no that higher salary offered by competitors lead to attrition of employees.

n= Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p}=26$$

$$\bar{q}=1$$

$$n=27$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 26/27$$

$$= 0.96$$

$$\bar{q} = 1/27$$

$$= 0.04$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.96*.04}{27}} = 0.38$$

$$= 0.38 * 1.96$$

$$= 0.07$$

$$\bar{p} \pm z \frac{\hat{\sigma}}{\sqrt{n}}$$

$$= 0.96 \pm 0.07$$

$$= 0.89 \text{ to } 1$$

Interpretation

With 95% confidence level, 89% to 100% people believe that higher salary offered by competitors lead to attrition of employees.

Out of every 100 samples taken in 95 samples 89% to 100% people believe that higher salary offered by competitors lead to attrition of employees.

Figure 4.24



Total No. of respondents is 27

Q14. Do you think employees quit due to health problems?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that employees quit due to health problems.

\bar{q} = Owner/ managers of hotels and restaurants who said no that employees quit due to health problems.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p} = 24$$

$$\bar{q} = 3$$

$$n = 27$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 24/27$$

$$= 0.89$$

$$\bar{q} = 3/27$$

$$= 0.11$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = .89 * .11 = 0.06$$

$$\sqrt{\frac{27}{27}}$$

$$= 0.06 * 1.96$$

$$= 0.12$$

$$\bar{p} \pm z \hat{\sigma}_{\bar{p}}$$

$$= 0.89 \pm 0.12$$

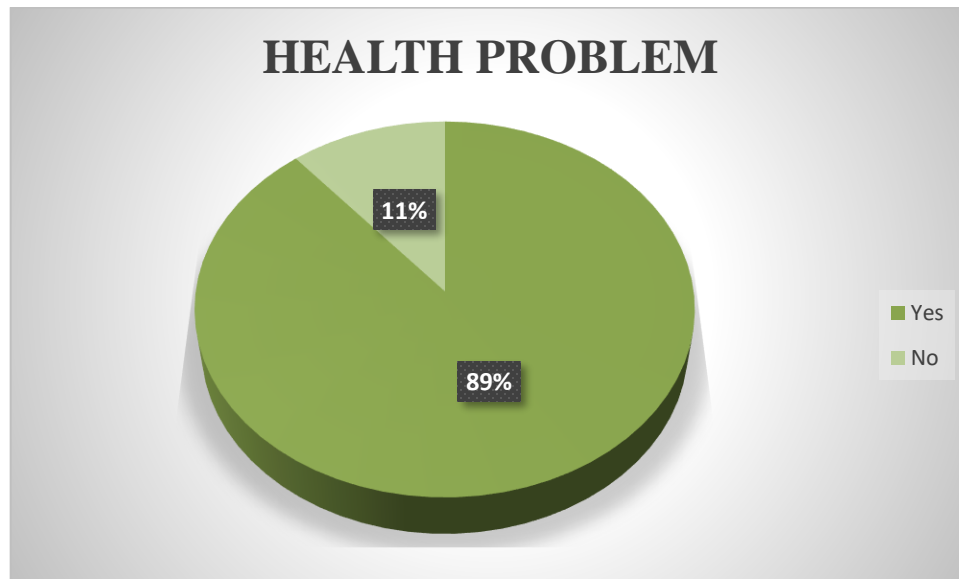
$$= 0.77 \text{ to } 1$$

Interpretation

With 95% confidence level, 77% to 100% people believe that employees quit due to health problems.

Out of every 100 samples taken in 95 samples 77% to 100% people believe that employees quit due to health problems.

Figure 4.25



Q15. Do you think employees quit due to family problems?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that employees quit due to family problems.

\bar{q} = Owner/ managers of hotels and restaurants who said no that employees quit due to family problems.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=24$

$\bar{q}=3$

$n=27$

$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$

$$\bar{p} \pm z \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 24/27$$

$$= 0.89$$

$$\bar{q} = 3/27$$

$$= 0.11$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.89 \cdot .11}{27}} = 0.06$$

$$= 0.06 \cdot 1.96$$

$$= 0.12$$

$$\bar{p} \pm z \hat{\sigma}_{\bar{p}}$$

$$= 0.89 \pm 0.12$$

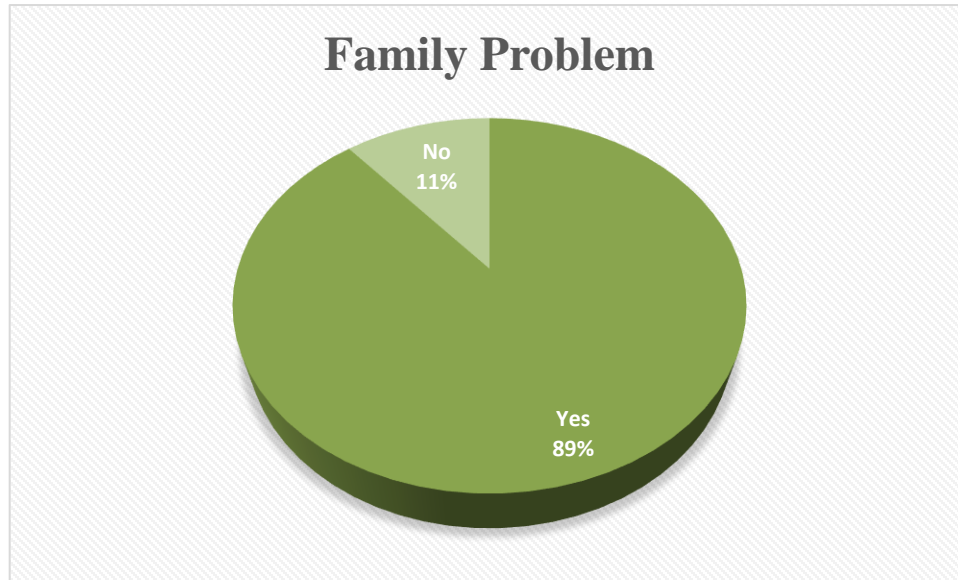
$$= 0.77 \text{ to } 1$$

Interpretation

With 95% confidence level, 77% to 100% people believe that employees quit due to family problems.

Out of every 100 samples taken in 95 samples 77% to 100% people believe that employees quit due to family problems.

Figure 4.26



Q16. Do you think employees quit due to higher education?

Yes

No

\bar{p} = Owner/ managers of hotels and restaurants who said yes that employees quit due to higher education.

\bar{q} = Owner/ managers of hotels and restaurants who said no that employees quit due to higher education.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=8$

$\bar{q}=19$

$$n=27$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{\hat{p}\hat{q}}{n}}$$

$$\hat{p} = 8/27$$

$$= 0.30$$

$$\hat{q} = 19/27$$

$$= 0.70$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.13 \cdot .87}{27}} = 0.05$$

$$= 0.05 \cdot 1.96$$

$$= 0.05$$

$$\hat{\sigma}_{\bar{p}}$$

$$= 0.13 \pm 0.05$$

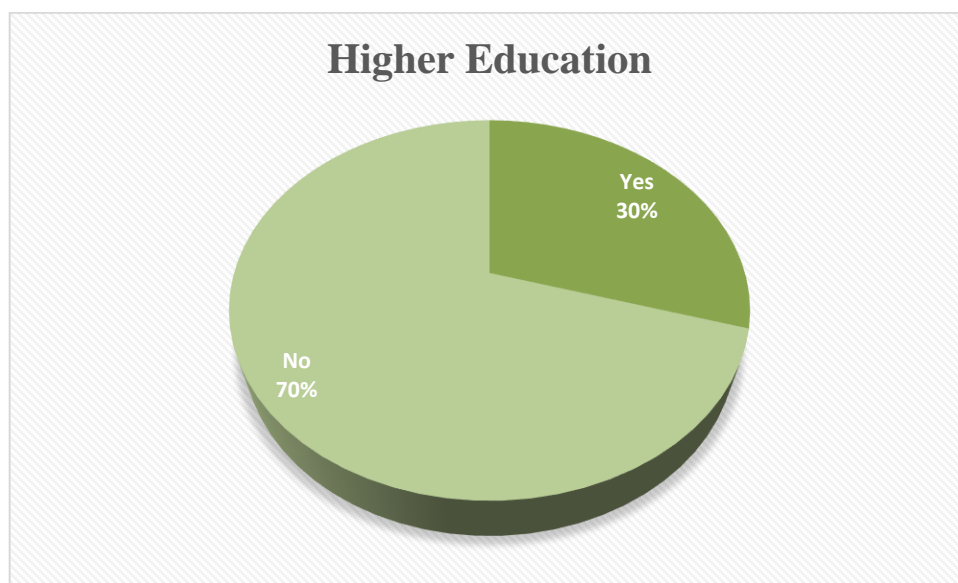
$$= 0.8 \text{ to } .18$$

Interpretation

With 95% confidence level, 8% to 18% people believe that employees quit due to higher education.

Out of every 100 samples taken in 95 samples 8% to 18% people believe that employees quit due to higher education.

Figure 4.27



Q17. Does odd working hours increase employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.11.1

Weights	f	fx
1	27	27
2	27	54
3	27	81
4	27	108
5	27	133

Table 4.11.2

Scale	
27 to 53	Strongly Disagree
54 to 80	Disagree
81	Neither agree nor disagree
82 to 108	Agree
109 to 133	Strongly Agree

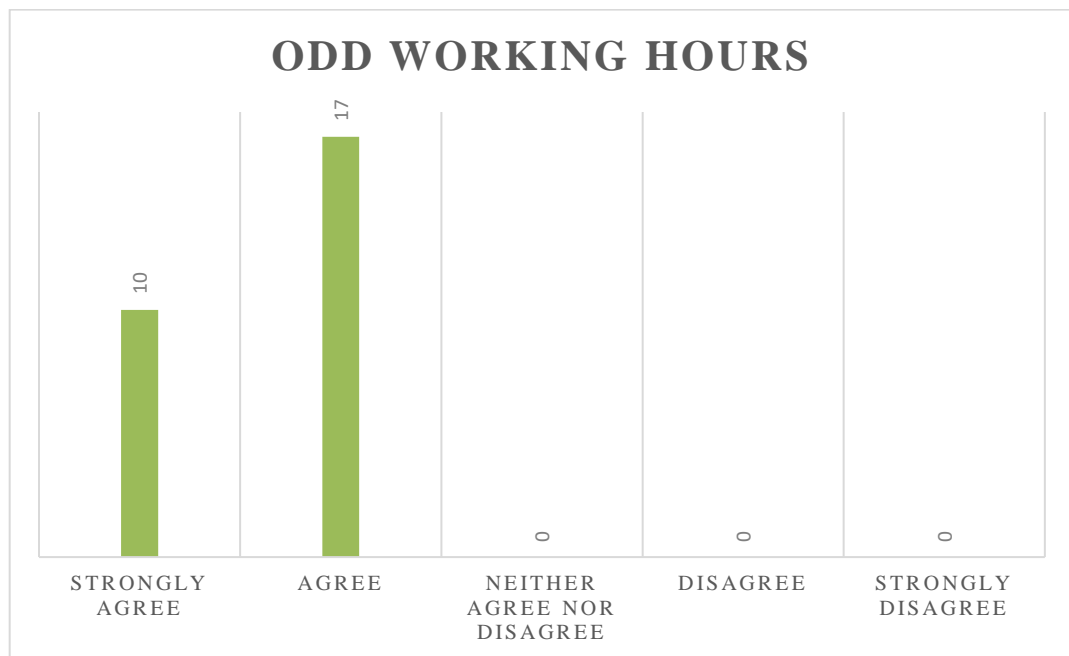
Table 4.11.3

Weights	F	<i>fx</i>
1	0	0
2	0	0
3	0	0
4	17	68
5	10	50

Total is 118

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed odd working hours increase employee attrition.

Figure 4.28



Total No. of respondents is 27

Q18. Does long working hours increase employee attrition? (Please tick any 1)

- vi. Strongly disagree
- vii. Disagree
- viii. Neither Agree nor Disagree
- ix. Agree
- x. Strongly agree

Table 4.12.1

Weights	F	<i>fx</i>
1	27	27
2	27	54
3	27	81
4	27	108
5	27	133

Table 4.12.2

Scale	
27 to 53	Strongly Disagree
54 to 80	Disagree
81	Neither agree nor disagree
82 to 108	Agree
109 to 133	Strongly Agree

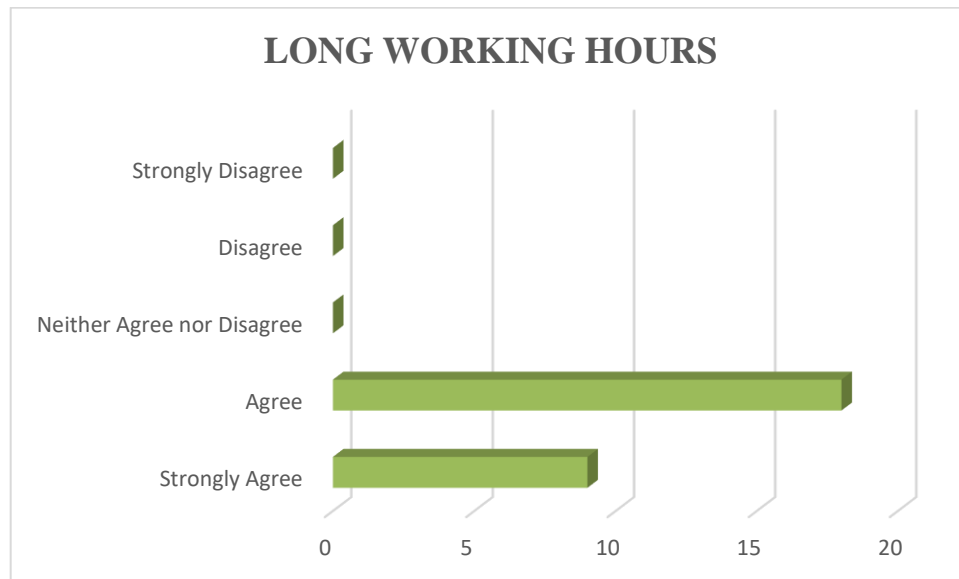
Table 4.12.3

Weights	<i>F</i>	<i>fx</i>
1	0	0
2	0	0
3	0	0
4	18	72
5	9	45

Total is 117

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed long working hours increase employee attrition.

Figure 4.29



Total No. of respondents is 27

Q19. Does adjustment problem with colleagues result in employee attrition? (Please tick any 1)

- vi. Strongly disagree
- vii. Disagree
- viii. Neither Agree nor Disagree
- ix. Agree
- x. Strongly agree

Table 4.13.1

Weights	f	fx
1	27	27
2	27	54
3	27	81
4	27	108
5	27	133

Scale	
27 to 53	Strongly Disagree

54 to 80	Disagree
81	Neither agree nor disagree
82 to 108	Agree
109 to 133	Strongly Agree

Table 4.13.2

Table 4.13.3

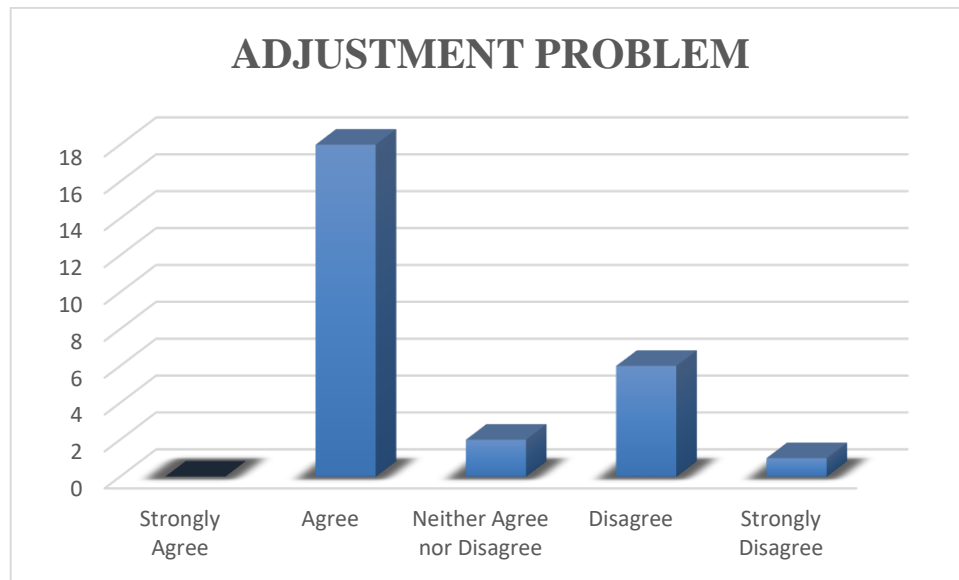
Weights	<i>f</i>	<i>fx</i>
1	1	1
2	6	12
3	2	6
4	18	72
5	0	0

Total is 91

Since it falls in the area of Neither Agree nor Disagree, therefore most of the people neither agreed nor disagreed adjustment problem with

colleagues result in employee attrition.

Figure 4.30



Total No. of respondents is 27

Q20. Does lack of personal development within organization result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- vi. Disagree
- vii. Neither Agree nor Disagree
- viii. Agree
- ix. Strongly agree

Table 4.14.1

Weights	F	<i>fx</i>
1	27	27
2	27	54
3	27	81
4	27	108
5	27	133

Table 4.14.2

Scale	
27 to 53	Strongly Disagree
54 to 80	Disagree
81	Neither agree nor disagree
82 to 108	Agree
109 to 133	Strongly Agree

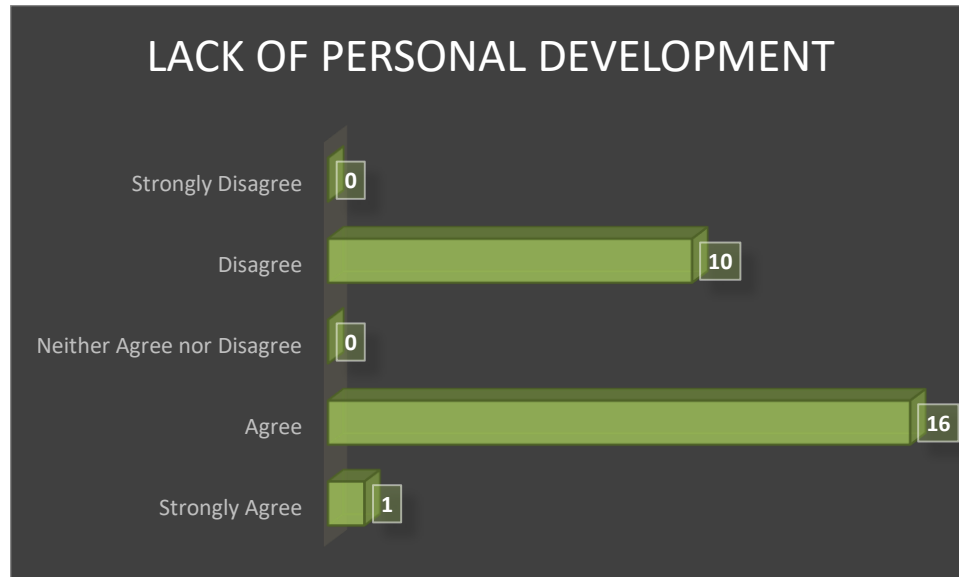
Table 4.14.3

Weights	F	<i>fx</i>
1	0	0
2	10	20
3	0	0
4	16	64
5	1	5

Total is 89

Since it falls in the area of Disagree, therefore most of the people disagreed adjustment problem with colleagues result in employee attrition.

Figure 4.31



Total No. of respondents is 27

Q21. Does work pressure result in employee attrition? (Please tick any 1)

- vi. Strongly disagree
- vii. Disagree
- viii. Neither Agree nor Disagree
- ix. Agree
- x. Strongly agree

Table 4.15.1

Weights	F	fx
1	27	27
2	27	54
3	27	81

4	27	108
5	27	133

Table 4.15.2

Scale	
27 to 53	Strongly Disagree
54 to 80	Disagree
81	Neither agree nor disagree
82 to 108	Agree
109 to 133	Strongly Agree

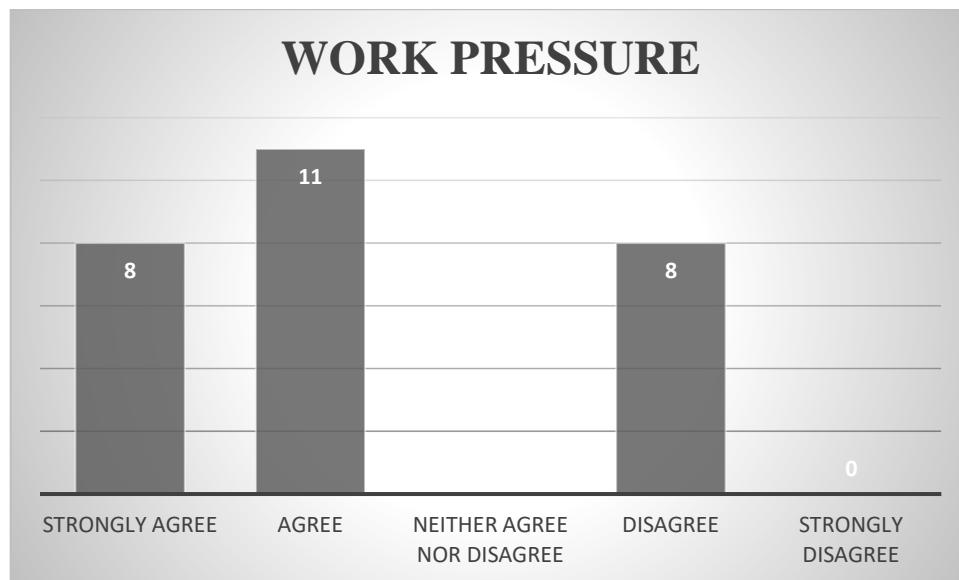
Table 4.15.3

Weights	f	fx
1	0	0
2	8	16
3	0	0
4	11	44
5	8	40

Total is 100

Since it falls in the area of Agree, therefore most of the people agreed work pressure result in employee attrition.

Figure 4.32



Total No. of respondents is 27

Q22. Does higher salaries offered by competitors result in employee attrition? (Please tick any 1)

- vi. Strongly disagree
- vii. Disagree
- viii. Neither Agree nor Disagree

- ix. Agree
- x. Strongly agree

Table 4.16.1

Weights	<i>F</i>	<i>fx</i>
1	27	27
2	27	54
3	27	81
4	27	108
5	27	133

Table 4.16.2

Scale	
27 to 53	Strongly Disagree
54 to 80	Disagree
81	Neither agree nor disagree
82 to 108	Agree
109 to 133	Strongly Agree

Table 4.16.3

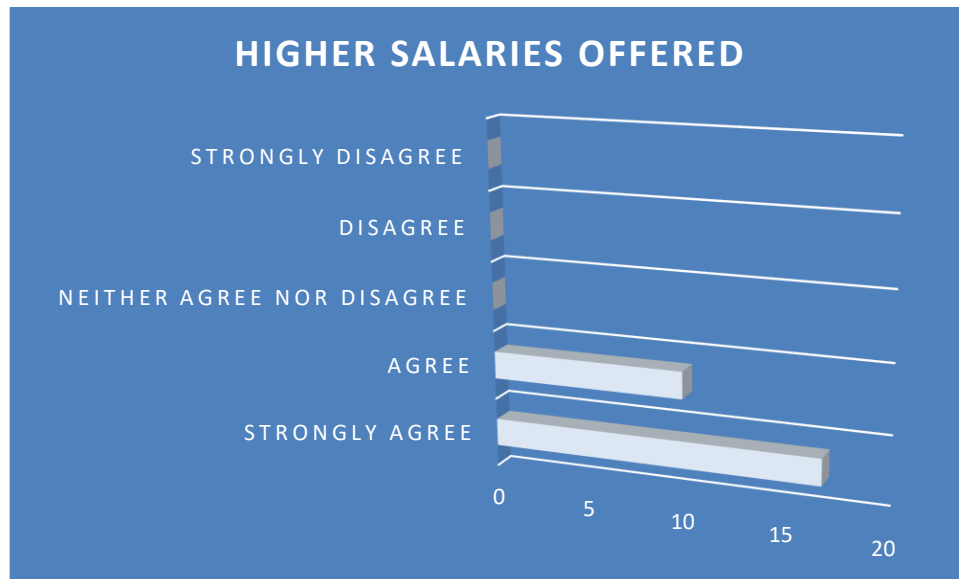
Weights	<i>F</i>	<i>fx</i>
1	0	0
2	0	0

3	0	0
4	10	40
5	17	85

Total is 125

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed higher salaries offered by competitors result in employee attrition.

Figure 4.33



Total No. of respondents is 27

Q23. Does health problem result in employee attrition? (Please tick any 1)

- vi. Strongly disagree
- vii. Disagree
- viii. Neither Agree nor Disagree
- ix. Agree
- x. Strongly agree

Table 4.17.1

Weights	f	fx
1	27	27
2	27	54
3	27	81
4	27	108
5	27	133

Table 4.17.2

Scale	
27 to 53	Strongly Disagree
54 to 80	Disagree
81	Neither agree nor disagree
82 to 108	Agree
109 to 133	Strongly Agree

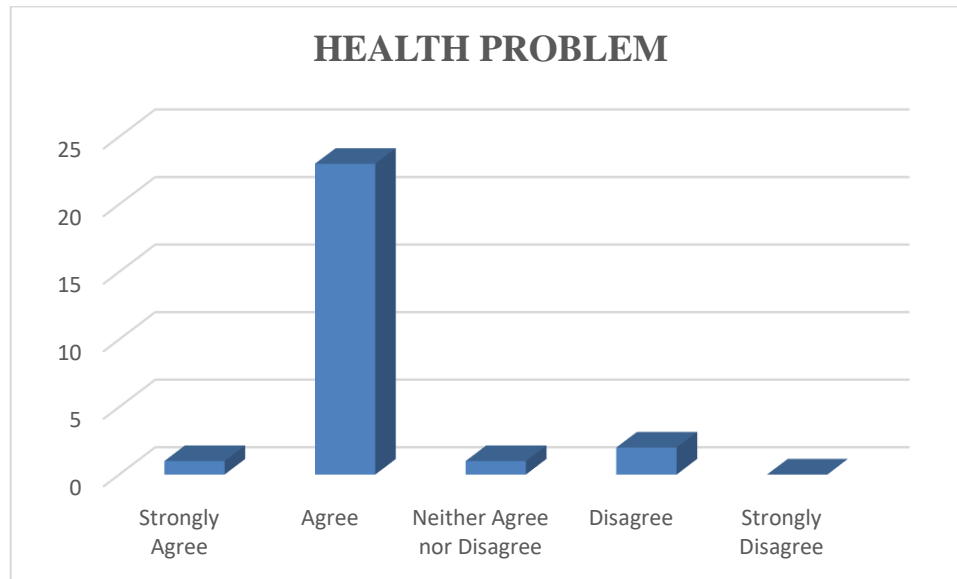
Table 4.17.3

Weights	f	fx
1	0	0
2	2	4
3	1	3
4	23	92
5	1	5

Total is 104

Since it falls in the area of Agree, therefore most of the people agreed health problem result in employee attrition.

Figure 4.34



Total No. of respondents is 27

Q24. Does family problem result in employee attrition? (Please tick any 1)

- vi. Strongly disagree
- vii. Disagree
- viii. Neither Agree nor Disagree
- ix. Agree
- x. Strongly agree

Table 4.18.1

Weights	f	fx
1	27	27
2	27	54
3	27	81
4	27	108
5	27	133

Table 4.18.2

Scale	
27 to 53	Strongly Disagree
54 to 80	Disagree
81	Neither agree nor disagree
82 to 108	Agree
109 to 133	Strongly Agree

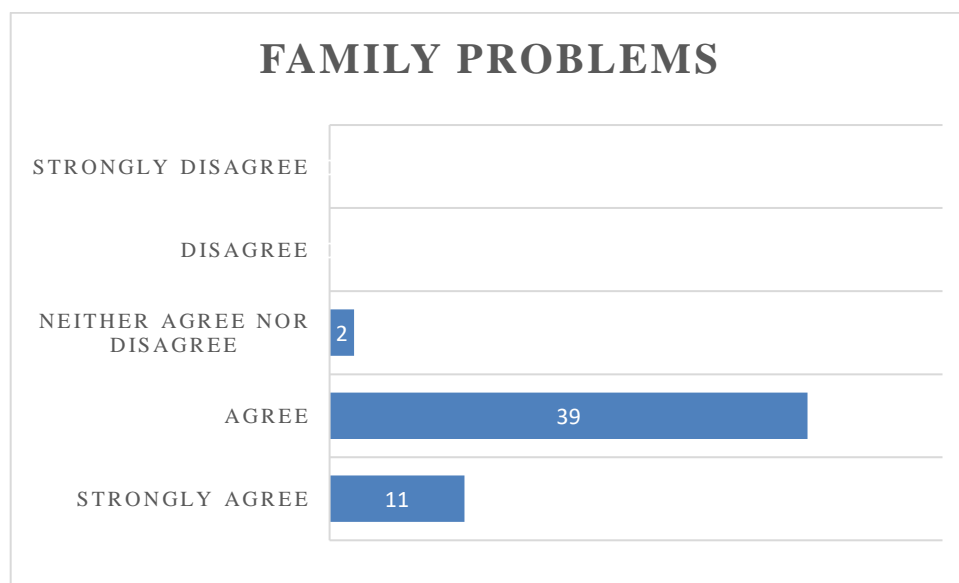
Table 4.18.3

Weights	f	fx
1	0	0
2	0	0
3	0	0
4	23	92
5	4	20

Total is 112

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed family problem result in employee attrition.

Figure 4.35



Total No. of respondents is 27

Q25. Does higher studies result in employee attrition? (Please tick any 1)

- vi. Strongly disagree
- vii. Disagree
- viii. Neither Agree nor Disagree
- ix. Agree
- x. Strongly agree

Table 4.19.1

Weights	F	<i>fx</i>
1	27	27
2	27	54
3	27	81
4	27	108
5	27	133

Table 4.19.2

Scale	
27 to 53	Strongly Disagree
54 to 80	Disagree
81	Neither agree nor disagree
82 to 108	Agree
109 to 133	Strongly Agree

Table 4.19.3

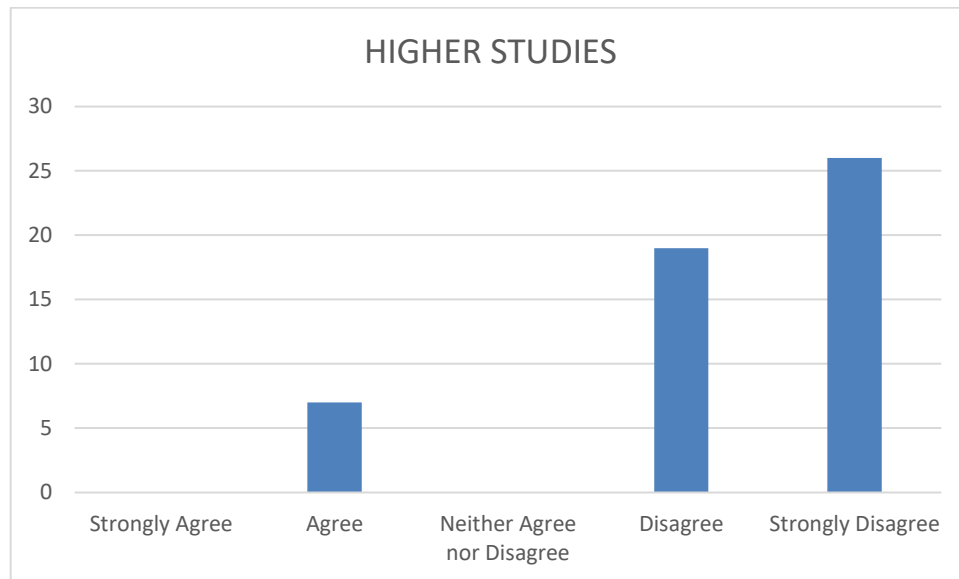
Weights	F	<i>fx</i>
1	7	7
2	11	22
3	1	3
4	8	32

5	0	0
---	---	---

Total is 64

Since it falls in the area of Disagree, therefore most of the people disagreed higher studies result in employee attrition.

Figure 4.36



Total No. of respondents is 27

Please rate the following question between 0 (minimum effect) to 100 (maximum effect)

Q26. Odd working hours lead to employee attrition.

$$2130 / 2700 = 79\%$$

Interpretation

People believed that odd working hours effected around three fourth of the employee attrition in hotels.

Q27. Long working hours lead to employee attrition.

$$1960 / 2700 = 73\%$$

Interpretation

People believed that long working hours effected around three fourth of the employee attrition in hotels.

Q28. Adjustment problem with colleagues lead to employee attrition.

$$1440 / 2700 = 53\%$$

Interpretation

People believed that adjustment problem with colleagues effected nearly

half of the employee attrition in hotels.

Q29. Lack of employee personal growth lead to employee attrition.

$$1383 / 2700 = 51\%$$

Interpretation

People believed that lack of employee personal growth effected nearly half of the employee attrition in hotels.

Q30. Work pressure in job lead to employee attrition.

$$1810 / 2700 = 67\%$$

Interpretation

People believed that Work pressure in job effected nearly three fourth of the employee attrition in hotels.

Q31. Higher salaries offered by competitors lead to employee attrition.

$$2315 / 2700 = 88\%$$

Interpretation

People believed that higher salaries offered by competitors effected most of the employee attrition in hotels.

Q32. Health problem of employee lead to attrition.

$$1770 / 2700 = 66\%$$

Interpretation

People believed that health problem of employee effected nearly three fourth of the employee attrition in hotels.

Q33. Family problem of employee lead to employee attrition.

$$2000 / 2700 = 74\%$$

Interpretation

People believed that family problem of employee effected around three fourth of the employee attrition in hotels.

Q34. Pursue for higher studies of employee lead to employee attrition.

$$880 / 2700 = 33\%$$

Interpretation

People believed that pursue for higher studies of employee effected around one fourth of the employee attrition in hotels.

For restaurant employees

Q8. Do you think odd working hours is a reason for attrition of employees?

Yes

No

\bar{p} = Employees of restaurants who said yes that odd working hours is a reason for attrition.

\bar{q} = Employees of restaurants who said no that odd working hours is a reason for attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p} = 47$

$\bar{q} = 3$

n = 50

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 47/50$$

$$= 0.94$$

$$\bar{q} = 3/50$$

$$= 0.06$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\begin{aligned} \hat{\sigma}_{\bar{p}} &= \sqrt{\frac{0.94 \cdot 0.06}{50}} = 0.03 \\ &= 0.03 \cdot 1.96 \end{aligned}$$

$$= 0.06$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.94 \pm 0.06$$

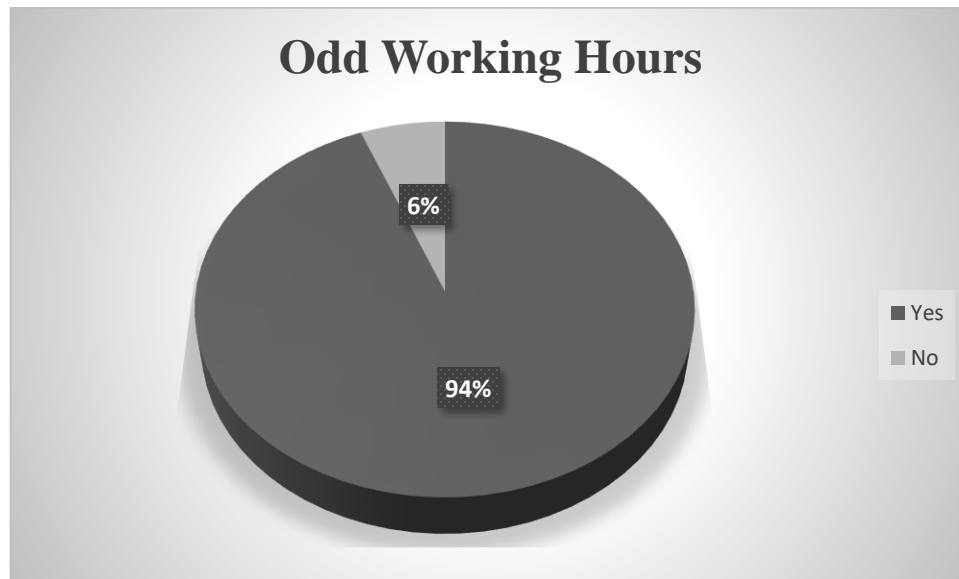
$$= 0.84 \text{ to } 1.00$$

Interpretation

With 95% confidence level, 84% to 100% people believe that odd working hours is a reason for attrition.

Out of every 100 samples taken in 95 samples 84% to 100% people believe that odd working hours is a reason for attrition.

Figure 4.37



Total No. of respondents is 50

Q9. Do you think long working hours is a reason for attrition?

Yes

No

\bar{p} = Employees of restaurants who said yes that long working hours is a reason for attrition.

\bar{q} = Employees of restaurants who said no that long working hours is a reason for attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

\bar{p} = 48

\bar{q} = 2

n = 50

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 48/50$$

$$= 0.96$$

$$\bar{q} = 2/50$$

$$= 0.04$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.96 \cdot .04}{50}} = 0.04$$

$$= 0.04 \cdot 1.96$$

$$= 0.04$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.96 \pm 0.04$$

$$= 0.92 \text{ to } 1.0$$

Interpretation

With 95% confidence level, 92% to 100% people believe that long working hours is a reason for attrition.

Out of every 100 samples taken in 95 samples 92% to 100% people

believe that long working hours is a reason for attrition.

Figure 4.38



Total No. of respondents is 50

Q10. Do you think adjustment problem with colleagues is a reason for attrition?

Yes

No

\bar{p} = Employees of restaurants who said yes that adjustment problem with colleagues is a reason for attrition.

\bar{q} = Employees of restaurants who said no that adjustment problem with colleagues is a reason for attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p} = 20$$

$$\bar{q} = 30$$

$$n = 50$$

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{pq}}{\sqrt{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 20/50$$

$$= 0.4$$

$$\bar{q} = 30/50$$

$$= 0.6$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{.4 \cdot .6}}{\sqrt{50}} = 0.03$$

$$= 0.03 \cdot 1.96$$

$$= 0.06$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.40 \pm 0.06$$

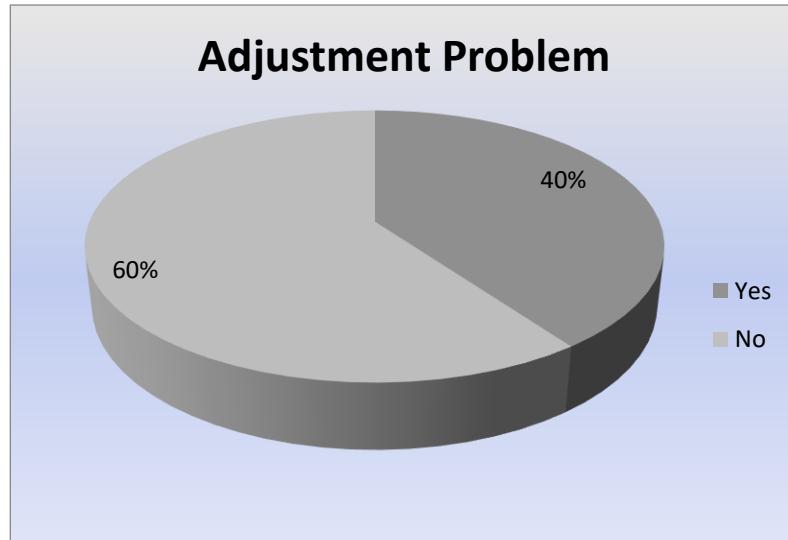
$$= 0.34 \text{ to } 0.46$$

Interpretation

With 95% confidence level, 34% to 46% people believe that adjustment problem with colleagues is a reason for attrition.

Out of every 100 samples taken in 95 samples 34% to 46% people believe that adjustment problem with colleagues is a reason for attrition.

Figure 4.39



Total No. of respondents is 50

Q11. Do you think employee's personal development within organization is a reason for attrition?

Yes

No

\bar{p} = Employees of restaurants who said yes that employee's personal development within organization is a reason for attrition.

\bar{q} = Employees of restaurants who said no that employee's personal development within organization is a reason for employee attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

\bar{p} = 28

$$\bar{q}=22$$

$$n= 50$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p}= 28/50$$

$$= 0.56$$

$$\bar{q} = 22/50$$

$$= 0.44$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.56*.44}{50}} = 0.03$$

$$= 0.03 * 1.96$$

$$= 0.06$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.56 \pm 0.06$$

$$= 0.50 \text{ to } 0.62$$

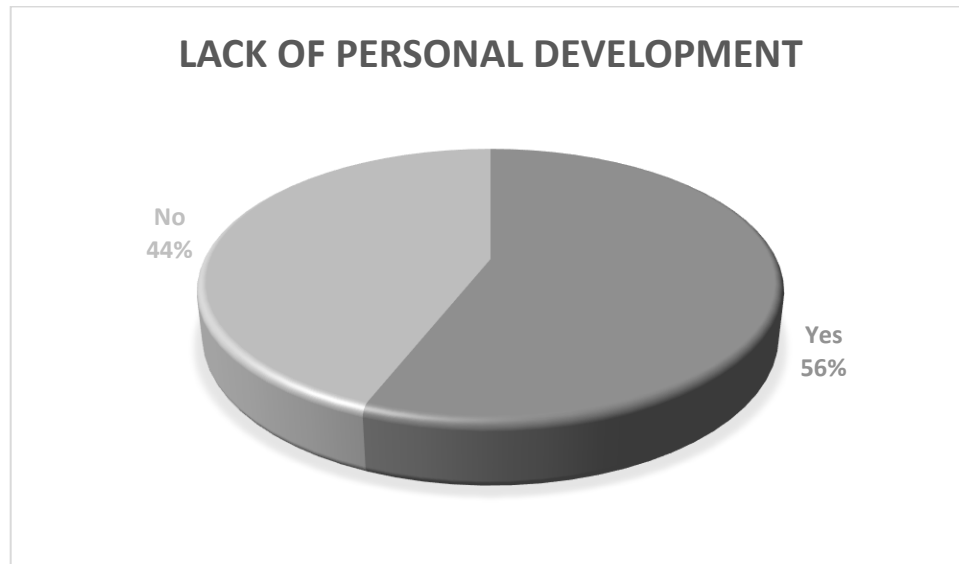
Interpretation

With 95% confidence level, 50% to 62% people believe that employee's personal development within organization is a reason for attrition.

Out of every 100 samples taken in 95 samples 50% to 62% people

believe employee's personal development within organization is a reason for attrition.

Figure 4.40



Total No. of respondents is 50

Q.12 Do you think work pressure in job is a reason for attrition?

Yes

No

\bar{p} = Employees of restaurants who said yes that work pressure in job is a reason for attrition.

\bar{q} = Employees of restaurants who said no that work pressure in job is a reason for attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=44$

$\bar{q}=6$

$$n=50$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p}=19/50$$

$$= 0.70$$

$$\bar{q} = 8/50$$

$$= 0.30$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.70 \cdot .30}{50}} = 0.08$$

$$= 0.08 * 1.96$$

$$= 0.17$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.70 \pm 0.17$$

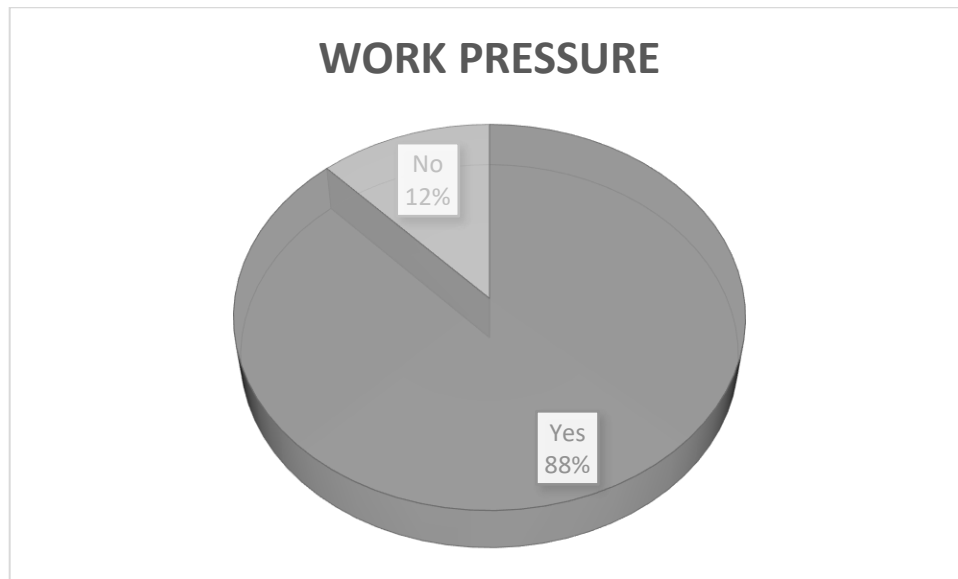
$$= 0.53 \text{ to } 0.87$$

Interpretation

With 95% confidence level, 53% to 87% people believe that work pressure in job is a reason for attrition.

Out of every 100 samples taken in 95 samples 53% to 87% people believe that work pressure in job is a reason for attrition.

Figure 4.41



Total No. of respondents is 50

Q.13 Do you think higher salary offered by competitors lead to attrition of employees?

Yes

No

\bar{p} = Employees of restaurants who said yes that higher salary offered by competitors is a reason for attrition.

\bar{q} = Employees of restaurants who said no that higher salary offered by competitors is a reason for attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=48$

$\bar{q}=2$

$n=50$

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{pq}}{\sqrt{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 26/50$$

$$= 0.96$$

$$\bar{q} = 1/50$$

$$= 0.04$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{.96 * .04}}{\sqrt{50}} = 0.38$$

$$= 0.38 * 1.96$$

$$= 0.07$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.96 \pm 0.07$$

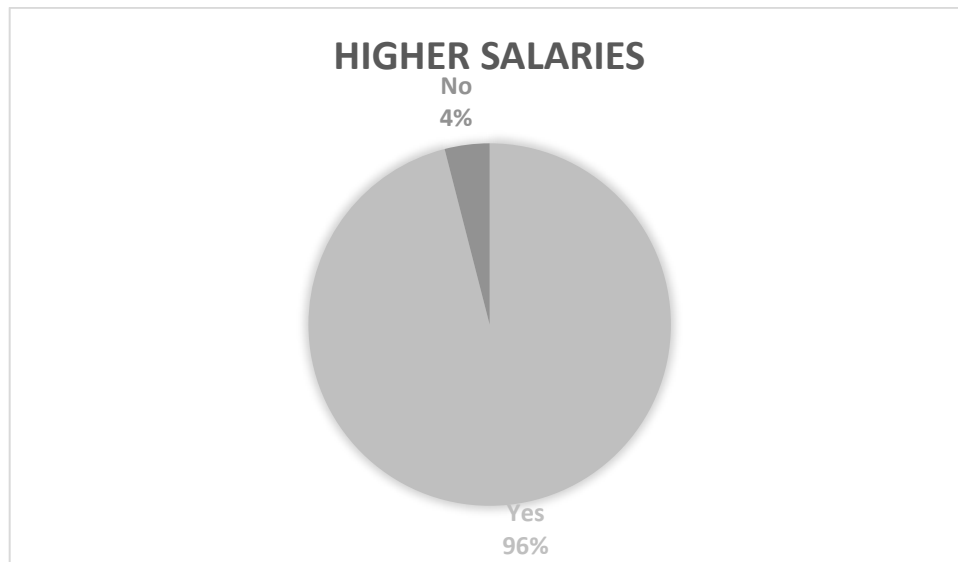
$$= 0.89 \text{ to } 1$$

Interpretation

With 95% confidence level, 89% to 100% people believe that higher salary offered by competitors lead to attrition of employees.

Out of every 100 samples taken in 95 samples 89% to 100% people believe that higher salary offered by competitors lead to attrition of employees.

Figure 4.42



Total No. of respondents is 50

Q14. Do you think employees quit due to health problems?

Yes

No

\bar{p} = Employees of restaurants who said yes that employees quit due to health problems.

\bar{q} = Employees of restaurants who said no that employees quit due to health problems.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=45$

$\bar{q}=5$

$n=50$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 45/50$$

$$= 0.89$$

$$\bar{q} = 5/50$$

$$= 0.11$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{0.89 \cdot 0.11}{50}} = 0.06$$

$$= 0.06 \cdot 1.96$$

$$= 0.12$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.89 \pm 0.12$$

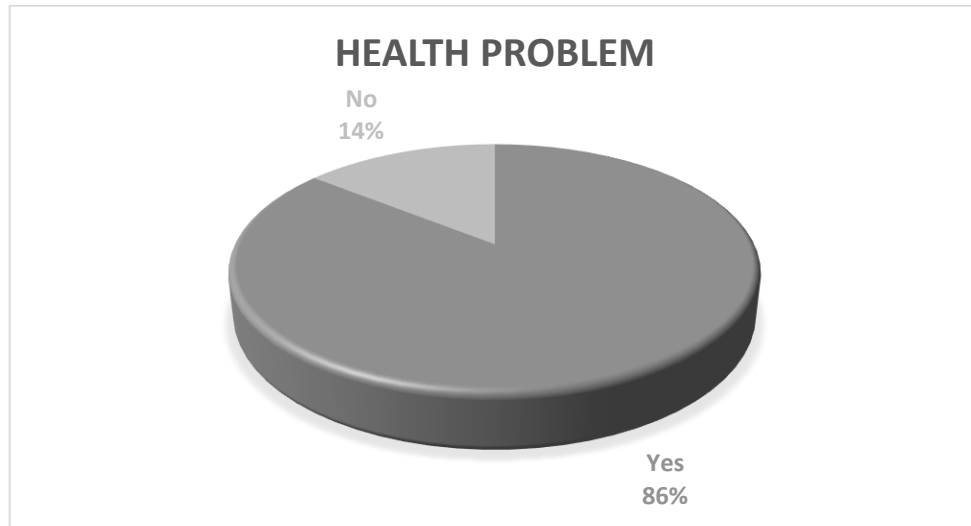
$$= 0.77 \text{ to } 1$$

Interpretation

With 95% confidence level, 77% to 100% people believe that employees quit due to health problems.

Out of every 100 samples taken in 95 samples 77% to 100% people believe that employees quit due to health problems.

Figure 4.43



Total No. of respondents is 50

Q15. Do you think employees quit due to family problems?

Yes

No

\bar{p} = Employees of restaurants who said yes that employees quit due to family problems.

\bar{q} = Employees of restaurants who said no that employees quit due to family problems.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=43$

$$\bar{q}=7$$

$$n=50$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p}=24/50$$

$$= 0.86$$

$$\bar{q} = 3/50$$

$$= 0.14$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.86*.14}{50}} = 0.05$$

$$= 0.05 * 1.96$$

$$= 0.09$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.86 \pm 0.09$$

$$= 0.77 \text{ to } 95\%$$

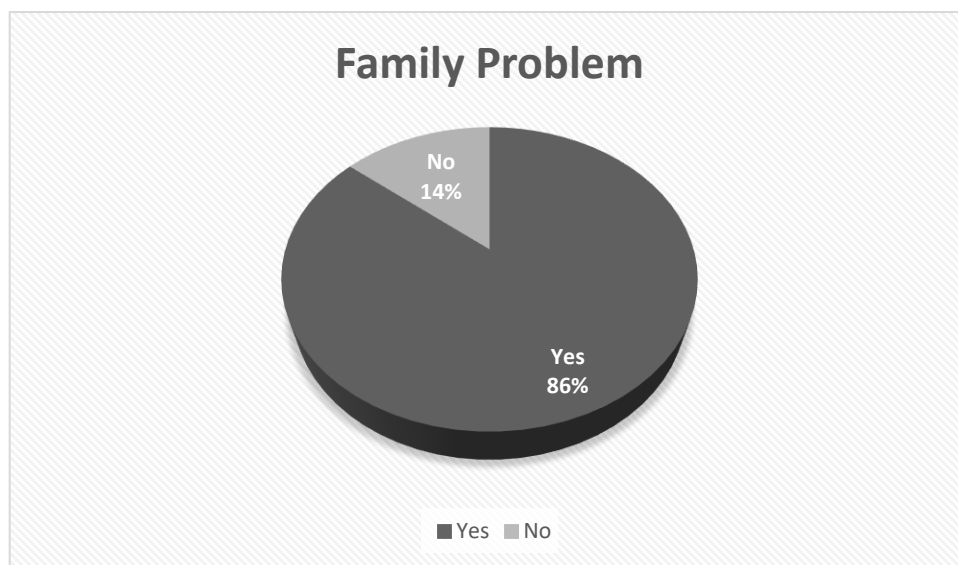
Interpretation

With 95% confidence level, 77% to 95% people believe that employees quit due to family problems.

Out of every 100 samples taken in 95 samples 77% to 100% people

believe that employees quit due to family problems.

Figure 4.44



Total No. of respondents is 50

Q16. Do you think employees quit due to higher education?

Yes

No

\bar{p} = Employees of restaurants who said yes that employees quit due to higher education.

\bar{q} = Employees of restaurants who said no that employees quit due to

higher education.

n= Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p}=8$$

$$\bar{q}=42$$

$$n=50$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p}=8/50$$

$$= 0.16$$

$$\bar{q} = 42/50$$

$$= 0.84$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.16*.84}{50}} = 0.05$$

$$= 0.05 * 1.96$$

$$= 0.09$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.16 \pm 0.09$$

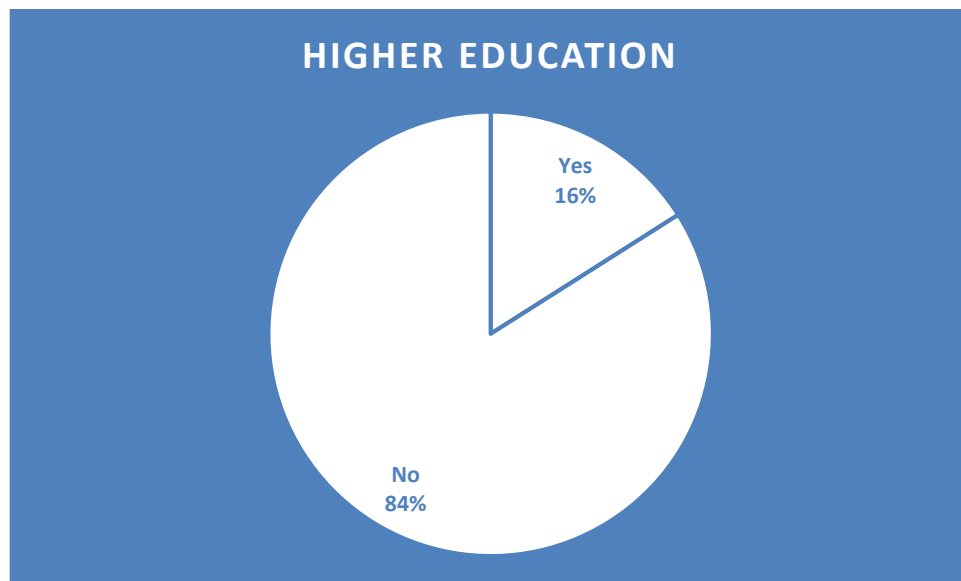
$$= 0.7 \text{ to } 0.25$$

Interpretation

With 95% confidence level, 7% to 25% people believe that employees quit due to higher education.

Out of every 100 samples taken in 95 samples 8% to 18% people believe that employees quit due to higher education.

Figure 4.45



Total No. of respondents is 50

Q17. Does odd working hours increase employee attrition? (Please tick any 1)

- vi. Strongly disagree
- vii. Disagree
- viii. Neither Agree nor Disagree
- ix. Agree

- x. Strongly agree

Table 4.20.1

Weights	F	Fx
1	50	50
2	50	100
3	50	150
4	50	200
5	50	250

Table 4.20.2

Scale	
50 to 99	Strongly Disagree
100 to 149	Disagree
150	Neither agree nor disagree
151 to 199	Agree
200 to 250	Strongly Agree

Table 4.20.3

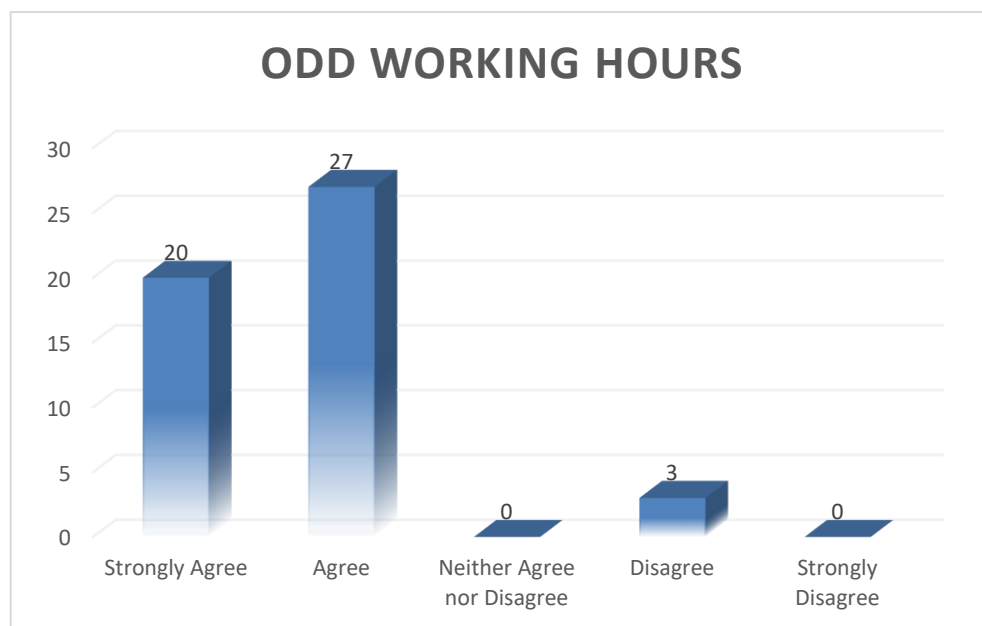
Weights	F	Fx
1	0	0
2	3	6
3	0	0
4	27	108

5	20	100
---	----	-----

Total is 214

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed odd working hours increase employee attrition.

Figure 4.46



Total No. of respondents is 50

Q18. Does long working hours increase employee attrition? (Please tick any 1)

- xi. Strongly disagree
- xii. Disagree
- xiii. Neither Agree nor Disagree
- xiv. Agree
- xv. Strongly agree

Table 4.21.1

Weights	F	Fx
1	50	50
2	50	100
3 T	50	150
4	50	200
5 T	50	250

Table 4.21.2

Scale	
50 to 99	Strongly Disagree
100 to 149	Disagree
150	Neither agree nor disagree
151 to 199	Agree
200 to 250	Strongly Agree

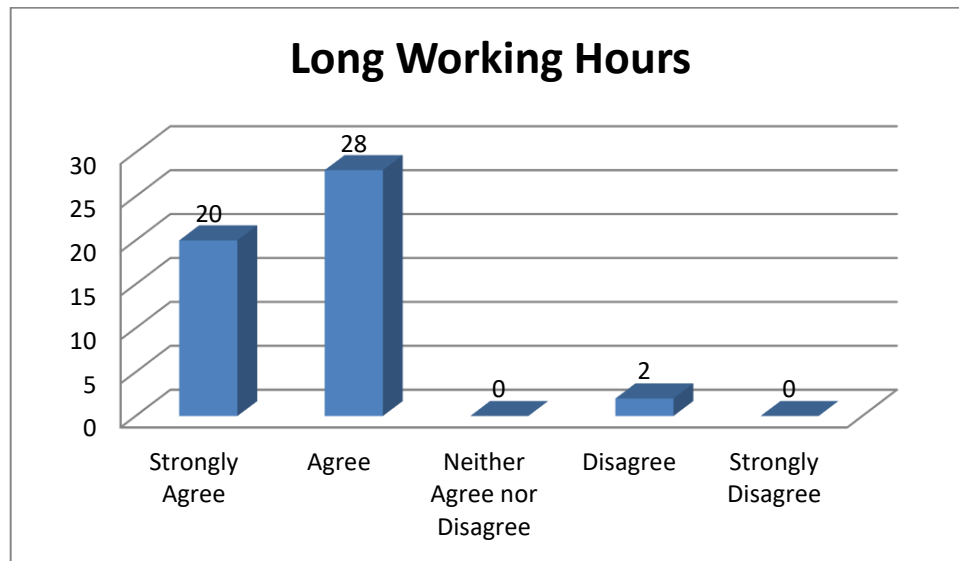
Table 4.21.3

Weights	F	<i>f</i>x
1	0	0
2	2	4
3	0	0
4	28	112
5	20	100

Total is 216

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed long working hours increase employee attrition.

Figure 4.47



Total No. of respondents is 50

Q19. Does adjustment problem with colleagues result in employee attrition? (Please tick any 1)

- xi. Strongly disagree
- xii. Disagree
- xiii. Neither Agree nor Disagree
- xiv. Agree
- xv. Strongly agree

Table 4.22.1

Weights	f	f_x
1	50	50
2	50	100
3	50	150
4	50	200
5	50	250

Table 4.22.2

Scale	
50 to 99	Strongly Disagree
100 to 149	Disagree
150	Neither agree nor disagree
151 to 199	Agree
200 to 250	Strongly Agree

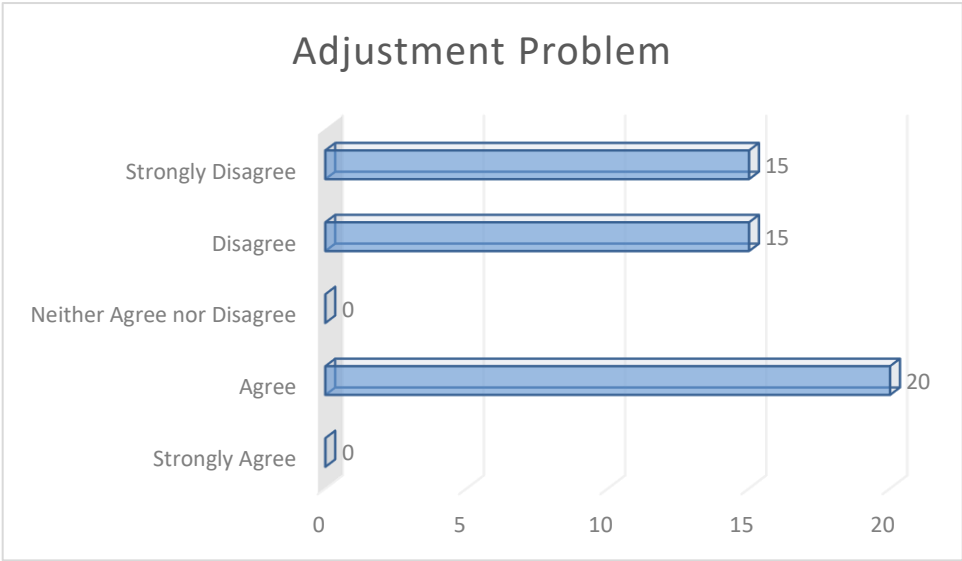
Table 4.22.3

Weights	J	<i>fx</i>
1	15	15
2	15	30
3	0	0
4	20	80
5	0	0

Total is 125

Since it falls in the area of Disagree, therefore most of the people disagreed adjustment problem with colleagues result in employee attrition.

Figure 4.48



Total No. of respondents is 50

Q20. Does lack of personal development within organization result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- x. Disagree
- xi. Neither Agree nor Disagree
- xii. Agree
- xiii. Strongly agree

Table 4.23.1

Weights	F	Fx
---------	---	----

1	50	50
2	50	100
3	50	150
4	50	200
5	50	250

Table 4.23.2

Scale	
50 to 99	Strongly Disagree
100 to 149	Disagree
150	Neither agree nor disagree
151 to 199	Agree
200 to 250	Strongly Agree

T

Table 4.23.3

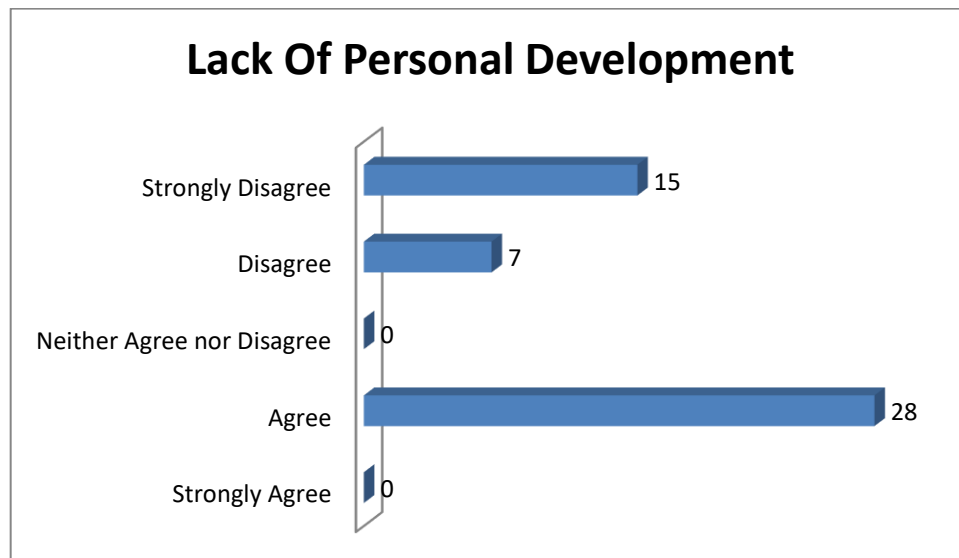
Weights	F	<i>fx</i>
1	15	15
2	7	14
3	0	0
4	28	112
5	0	0

Total is 141

Since it falls in the area of Disagree, therefore most of the people

disagreed adjustment problem with colleagues result in employee attrition.

Figure 4.49



Total No. of respondents is 50

Q21. Does work pressure result in employee attrition? (Please tick any 1)

- xi. Strongly disagree
- xii. Disagree
- xiii. Neither Agree nor Disagree

- xiv. Agree
- xv. Strongly agree

Table 4.24.1

Weights	F	Fx
1	50	50
2	50	100
3	50	150
4	50	200
5	50	250

Table 4.24.2

Scale	
50 to 99	Strongly Disagree
100 to 149	Disagree
150	Neither agree nor disagree
151 to 199	Agree
200 to 250	Strongly Agree

Ta

Table 4.24.3

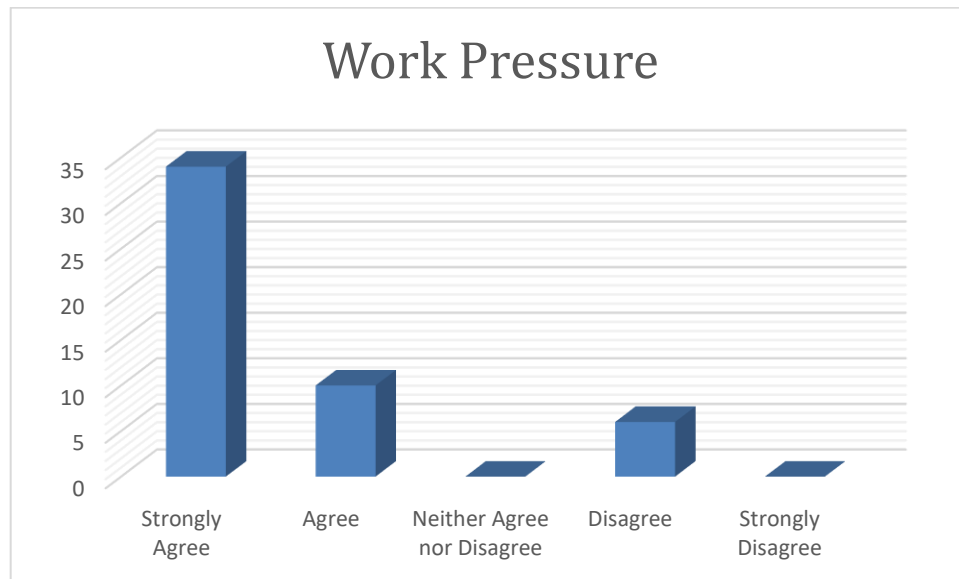
Weights	F	fx
1	0	0
2	6	12
3	0	0

4	10	40
5	34	170

Total is 222

Since it falls in the area of Strongly Agree, therefore most of the people agreed work pressure result in employee attrition.

Figure 4.50



Total No. of respondents is 50

Q22. Does higher salaries offered by competitors result in employee attrition? (Please tick any 1)

- xi. Strongly disagree
- xii. Disagree
- xiii. Neither Agree nor Disagree
- xiv. Agree
- xv. Strongly agree

Table 4.25.1

Weights	F	Fx
1	50	50
2	50	100
3	50	150
4	50	200
5	50	250

Table 4.25.2

Scale	
50 to 99	Strongly Disagree
100 to 149	Disagree
150	Neither agree nor disagree
151 to 199	Agree
200 to 250	Strongly Agree

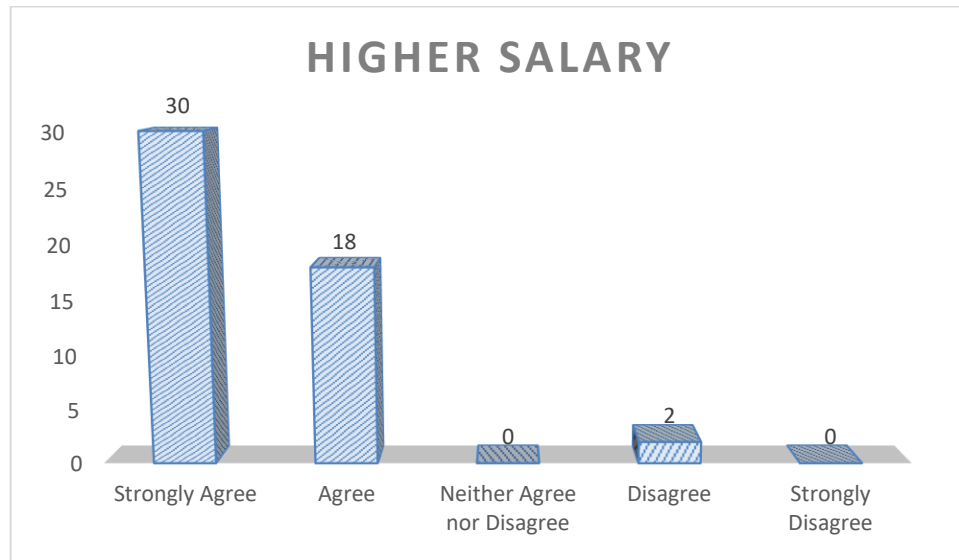
Table 4.25.3

Weights	F	<i>fx</i>
1	0	0
2	2	4
3	0	0
4	18	72
5	30	150

Total is 226

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed higher salaries offered by competitors result in employee attrition.

Figure 4.51



Total No. of respondents is 50

Q23. Does health problem result in employee attrition? (Please tick any 1)

- xi. Strongly disagree
- xii. Disagree
- xiii. Neither Agree nor Disagree
- xiv. Agree
- xv. Strongly agree

Table 4.26.1

Weights	f	f_x
1	50	50
2	50	100
3	50	150
4	50	200

5	50	250
---	----	-----

Table 4.26.2

Scale	
50 to 99	Strongly Disagree
100 to 149	Disagree
150	Neither agree nor disagree
151 to 199	Agree
200 to 250	Strongly Agree

Table 4.26.3

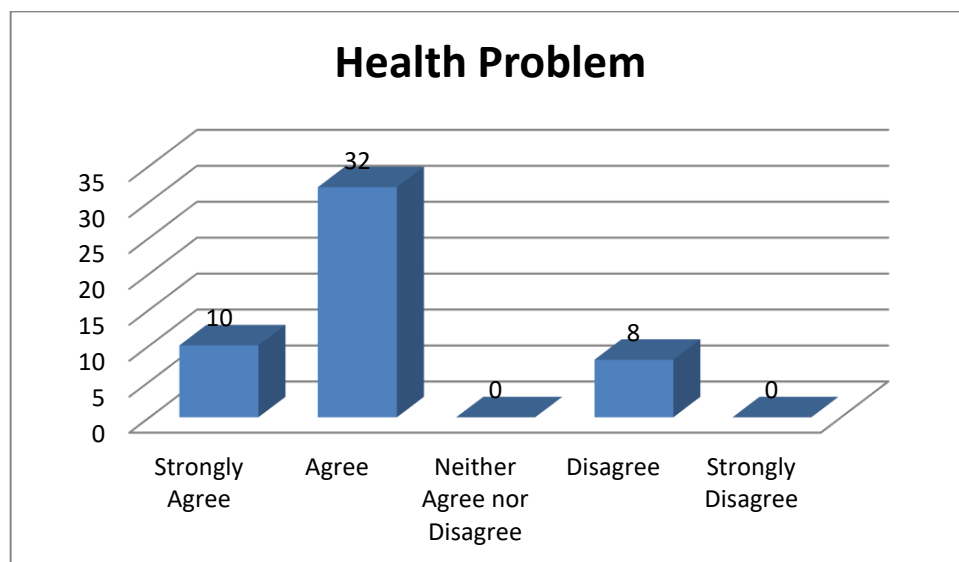
Weights	F	fx
1	0	0
2	8	16
3	0	0
4	32	128
5	10	50

Total is 194

Since it falls in the area of Agree, therefore most of the people agreed

health problem result in employee attrition.

Figure 4.52



Total No. of respondents is 50

Q24. Does family problem result in employee attrition? (Please tick any 1)

- xi. Strongly disagree
- xii. Disagree
- xiii. Neither Agree nor Disagree
- xiv. Agree
- xv. Strongly agree

Table 4.27.1

Weights	F	Jx
1	50	50
2	50	100
3	50	150
4	50	200
5	50	250

Table 4.27.2

Scale	
50 to 99	Strongly Disagree
100 to 149	Disagree
150	Neither agree nor disagree
151 to 199	Agree
200 to 250	Strongly Agree

Ta

Table 4.27.3

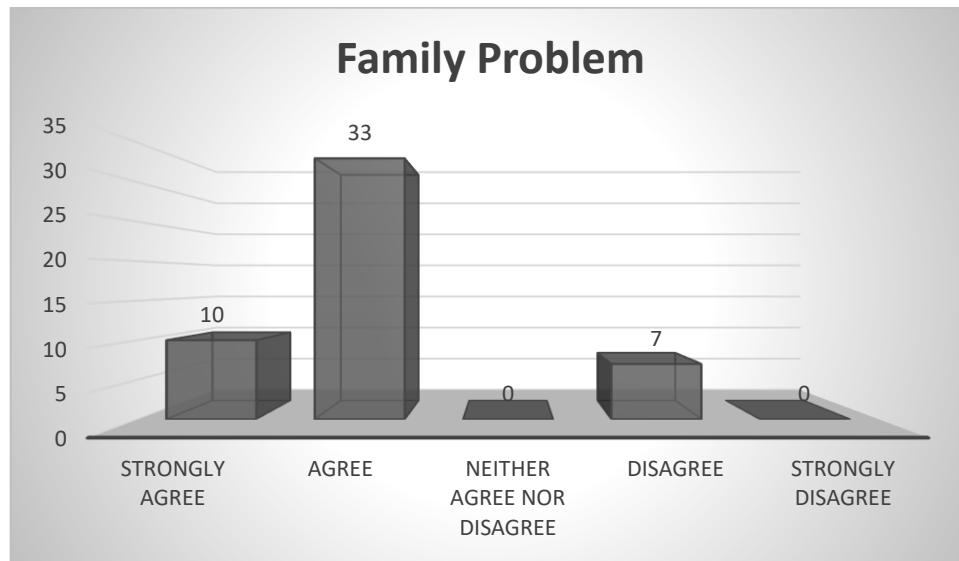
Weights	F	<i>fx</i>
1	0	0
2	7	14
3	0	0
4	33	132

5	10	50
---	----	----

Total is 196

Since it falls in the area of Agree, therefore most of the people agreed family problem result in employee attrition.

Figure 4.53



Total No. of respondents is 50

Q25. Does higher studies result in employee attrition? (Please tick any 1)

- xi. Strongly disagree
- xii. Disagree
- xiii. Neither Agree nor Disagree
- xiv. Agree
- xv. Strongly agree

Table 4.28.1

Weights	f	f_x
1	50	50
2	50	100
3	50	150
4	50	200
5	50	250

Table 4.28.2

Scale	
50 to 99	Strongly Disagree
100 to 149	Disagree
150	Neither agree nor disagree
151 to 199	Agree
200 to 250	Strongly Agree

Ta

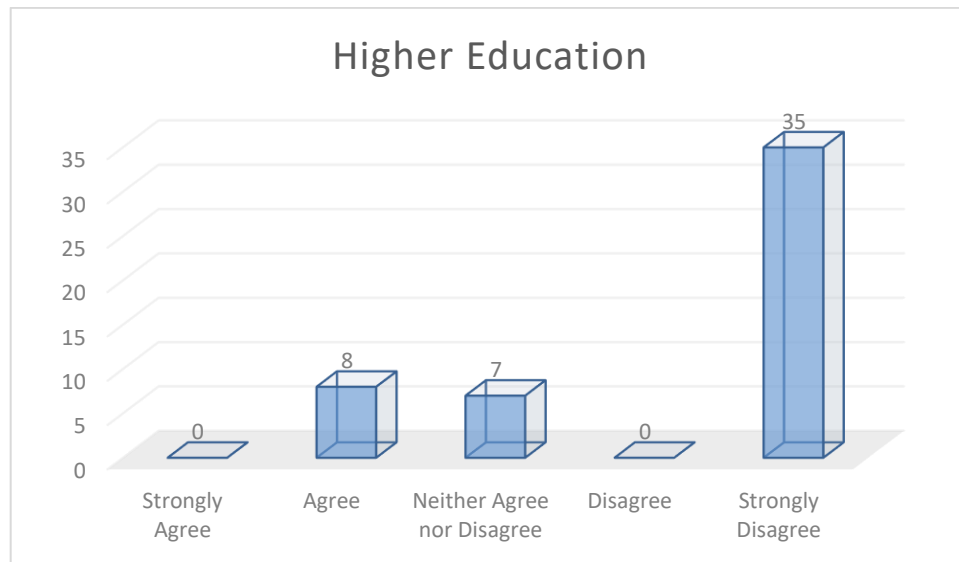
Table 4.28.3

Weights	F	fx
1	35	35
2	7	14
3	0	0
4	8	32
5	0	0

Total is 81

Since it falls in the area of Disagree, therefore most of the people disagreed higher studies result in employee attrition.

Figure 4.54



Total No. of respondents is 50

Please rate the following question between 0 (minimum effect) to 100 (maximum effect)

Q26. Odd working hours lead to employee attrition.

$$3945 / 5000 = 79\%$$

Interpretation

People believed that odd working hours effected around three fourth of the employee attrition in hotels.

Q50. Long working hours lead to employee attrition.

$$4030 / 5000 = 81\%$$

Interpretation

People believed that long working hours effected most of the employee attrition in hotels.

Q28. Adjustment problem with colleagues lead to employee attrition.

$$1900 / 5000 = 38\%$$

Interpretation

People believed that adjustment problem with colleagues effected less than half of the employee attrition in hotels.

Q29. Lack of employee personal growth lead to employee attrition.

$$1905 / 5000 = 38\%$$

Interpretation

People believed that lack of employee personal growth effected less than half of the employee attrition in hotels.

Q30. Work pressure in job lead to employee attrition.

$$3675 / 5000 = 73.5\%$$

Interpretation

People believed that work pressure in job effected around three fourth of the employee attrition in hotels.

Q31. Higher salaries offered by competitors lead to employee attrition.

$$4130 / 5000 = 83\%$$

Interpretation

People believed that higher salaries offered by competitors in job effected most of the employee attrition in hotels.

Q32. Health Problem of employee lead to attrition.

$$3410 / 5000 = 68\%$$

Interpretation

People believed that health Problem of employee effected nearly three fourth of the employee attrition in hotels.

Q33. Family Problem lead to employee attrition.

$$3690 / 5000 = 74\%$$

Interpretation

People believed that family problem of employee effected around three fourth of the employee attrition in hotels.

Q34. Pursue for higher studies of employee lead to employee attrition.

$$1040 / 5000 = 21\%$$

Interpretation

People believed that Pursue for higher studies of employee effected nearly one fourth of the employee attrition in hotels.

For hotel employees

Q8. Do you think odd working hours is a reason for attrition of employees?

Yes

No

\bar{p} = Employees of hotels who said yes that odd working hours is a reason for attrition.

\bar{q} = Employees of hotels who said no that odd working hours is a reason for attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p} = 95$

$\bar{q} = 5$

n = 100

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 95/100$$

$$= 0.95$$

$$\bar{q} = 5/100$$

$$= 0.05$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{.95 \cdot .05}{100}} = 0.07$$
$$= 0.07 * 1.96$$

$$= 0.14$$

$$\hat{\sigma}_{\bar{p}} \pm \bar{p}$$

$$= 0.95 \pm 0.14$$

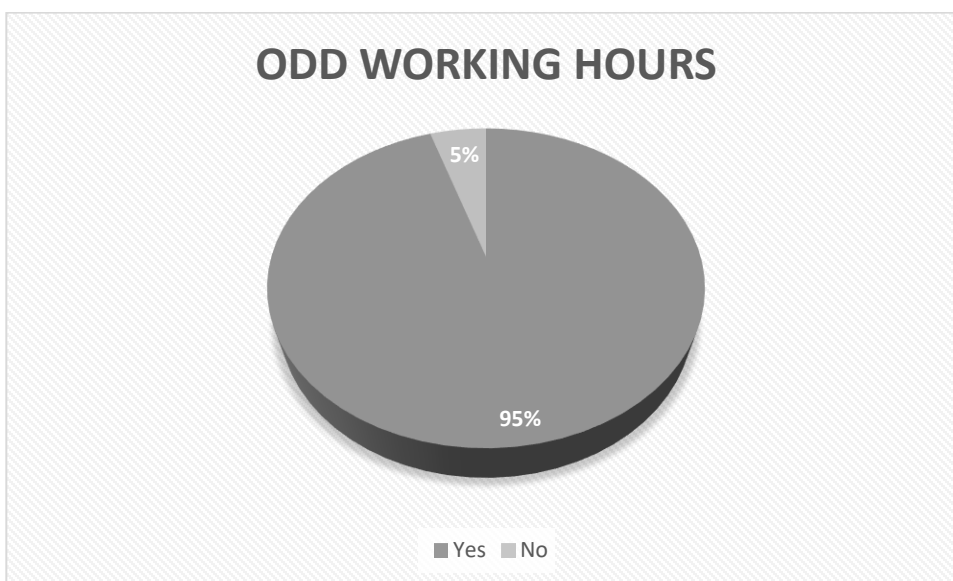
$$= .81 \text{ to } 1.$$

Interpretation

With 95% confidence level, 81% to 100% people believe that odd working hours is a reason for attrition.

Out of every 100 samples taken in 95 samples 81% to 100% people believe that odd working hours is a reason for attrition.

Figure 4.55



Total No. of respondents is 100

Q9. Do you think long working hours is a reason for attrition?

Yes

No

\bar{p} = Employees of hotels who said yes that long working hours is a reason for attrition.

\bar{q} = Employees of hotels who said no that long working hours is a reason for attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

\bar{p} = 95

\bar{q} = 5

n = 100

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 95/100$$

$$= 0.95$$

$$\bar{q} = 5/100$$

$$= 0.05$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{0.95 \cdot 0.05}{100}} = 0.07$$
$$= 0.07 \cdot 1.96$$

$$= 0.14$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.95 \pm 0.14$$

$$= .81 \text{ to } 1$$

Interpretation

With 95% confidence level, 81% to 100% people believe that long working hours is a reason for attrition.

Out of every 100 samples taken in 95 samples 93% to 99% people believe that long working hours is a reason for attrition.

Figure 4.56



Total No. of respondents is 100

Q10. Do you think adjustment problem with colleagues is a reason for attrition?

Yes

No

\bar{p} = Employees of hotels who said yes that adjustment problem with colleagues is a reason for attrition.

\bar{q} = Employees of hotels who said no that adjustment problem with colleagues is a reason for attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p} = 40$$

$$\bar{q} = 60$$

$$n = 100$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 40/100$$

$$= 0.4$$

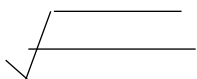
$$\bar{q} = 60/100$$

$$= 0.6$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96



$$\hat{\sigma}_{\bar{p}} = 0.04 * 0.06 = 0.04$$

$$= 0.04 * 1.96$$

$$= 0.08$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.40 \pm 0.08$$

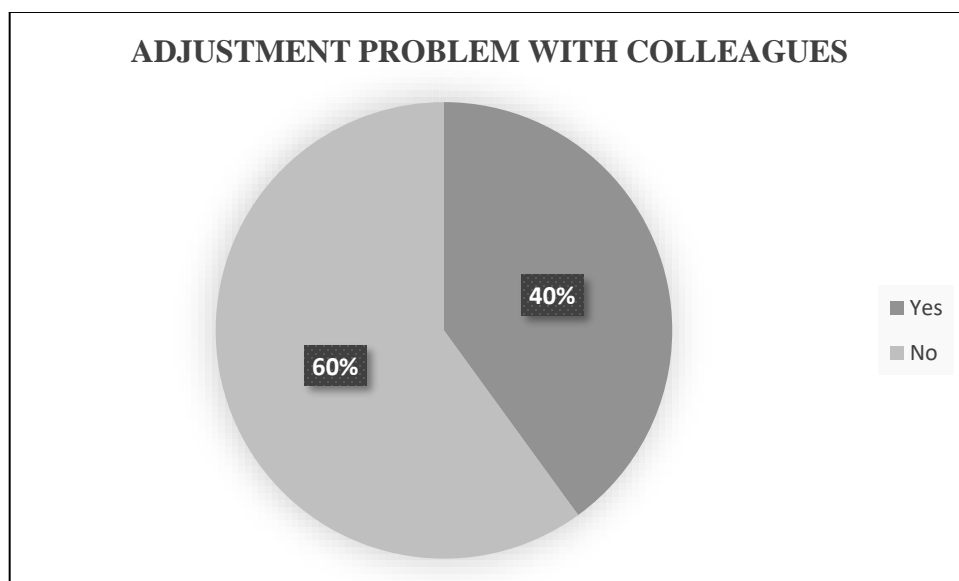
$$= 0.32 \text{ to } 0.48$$

Interpretation

With 95% confidence level, 32% to 48% people believe that adjustment problem with colleagues is a reason for attrition.

Out of every 100 samples taken in 95 samples 32% to 48% people believe that adjustment problem with colleagues is a reason for attrition.

Figure 4.57



Total No. of respondents is 100

Q11. Do you think employee's personal development within organization is a

reason for attrition?

Yes

No

\bar{p} = Employees of hotels who said yes that employee's personal development within organization is a reason for attrition.

\bar{q} = Employees of hotels who said no that employee's personal development within organization is a reason for employee attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p} = 65$$

$$\bar{q} = 35$$

$$n = 100$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 65/100$$

$$= 0.65$$

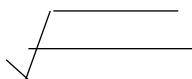
$$\bar{q} = 35/100$$

$$= 0.35$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96



$$\hat{\sigma}_{\bar{p}} = 0.65 * 0.35 = 0.04$$

$$= \frac{0.04}{\sqrt{100}} * 1.96$$

$$= 0.09$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.65 \pm 0.09$$

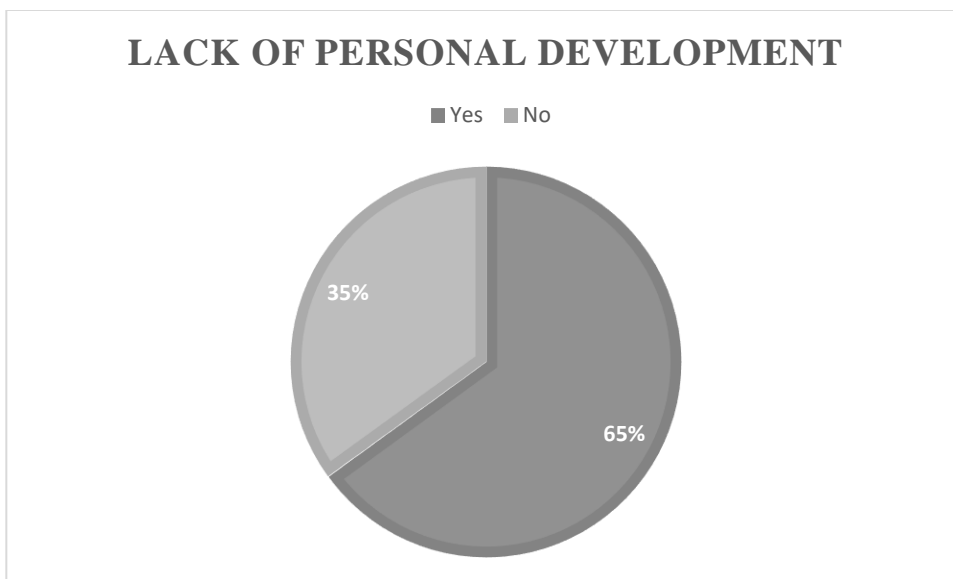
$$= 0.56 \text{ to } 0.74$$

Interpretation

With 95% confidence level, 56% to 74% people believe that employee's personal development within organization is a reason for attrition.

Out of every 100 samples taken in 95 samples 56% to 74% people believe employee's personal development within organization is a reason for attrition.

Figure 4.58



Total No. of respondents is 100

Q.12 Do you think work pressure in job is a reason for attrition?

Yes

No

\bar{p} = Employees of hotels who said yes that work pressure in job is a reason for attrition.

\bar{q} = Employees of hotels who said no that work pressure in job is a reason for attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p} = 90$$

$$\bar{q} = 10$$

$$n = 100$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 90/100$$

$$= 0.9$$

$$\bar{q} = 10/100$$

$$= 0.1$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{0.90 \times 0.10} = 0.03$$

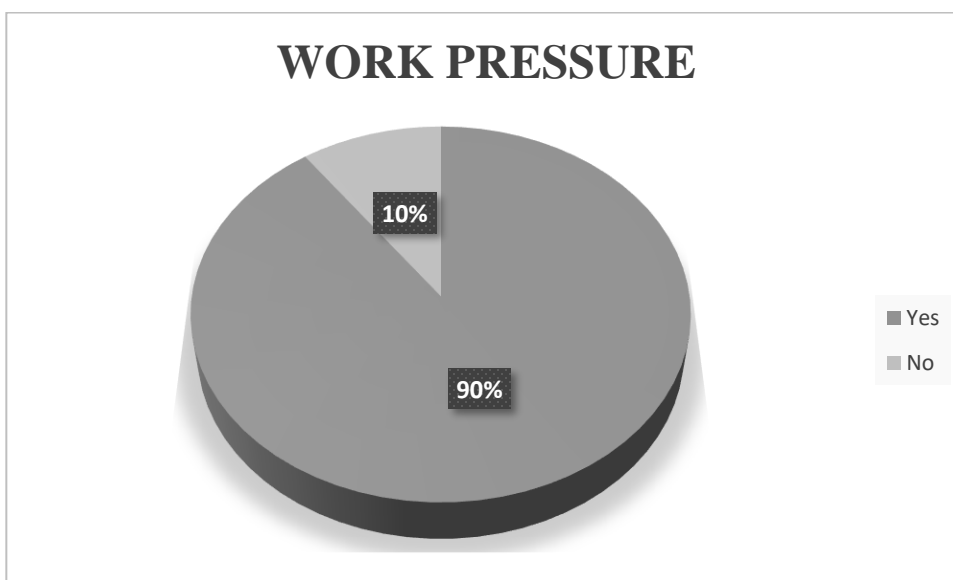
$$\begin{aligned}
 &= \frac{100}{0.03} * 1.96 \\
 &= 0.06 \\
 &\hat{\sigma}_{\bar{p} \pm z} \\
 &= 0.9 \pm 0.06 \\
 &= 84\% \text{ to } 96\%
 \end{aligned}$$

Interpretation

With 95% confidence level, 84% to 96% people believe that work pressure in job is a reason for attrition.

Out of every 100 samples taken in 95 samples 84% to 96% people believe that work pressure in job is a reason for attrition.

Figure 4.59



Total No. of respondents is 100

Q.13 Do you think higher salary offered by competitors lead to attrition of employees?

Yes

No

\bar{p} = Employees of hotels who said yes that higher salary offered by competitors is a reason for attrition.

\bar{q} = Employees of hotels who said no that higher salary offered by competitors is a reason for attrition.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p} = 93$$

$$\bar{q} = 7$$

$$n = 100$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 93/100$$

$$= 0.93$$

$$\bar{q} = 7/100$$

$$= 0.07$$

Confidence level 95%

Level of significance (α) = 0.05

Value of $Z = \pm 1.96$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{0.93 \cdot 0.07}{100}}$$
$$= 0.03 \cdot 1.96$$

$$= 0.06$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.93 \pm 0.06$$

$$= 87\% \text{ to } 99\%$$

Interpretation

With 95% confidence level, 87% to 99% people believe that higher salary offered by competitors lead to attrition of employees.

Out of every 100 samples taken in 95 samples 87% to 99% people believe that higher salary offered by competitors lead to attrition of employees.

Figure 4.60



Total No. of respondents is 100

Q14. Do you think employees quit due to health problems?

Yes

No

\bar{p} = Employees of hotels who said yes that employees quit due to health problems.

\bar{q} = Employees of hotels who said no that employees quit due to health problems.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$$\bar{p} = 77$$

$$\bar{q} = 23$$

$$n = 100$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 77/100$$

$$= 0.77$$

$$\bar{q} = 23/100$$

$$= 0.23$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \frac{\sqrt{0.77 \cdot 0.23}}{\sqrt{100}} = 0.04$$

$$= 0.04 \cdot 1.96$$

$$= 0.8$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.77 \pm 0.8$$

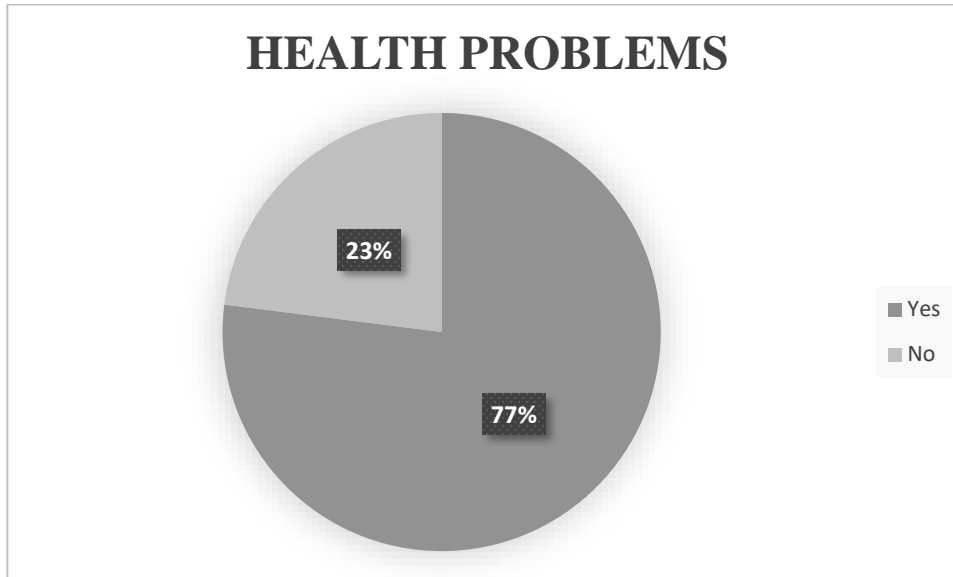
$$= 69\% \text{ to } 85\%$$

Interpretation

With 95% confidence level, 69% to 85% people believe that employees quit due to health problems.

Out of every 100 samples taken in 95 samples 69% to 85% people believe that employees quit due to health problems.

Figure 4.61



Total No. of Respondents is 100

Q15. Do you think employees quit due to family problems?

Yes

No

\bar{p} = Employees of hotels who said yes that employees quit due to family problems.

\bar{q} = Employees of hotels who said no that employees quit due to family problems.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=80$

$\bar{q}=20$

$n=100$

\sqrt{F}

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{pq}{n}}$$

$$\bar{p} \pm z \hat{\sigma}_{\bar{p}}$$

$$\bar{p} = 80/100$$

$$= 0.8$$

$$\bar{q} = 20/100$$

$$= 0.2$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z = ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{0.8 \cdot 0.2}{100}} = 0.04$$

$$= 0.04 \cdot 1.96$$

$$= 0.08$$

$$\bar{p} \pm z \hat{\sigma}_{\bar{p}}$$

$$= 0.8 \pm 0.08$$

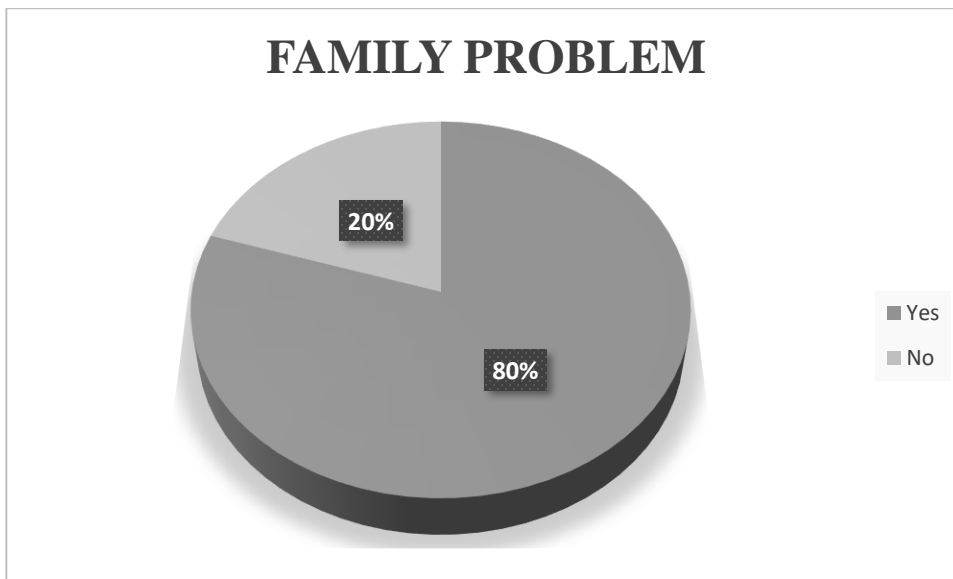
$$= 72\% \text{ to } 88\%$$

Interpretation

With 95% confidence level, 72% to 88% people believe that employees quit due to family problems.

Out of every 100 samples taken in 95 samples 72% to 88% people believe that employees quit due to family problems.

Figure 4.62



Total No. of Respondents is 100

Q16. Do you think employees quit due to higher education?

Yes

No

\bar{p} = Employees of hotels who said yes that employees quit due to higher education.

\bar{q} = Employees of hotels who said no that employees quit due to higher education.

n = Total number of respondents.

$\hat{\sigma}_{\bar{p}}$ = Standard error of estimate

$\bar{p}=40$

$$\bar{q}=60$$

$$n=100$$

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{\bar{p}\bar{q}}{n}}$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$\bar{p}=40/100$$

$$= 0.4$$

$$\bar{q} = 60/100$$

$$= 0.6$$

Confidence level 95%

Level of significance (α) = 0.05

Value of Z= ± 1.96

$$\hat{\sigma}_{\bar{p}} = \sqrt{\frac{0.4 \cdot 0.6}{100}} = 0.05$$

$$= 0.05 \cdot 1.96$$

$$= 0.09$$

$$\bar{p} \pm \hat{\sigma}_{\bar{p}}$$

$$= 0.4 \pm 0.09$$

$$= 31\% \text{ to } 49\%$$

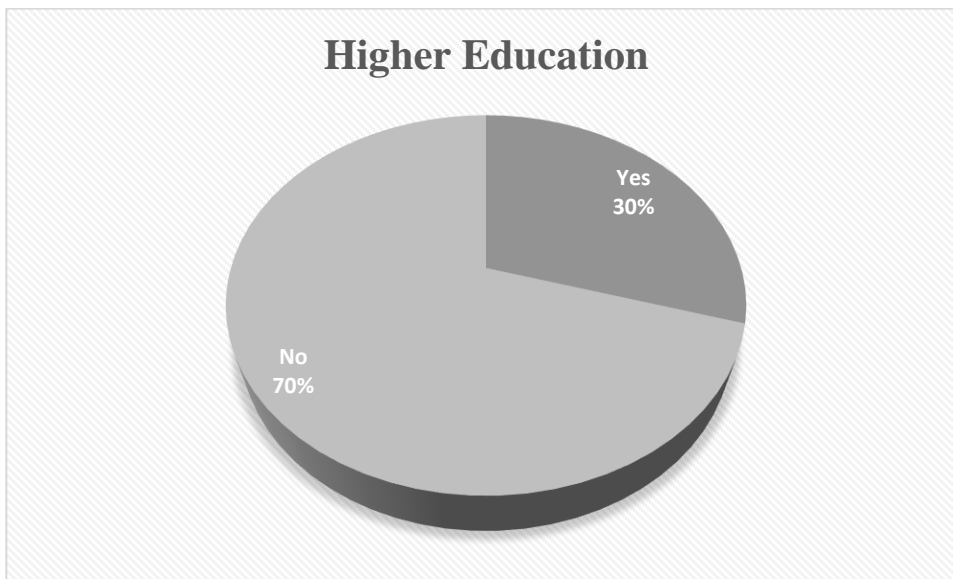
Interpretation

With 95% confidence level, 31% to 49% people believe that employees quit due to higher education.

Out of every 100 samples taken in 95 samples 31% to 49% people believe that

employees quit due to higher education.

Figure 4.63



Total No. of Respondents is 100

Q17. Does odd working hours increase employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.29.1

Weights	<i>f</i>	<i>fx</i>
1	100	100
2	100	200
3	100	300
4	100	400
5	100	500

Table 4.29.2

Scale	
100 to 199	Strongly Disagree
200 to 299	Disagree
300	Neither agree nor disagree
301 to 399	Agree
400 to 500	Strongly Agree

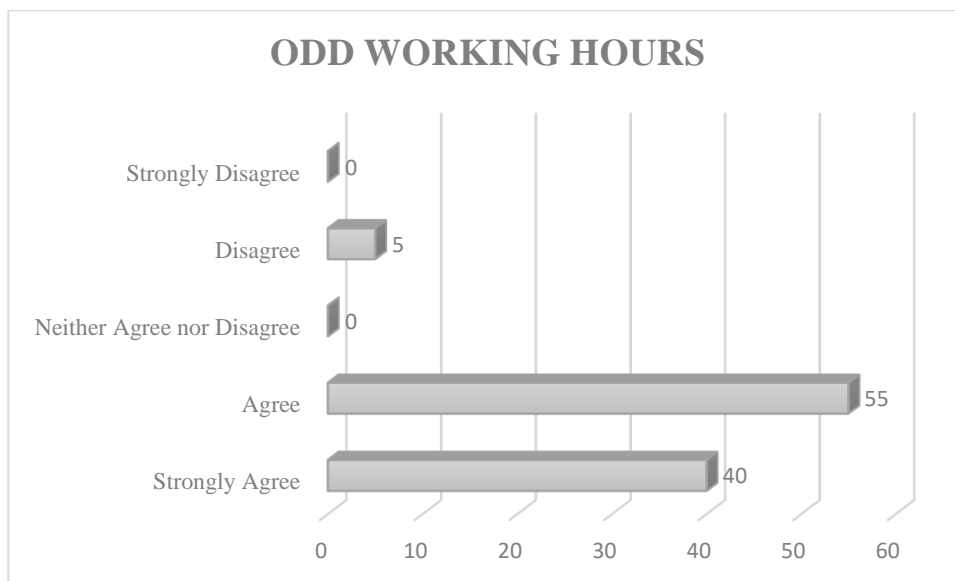
Table 4.29.3

Weights	f	fx
1	0	0
2	5	10
3	0	0
4	55	220
5	40	200

Total is 430

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed odd working hours increase employee attrition.

Figure 4.64



Total No. of respondents is 100

Q18. Does long working hours increase employee attrition? (Please tick any 1)

- i. Strongly disagree

- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.30.1

Weights	f	fx
1	100	100
2	100	200
3	100	300
4	100	400
5	100	500

Table 4.30.2

Scale	
100 to 199	Strongly Disagree
200 to 299	Disagree
300	Neither agree nor disagree
301 to 399	Agree
400 to 500	Strongly Agree

Table 4.30.3

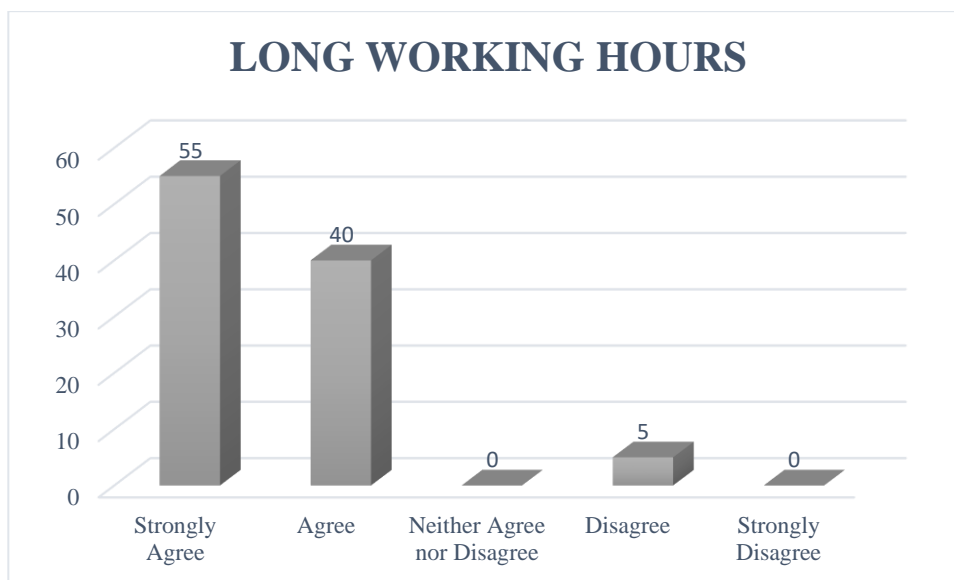
Weights	f	fx
1	0	0
2	5	10
3	0	0

4	40	160
5	55	275

Total is 450

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed long working hours increase employee attrition.

Figure 4.65



Total No. of respondents is 100

Q19. Does adjustment problem with colleagues result in employee attrition?

(Please tick any 1)

- i. Strongly disagree

- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.31.1

Weights	<i>f</i>	<i>fx</i>
1	100	100
2	100	200
3	100	300
4	100	400
5	100	500

Table 4.31.2

Scale	
100 to 199	Strongly Disagree
200 to 299	Disagree
300	Neither agree nor disagree
301 to 399	Agree
400 to 500	Strongly Agree

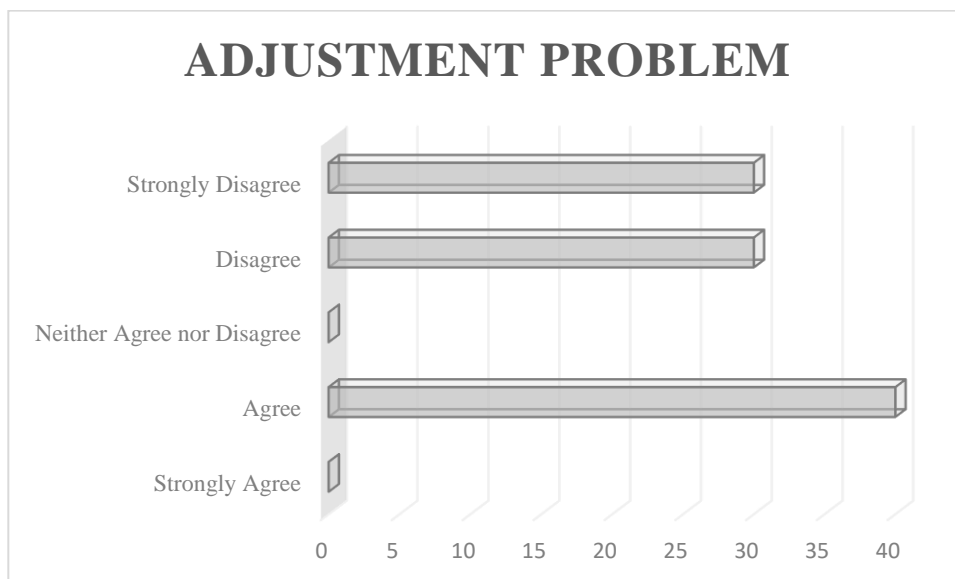
Table 4.31.3

Weights	<i>f</i>	<i>fx</i>
1	30	30
2	30	60
3	0	0
4	40	160
5	0	0

Total is 250

Since it falls in the area of Disagree, therefore most of the people disagreed adjustment problem with colleagues result in employee attrition.

Figure 4.66



Total No. of respondents is 100

Q20. Does employee's personal development within organization result in employee attrition? (Please tick any 1)

- i. Strongly disagree

- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.32.1

Weights	<i>f</i>	<i>fx</i>
1	100	100
2	100	200
3	100	300
4	100	400
5	100	500

Table 4.32.2

Scale	
100 to 199	Strongly Disagree
200 to 299	Disagree
300	Neither agree nor disagree
301 to 399	Agree
400 to 500	Strongly Agree

Table 4.32.3

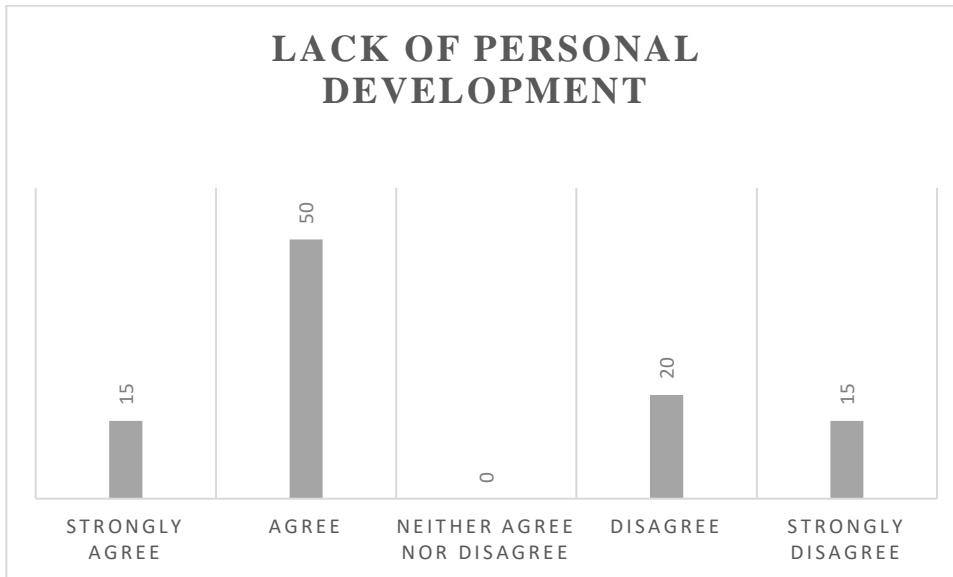
Weights	<i>f</i>	<i>fx</i>
1	15	15
2	20	40

3	0	0
4	50	200
5	15	75

Total is 330

Since it falls in the area of Agree, therefore most of the people Agreed employee's personal development within organization result in employee attrition.

Figure 4.67



Total No. of respondents is 100

Q21. Does work pressure result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.33.1

Weights	J	fx
1	100	100
2	100	200
3	100	300
4	100	400
5	100	500

Table 4.33.2

Scale	
100 to 199	Strongly Disagree
200 to 299	Disagree
300	Neither agree nor disagree
301 to 399	Agree
400 to 500	Strongly Agree

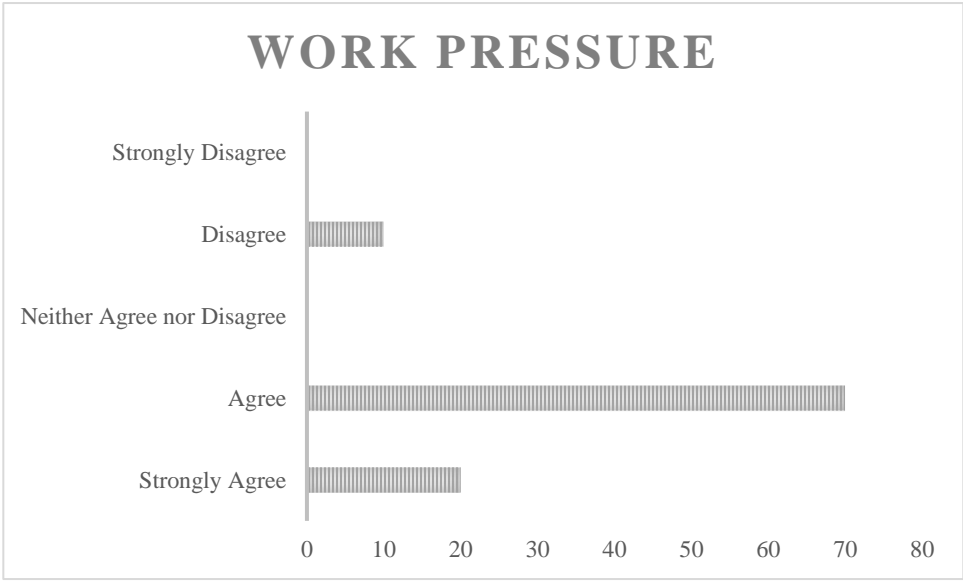
Table 4.33.3

Weights	f	fx
1	0	0
2	10	20
3	0	0
4	70	280
5	20	100

Total is 400

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed work pressure result in employee attrition.

Figure 4.68



Total No. of respondents is 100

Q22. Does higher salaries offered by competitors result in employee attrition?
(Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.34.1

Weights	F	<i>fx</i>
1	100	100
2	100	200
3	100	300
4	100	400

5	100	500
---	-----	-----

Table 4.34.2

Scale	
100 to 199	Strongly Disagree
200 to 299	Disagree
300	Neither agree nor disagree
301 to 399	Agree
400 to 500	Strongly Agree

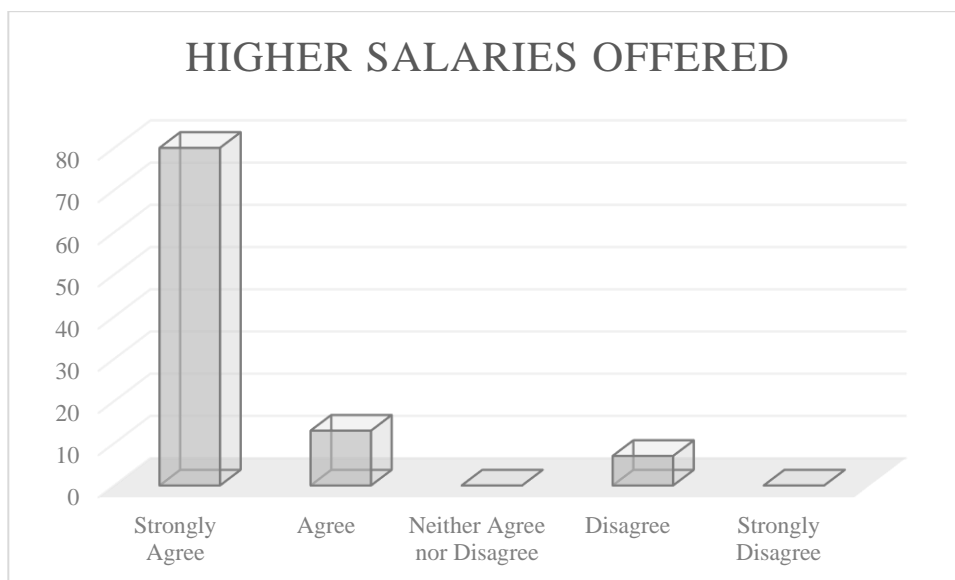
Table 4.34.3

Weights	f	<i>fx</i>
1	0	0
2	7	14
3	0	0
4	13	52
5	80	400

Total is 466

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed higher salaries offered by competitors result in employee attrition.

Figure 4.69



Total No. of respondents is 100

Q23. Does health problem result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree

- iv. Agree
- v. Strongly agree

Table 4.35.1

Weights	<i>F</i>	<i>fx</i>
1	100	100
2	100	200
3	100	300
4	100	400
5	100	500

Table 4.35.2

Scale	
100 to 199	Strongly Disagree
200 to 299	Disagree
300	Neither agree nor disagree
301 to 399	Agree
400 to 500	Strongly Agree

Table 4.35.3

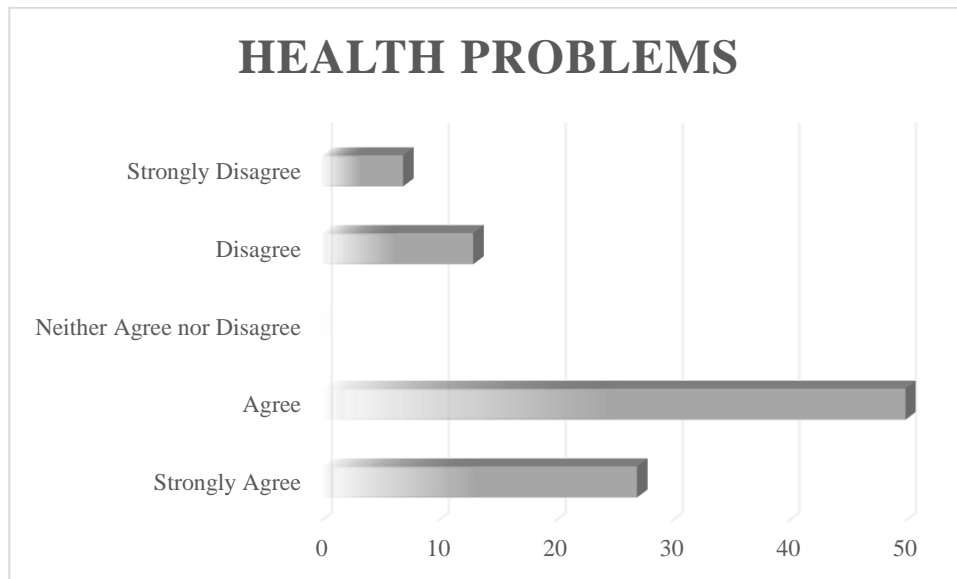
Weights	<i>F</i>	<i>fx</i>
1	10	10
2	13	26

3	0	0
4	50	200
5	27	135

Total is 371

Since it falls in the area of Agree, therefore most of the people agreed health problem result in employee attrition.

Figure 4.70



Total No. of respondents is 100

Q24. Does family problem result in employee attrition? (Please tick any 1)

- i. Strongly disagree
- ii. Disagree
- iii. Neither Agree nor Disagree
- iv. Agree
- v. Strongly agree

Table 4.36.1

Weights	f	fx
1	100	100
2	100	200
3	100	300
4	100	400
5	100	500

Table 4.36.2

Scale	
100 to 199	Strongly Disagree
199 to 299	Disagree
300	Neither agree nor disagree
301 to 399	Agree
400 to 500	Strongly Agree

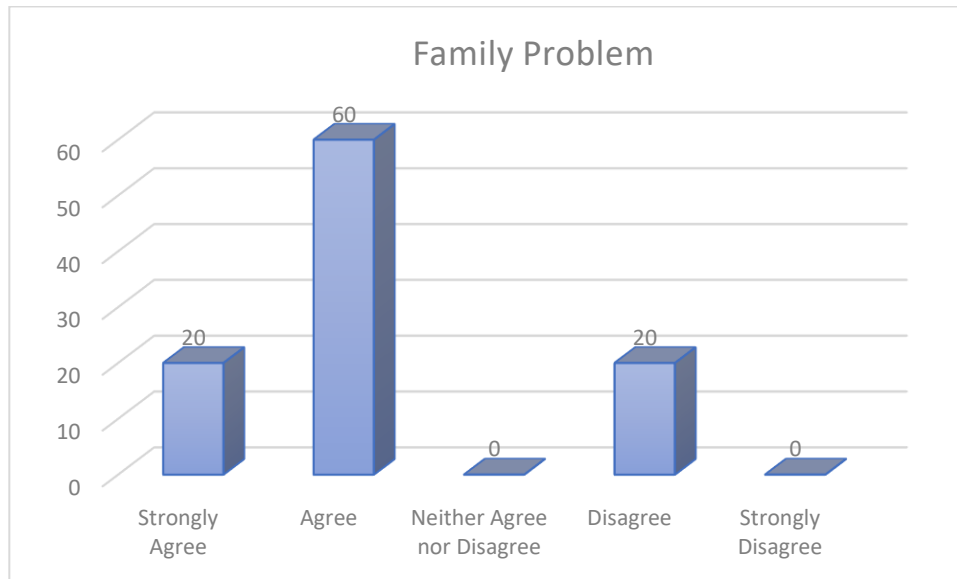
Table 4.36.3

Weights	f	<i>fx</i>
1	0	0
2	20	40
3	0	0
4	60	240
5	20	100

Total is 480

Since it falls in the area of Strongly Agree, therefore most of the people strongly agreed family problem result in employee attrition.

Figure 4.71



Total No. of respondents is 100

Q25. Does higher studies result in employee attrition? (Please tick any 1)

- vi. Strongly disagree
- vii. Disagree
- viii. Neither Agree nor Disagree
- ix. Agree
- x. Strongly agree

Table 4.37.1

Weights	<i>F</i>	<i>fx</i>
1	100	100
2	100	200
3	100	300
4	100	400

5	100	500
---	-----	-----

Table 4.37.2

Scale	
100 to 199	Strongly Disagree
200 to 299	Disagree
300	Neither agree nor disagree
301 to 399	Agree
400 to 500	Strongly Agree

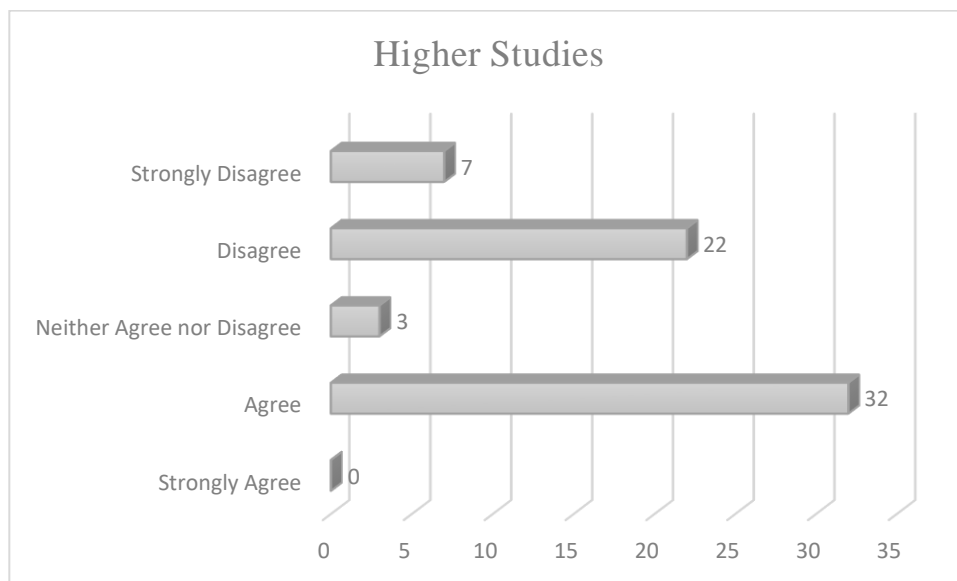
Table 4.37.3

Weights	f	<i>fx</i>
1	7	7
2	11	22
3	1	3
4	8	32
5	0	0

Total is 64

Since it falls in the area of Disagree, therefore most of the people disagreed higher studies result in employee attrition.

Figure 4.72



Total No. of respondents is 100

Please rate the following question between 0 (minimum effect) to 100 (maximum effect)

Q26. Odd working hours lead to employee attrition.

$$8000 / 10000 = 80\%$$

Interpretation

People believed that odd working hours effected around three fourth of the employee attrition in hotels.

Q100. Long working hours lead to employee attrition.

$$8100 / 10000 = 81\%$$

Interpretation

People believed that long working hours effected around three fourth of the employee attrition in hotels.

Q28. Adjustment problem with colleagues lead to employee attrition.

$$4700 / 10000 = 47\%$$

Interpretation

People believed that adjustment problem with colleagues effected nearly half of the employee attrition in hotels.

Q29. Lack of employee personal growth lead to employee attrition.

$$4500 / 10000 = 45\%$$

Interpretation

People believed that lack of employee personal growth effected nearly half of the employee attrition in hotels.

Q30. Work pressure in job lead to employee attrition.

$$7100 / 10000 = 71\%$$

Interpretation

People believed that work pressure in job effected around three fourth of the employee attrition in hotels.

Q31. Higher salaries offered by competitors lead to employee attrition.

$$8700 / 10000 = 87\%$$

Interpretation

People believed that higher salaries offered by competitors effected most of the employee attrition in hotels.

Q32. Health Problem of employee lead to attrition.

$$8200 / 10000 = 82\%$$

Interpretation

People believed that health Problem of employee effected most of the employee attrition in hotels.

Q33. Family Problem lead to employee attrition.

$$7500 / 10000 = 75\%$$

Interpretation

People believed that family problem in job effected around three fourth of the employee attrition in hotels.

Q34. Pursue for higher studies of employee lead to employee attrition.

$$2300 / 10000 = 23\%$$

Interpretation

People believed that pursue for higher studies effected nearly one fourth of the employee attrition in hotels.

Hypothesis testing

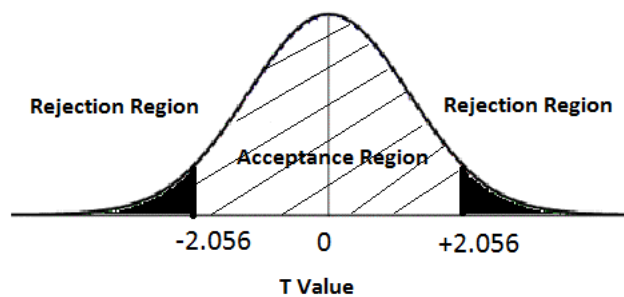
Hotel owners/ managers

Hypothesis I

H_0 : Odd working hours of employees has insignificant impact on attrition in hotels

H_1 : Odd working hours of employees has significant impact on attrition in hotel

Figure 4.73



\bar{p} = Respondents who agreed that odd working hours has impact on attrition in hotels

\bar{q} = Respondents who disagreed that odd working hours has impact on attrition in hotels

$p = 27$ $q = 0$

t-test calculated with level of significance 0.05%, since q value is 0 and p value is 100% and not touching the x axis being too near perfect, we reject H_0 and accept H_1 i.e. Odd working hours has significant impact on attrition in hotels

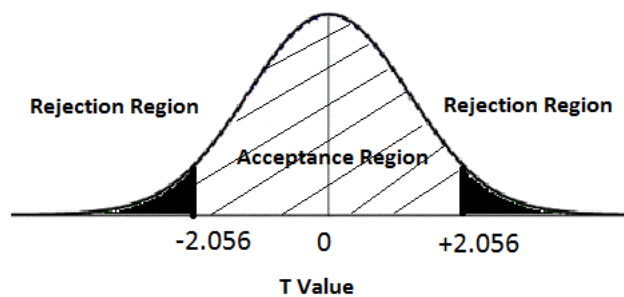
Hypothesis II

H_0 : Adjustment problem with colleague has insignificant impact on attrition in hotels

H_1 : Adjustment problem with colleague has significant impact on attrition in hotels

t-test calculated with level of significance 0.05%, p value is 0.96 and q value is 0.04 where critical value is 2.056 (As per the T table).

Figure 4.74



\bar{p} = Respondents who agreed that adjustment problem with colleague has impact on attrition in hotels

\bar{q} = Respondents who disagreed that adjustment problem with colleague has impact on attrition in hotels

$$p = 18/27 = 0.66 \quad q = 9/27 = 0.34$$

$$\sigma_{\bar{x}} = \sqrt{\frac{qH_0pH_0}{n}}$$

$$= \sqrt{\frac{0.66 \cdot 0.34}{27}} = 0.091$$

$$t = \frac{\bar{x} - \mu_0}{\frac{s}{\sqrt{n}}}$$

$$\sqrt{n} = \sqrt{27} = 5.196$$

$$s = 0.091$$

$$s/\sqrt{n} = 0.091/5.196 = 0.017$$

$$= 0.66 - 0.5/0.017$$

$$= 0.16/0.017 = 9.41$$

T value is 9.41, since it falls outside the acceptance area, therefore, we reject H_0 and accept H_1 . i.e. Adjustment problem with colleague has significant impact on attrition in hotels.

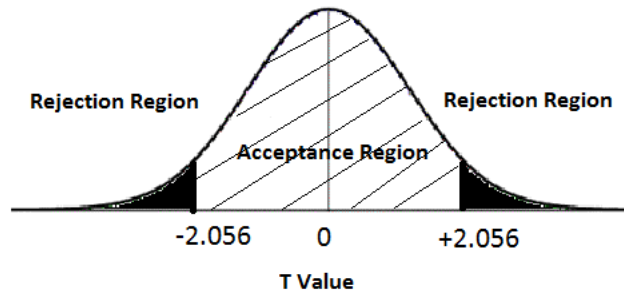
Hypothesis III

H_0 : Lack of personal development of employees has insignificant impact on attrition in hotels

H_1 : Lack of personal development of employees has significant impact on attrition in hotels

t-test calculated with level of significance 0.05%, p value is 0.63 and q value is 0.37 where critical value is 2.056 (As per the T table).

Figure 4.75



\bar{p} = Respondents who agreed that lack of personal development of employees has impact on attrition in hotels

\bar{q} = Respondents who disagreed that lack of personal development of employees has impact on attrition in hotels

$$p = 17/27 = 0.63 \quad q = 10/27 = 0.37$$

$$\sigma_{\bar{x}} = \sqrt{\frac{qH_0pH_0}{n}}$$

$$= \sqrt{\frac{0.63 \cdot 0.37}{27}} = 0.093$$

$$t = \frac{\bar{x} - \mu_0}{\frac{s}{\sqrt{n}}}$$

$$\sqrt{n} = \sqrt{27} = 5.196$$

$$s = 0.093$$

$$s/\sqrt{n} = 0.093/5.196 = 0.016$$

$$= 0.63 - 0.5/0.017$$

$$= 0.13/0.017 = 7.64$$

T value is 7.64, since it falls outside the acceptance area, therefore, we reject H_0 and accept H_1 . i.e. Adjustment problem with colleague has significant impact on attrition in hotels

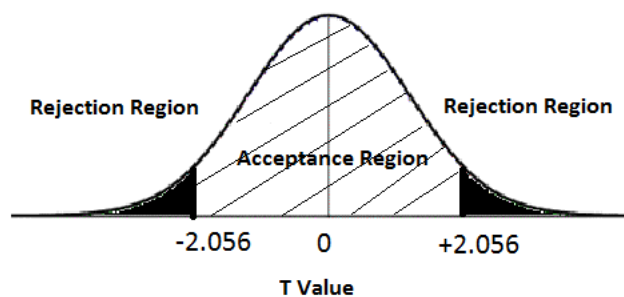
Hypothesis IV

H_0 : Work pressure on employees has insignificant impact on attrition in hotels

H_1 : Work pressure on employees has significant impact on attrition in hotels

t-test calculated with level of significance 0.05%, p value is 0.7 and q value is 0.3 where critical value is 2.056 (As per the T table).

Figure 4.76



\bar{p} = Respondents who agreed that work pressure on employees has impact on attrition in hotels

\bar{q} = Respondents who disagreed that work pressure on employees has impact on attrition in hotels

$$p = 19/27 = 0.7 \quad q = 8/27 = 0.3$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

$$= \sqrt{\frac{0.7 \cdot 0.3}{27}} = 0.088$$

$$t = \frac{\bar{x} - \mu_0}{\frac{s}{\sqrt{n}}}$$

$$\sqrt{n} = \sqrt{27} = 5.196$$

$$s = 0.088$$

$$s/\sqrt{n} = 0.088/5.196 = 0.016$$

$$= 0.7 - 0.5/0.016$$

$$= 0.2/0.016 = 12.5$$

T value is 12.5, since it falls outside the acceptance area, therefore, we reject H_0 and accept H_1 . i.e. work pressure on employees has significant impact on attrition in hotels

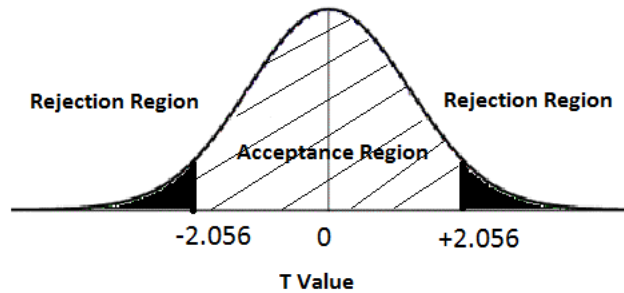
Hypothesis V

H_0 : Health problem of employees has insignificant impact on attrition in hotels

H_1 : Health problem of employees has significant impact on attrition in hotels

t-test calculated with level of significance 0.05%, p value is 0.89 and q value is 0.11 where critical value is 2.056 (As per the T table).

Figure 4.77



\bar{p} = Respondents who agreed that health problem of employees has impact on attrition in hotels

\bar{q} = Respondents who disagreed that health problem of employees has impact on attrition in hotels

$$p = 24/27 = 0.89 \quad q = 3/27 = 0.11$$

$$\sigma_{\bar{x}} = \sqrt{\frac{qH_0pH_0}{n}}$$

$$= \sqrt{\frac{0.89 \cdot 0.11}{27}} = 0.06$$

$$t = \frac{\bar{x} - \mu_0}{\frac{s}{\sqrt{n}}}$$

$$\sqrt{n} = \sqrt{27} = 5.196$$

$$s = 0.06$$

$$s/\sqrt{n} = 0.06/5.196 = 0.012$$

$$= 0.89 - 0.5/0.012$$

$$= 0.49/0.012 = 40.83$$

T value is 40.83, since it falls outside the acceptance area, therefore, we reject H_0 and accept H_1 . i.e. health problem of employees has significant impact on attrition in hotels

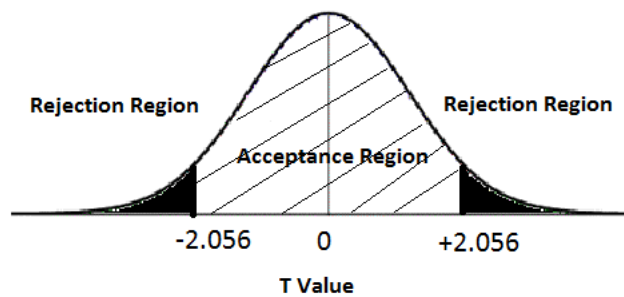
Hypothesis VI

H_0 : Family problem of employees has insignificant impact on attrition in hotels

H_1 : Family problem of employees has significant impact on attrition in hotels

$$p=27 \quad q=0$$

Figure 4.78



t-test calculated with level of significance 0.05%, since q value is 0 and p value is 100% and not touching the x axis being to near perfect, we reject H_0 and accept H_1 i.e. Odd working hours has significant impact on attrition in hotels

As per the standard normal probability distribution curve where $\mu = 0$ and standard deviation = ± 1 , with level of significance as 5% the area between -1.96 to +1.96 is the area acceptance and the area before -1.96 and after +1.96 is the area of rejection. In case if the value of Z calculated on standard scale falls between -1.96 to +1.96 i.e. in the area of acceptance, then we accept the null hypothesis. If the value of Z calculated falls before -1.96 or after +1.96 i.e. in the area of rejection, then we reject null hypothesis in favor of alternative hypothesis.

Restaurant owner/ manager

Hypothesis I

H_0 : Odd working hours has insignificant impact on attrition in restaurants

H_1 : Odd working hours of employees has significant impact on attrition in restaurants

\bar{p} = Respondents who agreed that odd working hours has impact on attrition in restaurants

\bar{q} = Respondents who disagreed that odd working hours has impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 50/52$$

$$\bar{q} = 2/52$$

$$\bar{p} = 0.98\bar{q} = 0.02$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

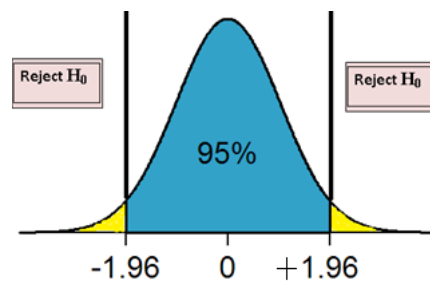
$$= \sqrt{\frac{0.98 \cdot 0.02}{52}} = 0.019$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.98 - 0.5}{0.019} = \frac{0.48}{0.019} = 25.2$$

Figure 4.79



Since Z_{cal} (25.2) falls in the area of rejection therefore, we reject H_0 in

favor of H_1 i.e. odd working hours has significant impact on attrition in restaurants.

Hypothesis II

H_0 : Adjustment problem with colleague has insignificant impact on attrition in restaurants

H_1 : Adjustment problem with colleague has significant impact on attrition in restaurants

\bar{p} = Respondents who agreed that adjustment problem with colleague has impact on attrition in restaurants

\bar{q} = Respondents who disagreed that adjustment problem with colleague has impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.46 \quad \bar{q} = 0.54$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

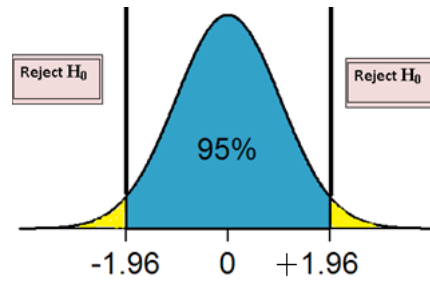
$$= \sqrt{\frac{0.46 \cdot 0.54}{52}} = 0.069$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.46 - 0.5}{0.069} = \frac{-0.04}{0.069} = -0.6$$

Figure 4.80



Since $Z_{cal} (-0.6)$ falls in the area of acceptance therefore, we accept H_0 i.e.

Adjustment problem with colleague has insignificant impact on attrition in restaurants.

Hypothesis III

H_0 : Lack of personal development of employees has insignificant impact on attrition in restaurants

H_1 : Lack of personal development of employees has significant impact on attrition in restaurants

\bar{p} = Respondents who agreed that lack of personal development of employees has impact on attrition in restaurants

\bar{q} = Respondents who disagreed that lack of personal development of employees has impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.4 \quad \bar{q} = 0.6$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0} p_{H0}}{n}}$$

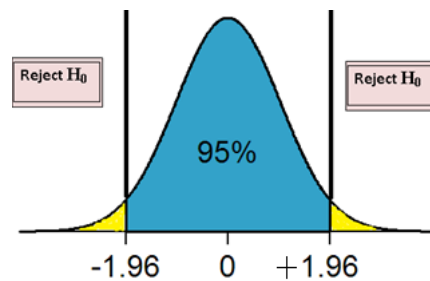
$$= \sqrt{\frac{0.4*0.6}{52}} = 0.069$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.4 - 0.5}{0.069} = \frac{-0.1}{0.069} = -0.08$$

Figure 4.81



Since Z_{cal} (-0.8) falls in the area of acceptance therefore, we accept H_0 i.e. lack of personal development of employees has insignificant impact on attrition in restaurants.

Hypothesis IV

H_0 : Work pressure on employees has insignificant impact on attrition in restaurants

H_1 : Work pressure on employees has significant impact on attrition in restaurants

\bar{p} = Respondents who agreed that work pressure on employees has impact on attrition in restaurants

\bar{q} = Respondents who disagreed that work pressure on employees has impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.85 \quad \bar{q} = 0.15$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

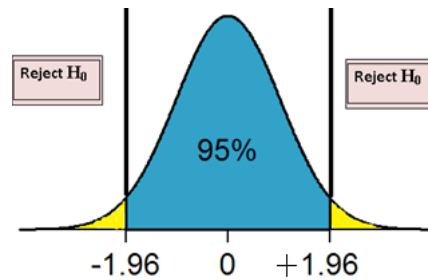
$$= \sqrt{\frac{0.85 \cdot 0.15}{52}} = 0.050$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.85 - 0.5}{0.05} = \frac{0.3}{0.05} = 7$$

Figure 4.82



Since $Z_{\text{cal}}(7)$ falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. work pressure has significant impact on attrition in restaurants.

Hypothesis V

H_0 : Health problem of employees has insignificant impact on attrition in restaurants

H_1 : Health problem of employees has significant impact on attrition in restaurants

\bar{p} = Respondents who agreed that health problem of employees has

impact on attrition in restaurants

\bar{q} = Respondents who disagreed that health problem of employees has impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.87 \quad \bar{q} = 0.13$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

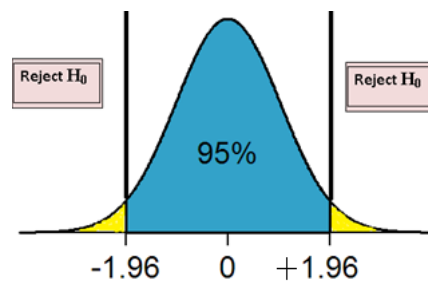
$$= \sqrt{\frac{0.87 \cdot 0.13}{52}} = 0.047$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.87 - 0.5}{0.047} = \frac{0.37}{0.047} = 7.8$$

Figure 4.83



Since Z_{cal} (7.8) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. health problem of employees has significant impact on attrition in restaurants.

Hypothesis VI

H_0 : Family problem of employees has insignificant impact on attrition in restaurants

H_1 : Family problem of employees has significant impact on attrition in restaurants

\bar{p} = Respondents who agreed that family problem of employees has impact on attrition in restaurants

\bar{q} = Respondents who disagreed that family problem of employees has impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.96 \quad \bar{q} = 0.04$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

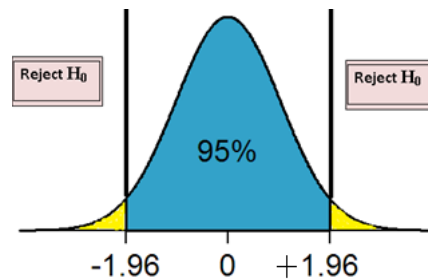
$$= \sqrt{\frac{0.96 \cdot 0.04}{52}} = 0.028$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.96 - 0.5}{0.028} = \frac{0.41}{0.028} = 14.64$$

Figure 4.84



Since Z_{cal} (14.64) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. family problem of employees has significant impact on

attrition in restaurants.

Hotel employees

Hypothesis I

Q. Do you think odd working hours leads to attrition of employees?

H₀: Odd working hours of hotels has insignificant impact on employee attrition

H_{e1}: Odd working hours of hotels has significant impact on employee attrition

\bar{p} = Respondents who agreed that odd working hours has impact on attrition in hotels

\bar{q} = Respondents who disagreed that odd working hours has impact on attrition in hotels

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.95 \quad \bar{q} = 0.05$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

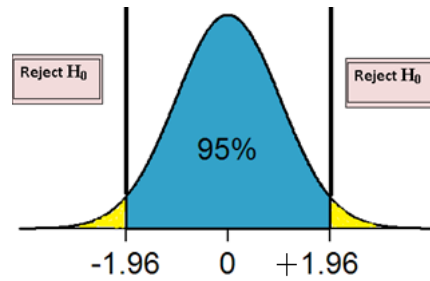
$$= \sqrt{\frac{0.95 * 0.05}{100}} = 0.07$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.95 - 0.5}{0.07} = \frac{0.45}{0.07} = 6.4$$

Figure 4.85



Since Z_{cal} (6.4) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. odd working hours of hotels has significant impact on attrition in hotels.

Hypothesis II

Q. Do you think employees quit due to adjustment problem with colleagues?

H_0 : Adjustment problem with colleague in hotels has insignificant impact on employee attrition

H_1 : Adjustment problem with colleague in hotels has significant impact on employee attrition

\bar{p} = Respondents who agreed that adjustment problem with colleague has impact on attrition in hotels

\bar{q} = Respondents who disagreed that adjustment problem with colleague has impact on attrition in hotels

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.56 \quad \bar{q} = 0.44$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

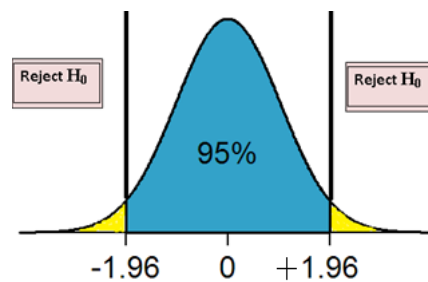
$$= \sqrt{\frac{0.4 \cdot 0.6}{100}} = 0.05$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.4 - 0.5}{0.04} = \frac{-0.1}{0.05} = -2$$

Figure 4.86



Since Z_{cal} (-2) falls in the area of rejection therefore, we reject H_0 and accept H_1 . i.e. Adjustment problem with colleague in hotels has significant impact on employee attrition

Hypothesis III

Q. Do you think employees quit due to lack of personal development within organization?

H_0 : Lack of personal development in hotels has insignificant impact on employee attrition

H_1 : Lack of personal development in hotels has significant impact on employee attrition

\bar{p} = Respondents who agreed that lack of personal development has impact on attrition in hotels

\bar{q} = Respondents who disagreed that lack of personal development has impact on attrition in hotels

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.65 \quad \bar{q} = 0.35$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

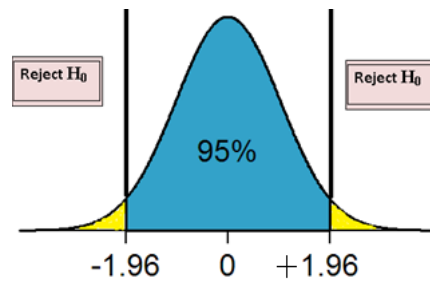
$$= \sqrt{\frac{0.65 \cdot 0.35}{100}} = 0.047$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.65 - 0.5}{0.047} = \frac{0.15}{0.047} = 3.19$$

Figure 4.87



Since Z_{cal} (3.19) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. Lack of personal development in hotels has significant impact on employee attrition.

Hypothesis IV

Do you think employees quit due to work pressure in job?

H_0 : Work pressure in hotels has insignificant impact on employee attrition

H_1 : Work pressure in hotels has significant impact on employee attrition

\bar{p} = Respondents who agreed that work pressure has impact on attrition in hotels

\bar{q} = Respondents who disagreed that work pressure has impact on attrition in hotels

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.90 \quad \bar{q} = 0.10$$

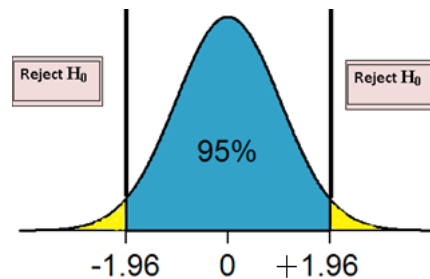
$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$
$$= \sqrt{\frac{0.90 \cdot 0.10}{100}} = 0.003$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.9 - 0.5}{0.003} = \frac{0.41}{0.003} = 13.33$$

Figure 4.88



Since Z_{cal} (13.33) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. Work pressure in hotels has significant impact on employee attrition.

Hypothesis V

Q. Do you think employees quit due to health problems?

H_0 : Health problem has insignificant impact on employee attrition in hotels

H_1 : Health problem has significant impact on employee attrition in hotels

\bar{p} = Respondents who agreed that lack of personal development has impact on attrition in hotels

\bar{q} = Respondents who disagreed that lack of personal development has impact on attrition in hotels

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.77 \quad \bar{q} = 0.23$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

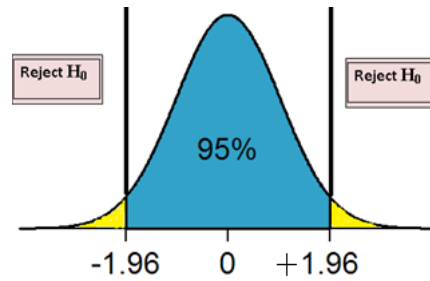
$$= \sqrt{\frac{0.77 * 0.23}{100}} = 0.004$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.77 - 0.5}{0.004} = \frac{0.27}{0.004} = 7.5$$

Figure 4.89



Since Z_{cal} (7.5) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. Health problem has significant impact on employee attrition in hotels.

Hypothesis VI

Do you think employees quit due to problems in family?

H_0 : Family problem has insignificant impact on employee attrition in hotels

H_1 : Family problem has significant impact on employee attrition in hotels

\bar{p} = Respondents who agreed that family problem has impact on attrition in hotels

\bar{q} = Respondents who disagreed that family problem has impact on attrition in hotels

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.96 \quad \bar{q} = 0.04$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

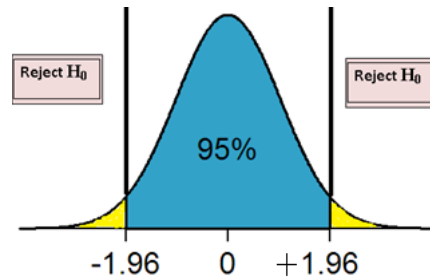
$$= \sqrt{\frac{0.80 \cdot 0.20}{100}} = 0.04$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.8 - 0.5}{0.04} = \frac{0.3}{0.04} = 7.5$$

Figure 4.90



Since Z_{cal} (7.5) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. family problem has significant impact on employee attrition in hotels.

Restaurant employees

Hypothesis I

Q. Do you think odd working hours leads to attrition of employees?

H_0 : Odd working hours of restaurants has insignificant impact on employee attrition

H_1 : Odd working hours of restaurants has significant impact on employee attrition

\bar{p} = Respondents who agreed that odd working hours has impact on attrition in restaurants

\bar{q} = Respondents who disagreed that odd working hours has impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.94 \quad \bar{q} = 0.06$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

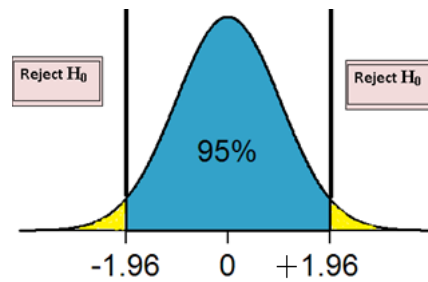
$$= \sqrt{\frac{0.94 \cdot 0.06}{50}} = 0.03$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.94 - 0.5}{0.03} = \frac{0.44}{0.03} = 14.6$$

Figure 4.91



Since Z_{cal} (14.6) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. odd working hours of restaurants has insignificant impact on employee attrition.

Hypothesis II

Q. Do you think employees quit due to adjustment problem with colleagues?

H_0 : Adjustment problem with colleague in restaurants has insignificant impact on employee attrition

H_1 : Adjustment problem with colleague in restaurants has significant impact on employee attrition

\bar{p} = Respondents who agreed that adjustment problem with colleague has impact on attrition in restaurants

\bar{q} = Respondents who disagreed that adjustment problem with colleague has impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.4 \quad \bar{q} = 0.6$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

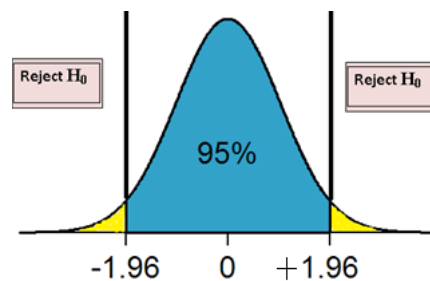
$$= \sqrt{\frac{0.4 \cdot 0.6}{50}} = 0.07$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.4 - 0.5}{0.07} = \frac{-0.1}{0.07} = -1.4$$

Figure 4.92



Since Z_{cal} (-1.4) falls in the area of acceptance i.e. Adjustment problem with colleague in restaurants has insignificant impact on employee attrition.

Hypothesis III

Q. Do you think employees quit due to employee's personal development within organization?

H₀: Employee's personal development in restaurants has insignificant impact on employee attrition

H₁: Employee's personal development in restaurants has significant impact on employee attrition

\bar{p} = Respondents who agreed that employee's personal development has impact on attrition in restaurants

\bar{q} = Respondents who disagreed that employee's personal development has impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.56 \quad \bar{q} = 0.44$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

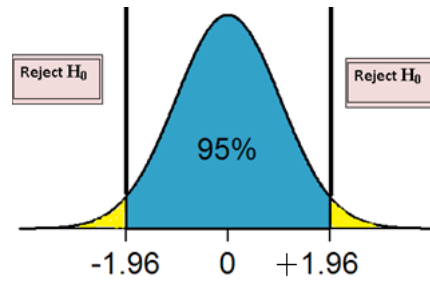
$$= \sqrt{\frac{0.56 \cdot 0.44}{50}} = 0.07$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.56 - 0.5}{0.07} = \frac{0.06}{0.07} = 0.85$$

Figure 4.93



Since $Z_{cal}(0.85)$ falls in the area of acceptance therefore, we accept H_0 i.e. lack of personal development in restaurants has insignificant impact on employee attrition.

Hypothesis IV

Q. Do you think employees quit due to work pressure in job?

H_0 : Work pressure in restaurants has insignificant impact on employee attrition

H_1 : Work pressure in restaurants has significant impact on employee attrition

\bar{p} = Respondents who agreed that work pressure has impact on attrition in restaurants

\bar{q} = Respondents who disagreed that work pressure has impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.88 \quad \bar{q} = 0.12$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

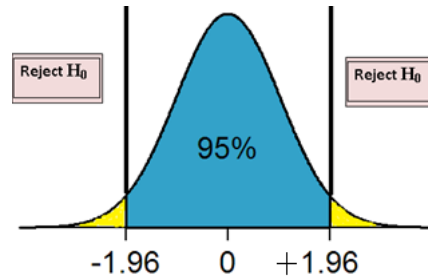
$$= \sqrt{\frac{0.88*0.12}{50}} = 0.05$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.88 - 0.5}{0.05} = \frac{0.38}{0.05} = 7.6$$

Figure 4.94



Since Z_{cal} (7.6) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. Work pressure in restaurants has significant impact on employee attrition.

Hypothesis V

Q. Do you think employees quit due to health problems?

H_0 : Health problem has insignificant impact on employee attrition in restaurants

H_1 : Health problem has significant impact on employee attrition in restaurants

\bar{p} = Respondents who agreed that health problems have impact on attrition in restaurants

\bar{q} = Respondents who disagreed that health problems have impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.84 \quad \bar{q} = 0.16$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

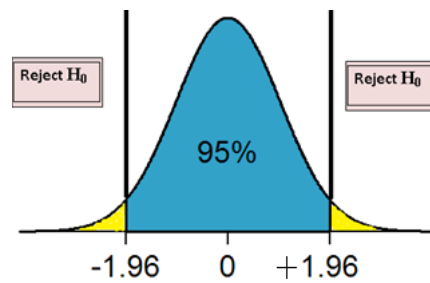
$$= \sqrt{\frac{0.84 \cdot 0.16}{50}} = 0.05$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.84 - 0.5}{0.05} = \frac{0.44}{0.05} = 8.8$$

Figure 4.95



Since Z_{cal} (8.8) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. health problem has significant impact on employee attrition in restaurants.

Hypothesis VI

Q. Do you think employees quit due to problems in family?

H_0 : Family problem has insignificant impact on employee attrition in restaurants

H_1 : Family problem has significant impact on employee attrition in restaurants

\bar{p} = Respondents who agreed that family problems have impact on attrition in restaurants

\bar{q} = Respondents who disagreed that family problems have impact on attrition in restaurants

$$\alpha = 0.05$$

$$p_{H0} = 0.5 \quad q_{H0} = 0.5$$

$$\bar{p} = 0.86 \quad \bar{q} = 0.14$$

$$\sigma_{\bar{x}} = \sqrt{\frac{q_{H0}p_{H0}}{n}}$$

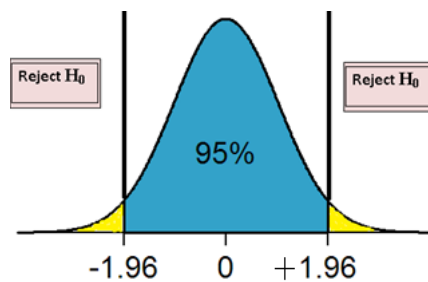
$$= \sqrt{\frac{0.86 \cdot 0.14}{50}} = 0.05$$

$$Z_{\text{tab}} = \pm 1.96$$

$$Z_{\text{cal}} = \frac{\bar{p} - p_{H0}}{\sigma_{\bar{p}}}$$

$$\frac{0.86 - 0.5}{0.05} = \frac{0.36}{0.05} = 7.2$$

Figure 4.96



Since Z_{cal} (7.2) falls in the area of rejection therefore, we reject H_0 in favor of H_1 i.e. family problem has significant impact on employee attrition in restaurants.

Table 4.38

Response Chart of Same Question asked Under Different Scale				
Restaurant Owner/ Managers				
	Yes	No	Likert	Rating
Odd Working Hours	51	1	Strongly Agree	77%
Long Working Hours	50	2	Strongly Agree	79%
Adjustment Problem With Colleague	24	28	Disagree	47%
Lack of Personal Development	21	31	Disagree	45%
Work Pressure	44	8	Strongly Agree	74%
Higher Salaries Offered	51	1	Strongly Agree	87%
Health Problems	45	7	Strongly Agree	82%
Family Problems	50	2	Strongly Agree	75%
Higher Education	7	45	Strongly Disagree	23%
Hotel Owner/ Managers				
	Yes	No	Likert	Rating
Odd Working Hours	27	0	Strongly Agree	79%
Long Working Hours	27	0	Strongly Agree	73%
Adjustment Problem With Colleague	18	9	Agree	53%
Lack of Personal Development	17	10	Agree	51%
Work Pressure	19	8	Agree	67%
Higher Salaries Offered	26	1	Strongly Agree	88%
Health Problems	24	3	Agree	66%
Family Problems	24	3	Strongly Agree	74%
Higher Education	8	19	Disagree	33%

Table 4.39

Response Chart of Same Question asked Under Different Scale				
Restaurant Employees				
	Yes	No	Likert	Rating
Odd Working Hours	47	3	Strongly Agree	79%
Long Working Hours	48	2	Strongly Agree	81%
Adjustment Problem With Colleague	20	30	Disagree	38%
Lack of Personal Development	28	22	Disagree	38%
Work Pressure	44	6	Strongly Agree	74%
Higher Salaries Offered	48	2	Strongly Agree	83%
Health Problems	45	5	Strongly Agree	68%
Family Problems	43	7	Strongly Agree	74%
Higher Education	8	42	Strongly Disagree	21%

Hotel Employees				
	Yes	No	Likert	Rating
Odd Working Hours	95	5	Strongly Agree	80%
Long Working Hours	95	5	Strongly Agree	81%
Adjustment Problem With Colleague	40	60	Disagree	47%
Lack of Personal Development	65	35	Agree	45%
Work Pressure	90	10	Strongly Agree	71%
Higher Salaries Offered	93	7	Strongly Agree	87%
Health Problems	77	23	Strongly Agree	82%
Family Problems	80	20	Strongly Agree	75%
Higher Education	40	60	Strongly Disagree	23%

4.3 FINDINGS FROM SECONDARY SOURCES

1. Behavior of employees is determined mainly by three factors i.e. organizational culture, organizational structures and systems, management practices. The top management must communicate with the employees in order to maintain a healthy relationship. (Hoogervorst, Flier, & Koopman, 2004)
2. Employee attrition has always been a major point of consideration for all the hoteliers and managers as any product or service to be rendered & sold human element is always required to deliver it, therefore, attrition lead to monetary and non-monetary losses. (Toh, Yates, & DeKay, 2007)
3. Employees and staff of restaurants quit job due to long working hours, lack of training and lack of career opportunities. Attrition leads to high cost and loss of customers for the organization. (Piromruen, 2000)
4. (Chen & Chu, 2010) Conducted a study which found that job satisfaction is connected to value addition and expectation of employees. Salary, incentives and benefits were the main reason for attrition of employees.
5. Sudhir Sinha, President and Chief Operating Officer, Best Western mentions that there is a gap between the demand of employees required by the hospitality sector especially in hotels and the supply of skilled as well as quality employees from the education institutes. Many respondents have expressed the challenge of high attrition rates especially in department of Food & Beverage (F&B) and front office. (Industry, 2012)

6. (Saner & Eyupoglu, 2012) A study in 5- Star hotels which described power and behavior as autocratic, democratic, charismatic, and laissez-faire of managers that motivated or demotivated employees to work.
7. Three factors play an important role in employee attrition was right person for the right job in organization then organizational commitment and finally organizational culture. (Kumar, Ramendran, & Yacob, 2012)
8. Factors that affected the increasing attrition rate in hotels are salary & wages, long working hours, nature of work, poor work life balance, improper employment policies, low job profile and rise in competition. (Peshave & Gujarathi, 2013)
9. Study conducted at JW Marriott Bangalore concluded that main reasons for attrition are salary and wages, long working hours and competition. (Farooque & Hibibuddin, 2015)

These were the findings from secondary data which partially fulfilled the objective of the research, therefore, there was a need to conduct exploratory study.

4.4 FINDINGS FROM EXPLORATORY DATA ANALYSIS

Variables found from secondary data showed that long working hours and salary offered by competitors was a major reason for employee attrition. Employee attrition in hotels and restaurants of Lucknow city had little information therefore exploratory study was conducted using open ended schedule to gain more insights. The findings are: -

- 1 Salary and Allowances Offered- Salary and allowances offered varies from establishments to establishments. After learning skill and experience from a reputed brand in the hospitality industry, employees are offered higher monetary benefits from competitors due to which they quit the job.
- 2 Better Brand Opportunity- With the recent entry of well-known brands of hotels like Marriott Fairfield, Marriott Renaissance and Radisson in Lucknow city has led to attrition of employees in local units so that they can work in international brands.
- 3 Family Issues- Employees working in the properties of Lucknow city come from tier 1 and tier 2 agrarian cities as well as from neighboring country like Nepal. After earning certain amount of income, they return back to their home town at the same time employees face family issues related to marriage, aging parents, rural related activities and celebration of festivals which results in employee attrition.
- 4 Health Problems- Employees face health problems due to stress, long working hours, and other prolonged illness. The working hours are

generally long and hectic in hotels and restaurants. Therefore, the employees facing health challenges tend to quit the job.

- 5 Start Own Restaurant Business- There are ambitious employees who start their own restaurant/ or fast food joint. Mostly quit their job to support their new venture.
- 6 Work Environment- Work environment which comprises of working hours, work shift timings, policies of the premise, nature of work, delegation of work, grievance handling procedure and management board have an impact on employee attrition.
- 7 Adjustment with colleagues- Employees have always had conflict with each other in restaurant and hotels, employees have conflicts and have issues but if it is not managed properly it leads to employees quitting the job.
- 8 Personal Growth- Businesses might grow but not necessary there is growth of employees in the premise, therefore employees tend to switch their organization for better personal growth.

4.5 FINDINGS FROM DESCRIPTIVE DATA ANALYSIS

The variables found from exploratory study were refined and used in descriptive study, of which the findings are: -

Hotel and Restaurant Owner/ Manager

Data collected from employees working in hotel and restaurants of Lucknow city found that: -

- 1 Odd working hours is related to no fix work timing and employees have to work during holidays and festivals which is also the peak period for business. Therefore, employees find it difficult to adjust and quit.
- 2 Conflict among employees in hotel or restaurant are not new to the management, at times if not handled well it will lead to adjustment problem between employees and lead to attrition.
- 3 Hotel and restaurant management employ unskilled or semi-skilled employees whom they have to train as per their requirement. As soon as one learns the skills and become experienced they demand monetary and non-monetary benefits which the existing organization cannot fulfill, therefore lack of personal growth leads to employee attrition.
- 4 The nature of work in hotels and restaurants pressurizes the employees as it is very challenging, stressful and competitive due to which it is difficult for employees to cope up and maintain their work standard. As a result, work pressure leads to employee attrition.
- 5 There are employees who face health challenges during their work tenure in the organization which adds to stress and deteriorate their health which

lead to employee attrition.

- 6 Employees also quit job due to family problems like marriage, old age parents, shifting back to home town and other personal problems to which the management cannot control.
- 7 Pursue for higher education by employees also lead to employee attrition.

Hotel and Restaurant Employees

Data collected from employees working in hotel and restaurants of Lucknow city found that: -

1. Employees of hotels and restaurants found it difficult to work due to the odd working hours of the industry as there were no fix work timing and have to work during holidays and festivals which they wanted to spend with their family rather than working.
- 2 Employees in hotel or restaurant at times find it difficult to adjust to management, colleagues and subordinates which leads to employee attrition as they are discouraged with the environment and quit the job.
- 3 Semi-skilled and skilled employees with experience are in demand which makes them easier to be hunted by competitors and due to lack of personal growth within the existing organization it leads to employee attrition.
- 4 There is lot of work pressure on employees of hotels and restaurants which stresses employees and cope up with their expected work standard and leads to employee attrition.
- 5 Employees working in hotels and restaurant and are facing health challenges like tiredness, mental illness, any physical health challenge and other type of illness cannot work continuously for 8 hours or the odd work

timings deteriorate their health. Especially in case of hospitality industry they have to quit the job.

- 6 Employees from other cities and villages working in hotels and restaurants of Lucknow city generally face family problems like marriage, old age parents and other personal problems to which they have to shift back to home town.
- 7 Employees pursue higher education for better opportunities in the industry will have to quit the job.

CHAPTER 5

CONCLUSION AND SCOPE FOR FUTURE STUDY

The study conducted shows that

- Odd working hours means no regular work timing as well as working during holidays and festivals in the organization leads to employee attrition. Employees also find it difficult to have a balance between personal and professional life.
- Employees will always have conflict with employees same in hotel or restaurant at times problems, conflict and issues with juniors, colleagues and management. Adjustment problem with colleagues or superior if not properly managed will lead to employee attrition.
- Employees see growth in the organization in terms of monetary and non-monetary benefits, in hospitality industry both go hand in hand. Lack of personal development within organization demotivates an employee to continue the job
- Work pressure affects employee attrition because nature of work in hotels and restaurants is very challenging, stressful and competitive. One must be constantly on toes, maintain decorum, discipline and be formal at all times. The industry is constantly evolving and demands innovation and hard work which makes it even more difficult for employees to cope up and deliver the expected requirement.
- Health problems of employees have also been affecting the employee working in the hotels and restaurants. Due to long and odd work timings of the organization it leads to stress and deteriorate health which make it more difficult for health challenged employees to continue.

- Family problems like marriage, old age parents, shifting back to home town and other personal problems have led to employees quitting the organization.
- Owners/ managers are finding it difficult to retain skilled and semi-skilled employees as when they earn the experience they demand hike in salary which the current organization cannot afford.

5.2 SCOPE FOR FUTURE STUDY

- The variables found out can now be used to determine the relationship of employee attrition in hotels and restaurants.
- With the help of these variables strategies and policies can be formulated to minimize attrition of employees on various factors mentioned above.
- With the help of these variables strategies can be formulated to minimize cost of the organization in terms of recruitment, selection training and retaining of employees.

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Appendix I

Hotel Owner/ Manager	
S. No.	Hotel Name (Exploratory Study)
1	Carks Awadh
2	Charan International
3	Comfort Inn
4	Dayal Paradise
5	Deep Palace
6	Gemini Continental
7	JBR Hotel
8	Royal Cafe Hotel
9	Taj Vivanta
10	Zarang Inn

Appendix II

Owners/ Manager	
S. No.	Restaurant Name (Exploratory Study)
1	Aryan Restaurant
2	Cassia
3	Chahat Biryani
4	Droolers
5	Falak Numa Restaurant, Hotel Clarks Avadh
6	Firadus Deep Palace
7	Gourmet Terrace, Hotel Comfort Inn
8	Hotel Deep Awadh Restaurant
9	KFC
10	Latitude (Taj)
11	Le Bougainvillea, Hotel Clarks Avadh
12	Oudhyana (Taj)
13	Pack N Chew
14	Pizza Hut
15	Ritz Continental
16	Ritz Restaurant
17	Roasted Rooster
18	Royal Café
19	The Cellar
20	The Great Indian Platter
21	The Secret Barn

Appendix III

Hotel Owner/ Manager	
S. No.	Hotel Name (Descriptive Study)
1	Arif Castle
2	Atul Hotel
3	Best Western Levana
4	Carks Awadh
5	Central Hotel
6	Charan International
7	Comfort Inn
8	Dayal Paradise
9	Deep Palace
10	Gemini Continental
11	Golden Apple
12	Hotel Grand Radiant
13	Hotel Metro
14	Hotel Punjab Inn
15	JBR
16	Just 9 Inn
17	La Palace Sarovar Portico
18	Lineage Hotel
19	Mohan Hotel
20	Picadily Hotel
21	Raj Hotel
22	Royal Café Hotel
23	Shanta Inn
24	Taj Vivanta
25	Vijay Paradise
26	York Inn
27	Zarang Inn

Appendix IV

Owners/ Manager	
S. No.	Restaurant Name (Descriptive Study)
1	Cassia
2	Downtown Café
3	Aditya Restaurant
4	Al Mughal Restaurant & Cultures
5	Ananya Classic Food
6	Angara Longue
7	Aryan Restaurant, Curry Leaf
8	Bindaran
9	Bombay blue
10	Café Godown
11	Cappuccino Mini Blast
12	Celesta Lounge
13	Chahat Biryani
14	Cheese Cottege
15	Chief cuisine 916
16	Chulha Handi
17	Club Momentz
18	Droolers
19	Falak Numa Restaurant, Hotel Clarks Avadh
20	Firadus Deep Palace
21	FY1
22	Giaia Restaurant, Hotel Cosmos
23	Hazrat Darbar
24	Hotel Deep Awadh Restaurant
25	Hotel Lazeez Al Darbar
26	Indian Taveen
27	Jahangir Restaurant
28	Kabab & kuruy, Revanta Hotel
29	Kareem Kababi
30	KDR Exotic Dining
31	Mahabir Vishman Bhojnalaya
32	Mojo
33	Monarch Inn Restaurant
34	Moti Mahal Deluxe
35	Pack N Chew
36	Panjabi Dhaba
37	Purnima Gold Restaurant
38	Ritz Continental Corner

39	Rovers
40	Royal Sky
41	Sanjh Chulha Restaurant
42	Shree Rajbhog
43	SSJ International
44	Tarang CPF7
45	Taste of China
46	Terrace Grill, La Palace Sarovar Portiue
47	The Curry's\
48	The Great Indian Platter
49	The Ritz Restaurant
50	The Secret Barn
51	Tunday
52	Urban Turban, Metropolitan Club

Appendix V

Exploratory research of PhD thesis

Respondent details

1. Name of organization/ hotel/ restaurant
2. Name
3. Designation
4. Address
5. Phone no.
6. Website/ email id
- I. Number of employees at your organization/ hotel/ restaurant
- II. How many employees are required at your organization/ hotel/ restaurant?
- III. Average number of employees leaving (every 6 months)
- IV. Reason for employees to leave the job

Internal factors

External factors

- V. Steps taken to reduce attrition (Internal factors)
- VI. Steps taken to reduce attrition (External factors)

Appendix VI

As part of my Ph. D curriculum, I am conducting survey "Reasons for Attrition of Employees in Hospitality Industry with Special Reference to Hotels and Restaurants, Lucknow."

Information provided will be confidential.

The Study Conducted is for Employees of Hotel

1. Personal information

Name	<input type="text"/>
Age	<input type="text"/>
Gender	<input type="text"/>
Department	<input type="text"/>
Name of the Organization	<input type="text"/>

2. Do you like to work in hotel?

- ☐ Yes
- ☐ No

3. Do you think there is professional growth in hotel?

- ☐ Yes
- ☐ No

4. Length of service

	0-1 year	1-2 years	2-3 years	3-4 years	>5 years
years	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

5. Do you think odd working hours is a reason for attrition?

- ☐ Yes
- ☐ No

6. Do you think long working hours is a reason for attrition?

- ☐ Yes

☐ No

7. Do you think adjustment problem with colleague is a reason for attrition?

☐ Yes

☐ No

8. Do you think employee's personal development is a reason for attrition?

☐ Yes

☐ No

9. Do you think work pressure is a reason for attrition?

☐ Yes

☐ No

10. Do you think higher salary offered by competitors is a reason for attrition?

☐ Yes

☐ No

11. Do you think health problem is a reason for attrition?

☐ Yes

☐ No

12. Do you think problems in family is a reason for attrition?

☐ Yes

☐ No

13. Do you think pursue of higher education is a reason for attrition?

☐ Yes

☐ No

14. Does odd working schedule increase attrition?

Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

15. Does long working hour increase attrition?

Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

16. Does adjustment problem with colleague increase attrition?

Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

17. Does employee's personal development increase attrition?

Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

18. Does work pressure increase attrition?

Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

19. Does higher salaries offered by competitors increase attrition?

Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

20. Does health problem increase attrition?

Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

21. Does family problem increase attrition?

Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
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22. Does pursue of higher studies increase attrition?

Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please rate the following question between 0 (minimum effect) to 100 (maximum effect)

23. Odd working hours lead to employee attrition

24. Long working hours lead to employee attrition

25. Adjustment problem with colleague lead to employee attrition

26. Employee's personal development lead to employee attrition

27. Work pressure lead to employee attrition

28. Higher salaries offered by competitors lead to employee attrition

29. Health Problem lead to employee attrition

30. Family Problem lead to employee attrition

31. Pursue for higher studies lead to employee attrition

Thank You

Appendix VII

The Study Conducted is for Owner and Manager of Hotel & Restaurant

1. Personal information

Name

Age

Gender

Designation

Organization

Email Address

Phone Number

2. Do you like the hotel/ restaurant business?

☐ Yes

☐ No

3. Do you think there is growth in hotel/ restaurants of Lucknow city?

☐ Yes

☐ No

4. Do you think there are employment opportunities for people in hotel/ restaurant sector?

☐ Yes

☐ No

5. Do you think there is professional growth for employees in hotel/ restaurant sector?

☐ Yes

☐ No

6. What is the number of employees working in your organization?

- ☐ 0-10
- ☐ 11-20
- ☐ 21-30
- ☐ 31-40
- ☐ 41-50
- ☐ >50

7. What is the percentage of employees leaving the organization in the past years?

	0-5%	5-10%	10-15%	15-20%	>20%
2012	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2013	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2014	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2015	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2016	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

8. Do you think odd working hours leads to attrition of employees?

- ☐ Yes
- ☐ No

9. Do you think long work timings lead to attrition of employees?

- ☐ Yes
- ☐ No

10. Do you think employees quit due to adjustment problem with colleagues?

- ☐ Yes
- ☐ No

11. Do you think employees quit due to lack of personal development within organization?

- ☐ Yes
- ☐ No

12. Do you think employees quit due to work pressure in job?

☐ Yes

☐ No

13. Do you think higher salary offered by competitors lead to attrition of employees?

☐ Yes

☐ No

14. Do you think employees quit due to health problems?

☐ Yes

☐ No

15. Do you think employees quit due to problems in family?

☐ Yes

☐ No

16. Do you think employees quit due to pursue of higher education?

☐ Yes

☐ No

17. Does odd working schedule increase employee attrition?

Strongly Agree Agree Neither Agree nor Disagree Disagree Strongly Disagree



18. Does long working hours increase employee attrition?

Strongly Agree Agree Neither Agree nor Disagree Disagree Strongly Disagree








19. Does adjustment problem with colleagues increase employee attrition?






Strongly Agree Agree Neither Agree nor Disagree Disagree Strongly Disagree








20. Does lack of personal development within the organization increase employee attrition?

Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
				






21. Does work pressure in job increase employee attrition?

Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
				






22. Does higher salaries offered by competitors increase employee attrition?

Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
				






23. Does health problem of employee increase employee attrition?

Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
				

24. Does family problem of employee increase employee attrition?

Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
				

25. Does pursue of higher studies of employee increase employee attrition?

Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
				

Please rate the following question between 0 (minimum effect) to 100 (maximum effect)

26. Odd working hours lead to employee attrition.

27. Long working hours lead to employee attrition.

28. Adjustment problem with colleagues lead to employee attrition.

29. Lack of employee personal development within organization lead to employee attrition.

30. Work pressure in job lead to employee attrition.

31. Higher salaries offered by competitors lead to employee attrition.

32. Health Problem of employee lead to attrition.

33. Family Problem lead to employee attrition.

34. Pursue for higher studies of employee lead to employee attrition.

35. Does employee counselling help to reduce employee attrition?

☐ Yes

☐ No

36. Does employee training help to reduce employee attrition?

☐ Yes

☐ No

37. Does employee recognition in front of customers help to reduce employee attrition?

☐ Yes

☐ No

38. Does performance appraisal of employee help to reduce employee attrition?

☐ Yes

☐ No

39. Does providing accommodation to employee and family help in reducing employee attrition?

☐ Yes

☐ No

40. Does providing health facilities to employee help to reduce employee attrition?

☐ Yes

☐ No

41. Does job rotation help to reduce employee attrition?

☐ Yes

☐ No

Thank You

