

The implication of compensation in indian hospitality industry essay

[Art & Culture](#)



Justification of the StudyThe subject matter into the relevance and scope of employees in the Indian hotel industry remains rationally fundamental. However, every activity of the human resource management in never overlooking the significance of employees turn over and the relative factor of cost which is thereon implied. Indeed, the relevance of employee compensation, turnover and the mutual stability within the dispositions of the industry has held various fundamental relations. From the epochs of the various research findings, the employee compensation in the Indian hotel industry is dominated by various parameters and variables which seek to define the authenticity of the relationship. Generally, compensation in this industry is defined in a broad phenomenon with a diverse attribute of variable and parameters.

At one level, it seeks to provide an adequate set of information about the effects of high employee turnover, terms of compensation and the general stakeholder facility. With the labor market been so dynamic, every threshold of factors that define its operational mobility remains consequential. Indeed, compensation has done a lot in shaping the employee and job relationship within the hotel industry where its structures are constantly changing from the influence of the highly competitive market. Problem statementThe structural phenomenon of the hotel industry remains critical with a high mobility of employees endowed in and out movement form it. Generally, the hotel industry is accompanied by various statutory paradigms which seek to define the state of the compensation offered to the hotel employees.

However, the implication in the standards of support for the compensation draws various legal relations. (Sigel, 1992, p. 68) The compensation activity

has evolved through various changes that provide standards of approach for the effects of the changing status of the industry.

Various tools such as motivation packages for employees, incentives made on quarterly basis, insurance schemes, retirement benefits and promotions all amount to basic the compensation tools. However, as the same tools continues to shape the working environment, the implications brought about by the effects of this activity and the broad employee turn over relationship provides a broad array of what this has an influence to the employees community.(Maples, Earles, 2002, p. 1) From the formality of the state of competition in the industry, the hotels have changed the compensation patterns in been more lucrative to provide higher services of employee retaining and higher output by them. The high competition has placed an increasing demand of workers above using other facilities for performing duties and increasing the level of productivity such as technological pursuit, business management process and increased quality of service. (Whittington, 2002, p.

1) Generally, the industry has a broad range of compensatory programs such as capital sharing for hotel ownership, awards, bonus schemes, retirement schemes, insurance schemes, etc Research PurposesThe main purpose of the activity will be to investigate the relationship of compensation tools with the level turnover in the industry. It will basically study the ridicules that provide employees survival as per the influence of various compensation incentives. It will investigate the relationship between the levels of workers turnover from the hotels in search of better correspondence to working

conditions. (Smith, Debrah, 2002, p. 53) Objectives The objective of this study will be; To study the compensation tools used by the hotel management in India. To determine the relationship between employee turnover and the level of compensation provided to such employees. To study the basic reasons and causes of employees turn over in correspondence to the management outlook.

Significance of the research With the fundamentals of employees' turnover increasingly becoming influential, an importance in the investigation of the rationality behind its scope remains fundamentally important. Either, this research will be perhaps a foremost attempt in providing a formal implication of this employment activity and the national labor and employment statistics. Significantly elsewhere, it will provide a valid coordination into the statutory relevance in the management process of the employees. (Tinsley, 1989, p. 1) Through the research finding provided by the activity, managers will have a fair view into the ethical codes with which the aspect of employee turnover is instrumented. Conventionally, like the comparative implications provided by any other research activity, this will be a basic challenge in the knowledge development into the relations about compensation and employee turnover in the hotel industry. The fundamental result findings will therefore provide a basic tool for the support of a well formulated and guided method of promoting the service delivery and hence improved level of productivity of the workers. (Snower, 1995, p.

1) The imperative relevance into the instruments of compensation provided and applied by the hotels will be a basic tool of rationalizing into the

fundamentals of the support structure into the adequacy of activity which provide the most important employee productive support into the goals and objectives of the organizations. (Brown, 1993, p. 1) Literature

ReviewIntroductionThe subject matter of compensation draws an important significance into the study support that has been carried out in other relevant study. Indeed, compensation by organizations has formed the hallmark of study topics and areas by many scholars. Elsewhere, various research findings based on various study objectives has been arrived at.

Seldom therefore, this research will be elaborated at a close relationship with the formal study that has been done on other industries and organization.

(Lencsis, 1998, p. 86) Its structural framework will therefore borrow contingent tools from what has been provided by other related studies.

CompensationThe statutory definition of compensation is broad based in its understanding and wages an explicitly differing adjectival definition across the global scholars.

However, to each allotted definition, the subject matter seeks to provide a relationship into the fundamentals of the employee turnover and the explicit motivations and incentives given by the management. (Retner, 1980, p. 24)

However, the compensation framework in the industry is changing to capture even more advanced tools for support.

The compensation schedules have changed extensively as an adaptation to the change in the social structures and economic portfolios. The system of determining the status of performance over-rides position while employee's contribution replaces status orientation. Consequently, various

consequences of revolutionary precepts are now reshaping the hotel employment structure. (Fultz, Pieris, 1999, p. 1) With the competitive status of the market place, organizations are now driven into the conversion of the precious workforce above the financial capital input. The remuneration protocol therefore concedes with the performance contribution by the specific worker. Therefore, employees get their remuneration capacity in relation to the amount of productive contribution posited by their performance. (Berreth, 1997, p.

1) The performance contribution therefore provides the system of merit pay. This perhaps provides the most secure tool with which the logics of performance can be linked to the amount of pay. To the hotels, this has involved the payment of workers base salary in relation to their ranks with both semi-annual as well as annual raises as determined by their state of performance. The basic determining variable is the level of employee performance. (Barbier, 2005, p. 1) This provides the most adequate tool for equity in the labor output by the workers. This is seen to reduce the inequity between the managers and the low level workers who argue that such managers receive high amounts which do not rationalize their role.

Conventionally, compensation is understood as the monetary and non-monetary benefits that accrue to a person as benefits for his/her service provision to an organization. To the hotel industry, this includes benefits such as performance bonuses, retirement plans and stock options above. Summarily, this would be the couples of incentives (in terms of cash) as well as fringe benefits which are received by the employees. It even incorporates

various non-monitory benefits that are substantial to the workers. (Caroth, Handlogten, 2001, p. 67) Types of compensations Following the changing social structures and economic portfolio, the nature and scope of compensation tool have felt radical changes and expansions. Formerly, the industry provided a base pay which constituted a standardized remuneration factor agreed on depending on the role and function of a person at his organization. Some other prescribed periodical bonuses such as overtime, service charges, above others define it.

(Arronson, Housinger, 1999, p. 1) Conventionally, there is a generally nationwide equality in the compensation framework by the Indian hotels. However, the basic formality of the hotel industry has been faced with various problems where a huge turnover in the professional team is leaving the industry to other employment sectors. Generally, the professional role is expanding with many young scholars graduating from their studies with hospitality professional achievement. However, such professionals are rejecting the hotel industry to even other areas of occupation which are not within the hotel industry. (Tramposh, 1991, p. 36) The alleged reasons by the workers are the implication of the poor results provided by the low level of compensation. The other sectors have acted as threat to the hotel industry.

This is duly from the implication of them offering higher remuneration, better working environment, and better qualified growth in professional standards above others. (Spiezia, 2000, p. 1) Generally, manpower in the industry has been voted to shrink. The different staffing levels and management is eagerly loosing its workforce to other employers.

To the management, high labor turnover which has been estimated as 49% annually has left the industry at a high cost of human resource management. (Jennings, Werbel, Power, 2003, p. 1) With the overwhelming precepts in this industry, the aspects of highly scheduled compensation have been provided as a basic tool for the support of a well controlled approach for employee turnover in the industry.

This has posited abrupt changes to help check on the flow system of the employees. The payment structure is now been ratified through an aligning process which should be equivalent to what is enjoyed by the other industries. (Michie, Smith, 1997, p. 34) However, the current differential is still enormous with its range been around 35%. Due to the effects of this compensation diversity, the employees are seeking better standards from other industries. The current challenge been faced by the industry is a restructuring in the management process for the development of better standards which provide a long lasting solution to the problems.

(Nordlond, 1991, p. 1) This has been through an attempt providing better policies on compensation above developing other incentives practices. From their traditional system of providing annual benefits, such is now been split in terms of quarterly or elsewhere monthly bases. Such has been voted as a better incentive into the motivation process of the workers.

Generally, various incentives linked to performance management have been provided above been closely monitored. (Cohany, 1996, p. 1) Either, delay in compensation has been adequately provided for in a clearer and adequate manner. The overwhelming problem in the industry has been voiced to

seeking a final solution from the build up of productive work culture. This would involve situation where the employees are provided with an environment of encouragement for the most optimal performance of their activities. This would be the foremost attempt in reducing the level of employee turn over. Either, the framework incorporates changes to the state of compensation practices.

(Bitman, Hill, Thomson, 2007, p. 1) Ideally, unless explicit tools of management that seek to study the state of activity provided to the employees is not adequately monitored, the industry will continue to loose the high number of its workers to other industries. This is highly challenging when the profit structure and requirements is closely analyzed. Unless adequate compensation measures are adequately provided for the hotel industry which provides for 10% of the total employment capacity, it will not meet the economic implication of the high labor trade off in India. (Levine, 1995, p. 59) As the hotel industry continues to experience an ultimate boom, a problem develops in developing a counteractive need for professionals in the industry. By its definition, compensation is the proceeds got from an employment/job which could be both legal and benefits.

This is synonymous to employee wages. The hotel industry in India provides a broad overview of current period employment compensation. These include the set of allowances which are paid in terms of direct rewards/considerations. ([http://www. questia. com/PM](http://www.questia.com/PM).

qst? a= o&d= 5008965435) It is offered for the services provided by an employee. Their calculations are within the limits of an accounting period.

<https://assignbuster.com/the-implication-of-compensation-in-indian-hospitality-industry-essay/>

This may include salary, bonuses and wages. Either, there are the subsidies and allowances which may not even be provided on monthly bases.

Elsewhere, the industry provides payments of a non-recurring capacity which are the benefits and allowances whose nature does not account for period not on a single time frame. This industry offers a lot of these benefits which range from vacation allowances, commissions above others. (Laucopoulos, Pavur, Gutierrez, 2002, p. 1) They also enjoy other payments which are fundamentally exempt from the factor of taxation.

These are such as deductions and allowances that accrue due to professional competencies, social insurances, etc. Generally, compensation in the Indian hotel industry is wide spread and capturing a diversity of variables. These include medical insurance, programs in competitive incentives, short-term payment on disability, long-term payments on disability, 401 (k) plan, vision insurance, life insurance, dental insurance and others. The compensation framework is used in offering competitive entrepreneurial spirits which can even ensure for the growth and creativity in the workers out put. (Madaus, 2006, p.

1) This is the foremost initiative to reduce the cost facility of the workers payment. A good compensation spirit has fundamentally helped in creating a long lasting challenge for team work where the workers have a well-endowed accountability hence a contribution to the success of the organizations. Compensation plans is among the industry's strategic management tool with which it uses in providing an attractive package of doing business. (Reville, et al 2007, p. 89) The threshold of this service

comes at the time when India is getting high structural changes in its economic structures and business environment. Traditionally, the employment market enjoyed the sovereignty of high stability before the start of the booming economy in late 1990's. However, since the structural changes in the economic threshold, the employment industry has therefore suffered various changes with adequate standards of compensation been at the cutting edge.

Elsewhere, the hospitality/hotel industry in India is fundamentally having various compensation payments for its worker who work for hours more than the exact time required. These include various premium payments and overtime incentive payments. With the growing economy, the compensation framework is getting more complex.

However, as the same economy goes on been in an expanded form, the hotel industry is however not getting the best of it since the employees does not enjoy the benefits of such changing/growing economy like the other industries. Consequently, the industry is losing many of its workers to other industry which can offer better standard of benefits to the workers. Turn over StatusAs the economy plunges itself in expanded horizons however, high employees turnover continues in been the major problem affecting the industry.

However, various reasons have sidelined this problem with the need for higher pay and ruin by poor conditions of work been the key pillars in the factors. Generally, the hotel industry is estimated to loose 22% of its workers to other industries due to the wrath of various reasons. Unless, the

<https://assignbuster.com/the-implication-of-compensation-in-indian-hospitality-industry-essay/>

problem is spearheaded by authentic methods of looking after its consequences, it is even at the fullest threat of experiencing the shocks that accompany this system. However, various tools for preventing the same have been put in place and seek to provide standards of approach for ensuring the highest job satisfaction by the hotel industry workers. (Rubery, et al 1998, p. 32)

Types of employee turnover

With the diversity in the business structures within the hotel, Indian Bureau of statistic on Employment offers various types with which employee turnover may be defined in. Like the conventional understanding of employee turnover, such in the Indian hotel industry is demonstrated under two phenomenons. Firstly, turnover is on voluntary basis where a person through his/her personal choices chooses to leave a job.

This may be in search of other employment positions in other places or a personal choice to stop working. Elsewhere, turnover in this industry may strictly be involuntary where the management of the organization forces an individual to move out of his current employment position. The intention for employee turnover is however a factor of many variables which develops on behavioral factors. However, from the diverse variables in the activity, an employee's intention of leaving a job provides fundamental basis of internalizing the nature and scope of employee turnover. Through the result findings of various research activities, an employee intention of leaving a job was the most factual in defining the scope with which the state of turnover would be analyzed. (Berreth, 1994, p.

1) Basically, the high turnover in the industry is reasoned by many factors. Like the episodes provided by many other industries, the reasons behind turnover in the hotel industry are many. However, such turnover may be described to operate both under the capacity of the employees themselves and the influence by the organizations.

Indeed, there are many reasons that lead to the high rate of employee turnover in the industry. These include, conflicts arising from payments, management conflicts, job pressures, status of job, job-stress, changing social structures, changes in the economic portfolio of the organization, other opportunities which are even better off, discriminatory promotion schemes, physically stress on jobs above others. Though the state and reasons are also diverse in terms of the status and size of the hotel within the industry, these are the general reasons behind employee turnover in the industry. Generally, the reasons can summarily be provided as the nature of work, pressure from jobs, payment status and amount, management, worker conflict, amount of working time schedules above others.

However, for the top well paid workers, there is relatively low level of turnover as compared to the low paying jobs positions. (Kaestner, 1996, p. 1) Generally, job leave out for a relatively higher scale of salary posits the biggest threat in the scale of employee turnover where many of the workers are leaving in search for better paying jobs. A good/adequate pay is described as the strongest incentive to the workers for the employment. As a moral booster, many industries within the geographical boundaries of India are using the tool of high rate of payment as the most appropriate method of

providing the workers with job incentives. Through a comparison with employees from other organizations, the hotel industry pays relatively low payments. Therefore, with the motive of maximizing their employment benefits, they are then obliged in escaping their current employments in the hotels to more lucrative paying organizations within the economy. Within India, payment status perceives various states of inequalities both with the internal parameters of the hotels and the external employment market.

Internally, inequality exists between the highly paid top management who are even less productive than the low paid junior/common staff. This is a basic rationale for instrumenting effects of employee turnover. (Briscore, 1991, p.

p. 43) Disagreements always exist between the structure of payment in regard to the job performance and level of job status. Either, the external relation capacity can be viewed under the scope of comparison between what the hotels pay their workers and the general external employment sector. However, a high state of disparity exists between such employment industries with the hotel industry lagging behind in its employee payment. Generally, such employees within this industry get relatively lower levels of payment than the overall outside environment.

This is a basic initiative for the high employee turnover even to seek better amounts of payment which can adequately satisfy their needs. The relatively high conditions of maintaining workers in the hotel posit a serious problem in their management with the status costs been relatively high. With high efficient capital out flows, the opportunity cost for such losses is highly costly

to the hotels which end up in low profit turn-over. Generally, employee turn is done by highly qualified staff where such functional economies bound to them are drawn out of their reach.

This is a fundamental conception in the reduction of the output and service delivery which is however needed at the highest discretion. However, at time the hotels benefits from the loss of low productive workers. Since the cost of maintaining low productive workers is high, their turnover is of a substantial benefit which helps to provide economies of scale to the hotel's cost of human resource development.

(Gittleman, 2005, p. 1) A challenge is however held by the high cost of replacing employee turnover. Generally, the cost for replacing outgoing workers with new ones is high and brings cost disincentives to the hotels. This is literally due to the effect of the highly increasing economic growth and development which is even expanding the frontiers of employment within the state with a relatively low supply which is consequently leading to a state of disequilibrium. There is therefore a higher competition in the state of employees between the highly expanding economic industries and structures. Research methodologyIntroductionFrom the implicit affects of highly expanding economic activity, many challenges are passed in the demand and supply schedule of employees by the economy. The expansionary framework of the economy has served as a basic initiative with which professional workers can adequately find job placements on a larger employment scheme within the country.

The high levels of employment are providing volatility in the state of workers from one industry to the other. The highly volatile state of workers is affecting the hotels which have lower standards of employment compensation to their workers when compared with the workers from the other industries. (Fitzpatrick, 2006, p. 1) However, the diverse relationship between the industrial workforce compensation is what perhaps has spearheaded a greater concern in the state of employee compensation by the hotel industry. Hypothesis statement The null hypothesis to guide the research activity is that compensation influences the rate of turn over.

The alternative hypothesis is that compensation has no influence on turn over. However, the findings of this research activity would imply the most effective research finding. Research strategy. The response brought out by the employees from the high state of economic growth and development which attracts an increasing capacity of employment is a renewed and a more developed relationship. Such fundamentals of relationship have brought out a more fountain relationship where the employees are enjoying a broader scope of employment compensation benefits. Various parameters ascribed to the increase in compensation has been the key result with the compensation schedule on hourly basis been increased. Various variables that also mark compensation framework which is friendly to the employee have also been used as an incentive to promote greater heights of worker satisfaction.

(Knitch, Laboy, Van Dammer, 1995, p. 1) The highly functioning hotel industry is a basic tool which provides for an increase in the base pay for the workers.

Either, other benefits allied to variable pay is also increasing. Generally, the compensation is substantially favorable which ignites reservation of the workers efforts and the need to provide stability in the workers attempt of seeking other employment opportunities. The management systems of these hotels have activated on deferred compensation tools which are aimed at increasing the state of performance above motivating them for a longer stay within the hotels. Above this, deferred payment is used as a tool for rewarding the role and contribution of the workers to the service they do provide to these hotels. Through various compensation initiatives, the employees are provided with the best environment of creating a commitment status. (Harcourt, Lam, Harcourt, 2007, p.

1) The good compensation schemes are used as a method of retaining and attracting workers to the industry. The same industry faces the biggest challenge of defining the scope with which to instrument the most adequate compensation tools to adequately suit the employees challenge. Generally, the issues of monetary benefits is fetching the largest scope in the compensation framework with a greater detailed tools of personal effect and contribution payments been substantially useful to generate a large and expanded attribute of workers involvement. Through the use of monetary incentives, the rate of retention of workers is relatively higher hence reducing the level state of turn over. Data collection. Data was collected from a sample from a sample of 400 hotels across the Indian hotel industry.

To have being biased the selection of the sample was done in a randomized manner. The statutory state of employee turnover within the India hotel

industry is generally higher than what is faced by the other industries.

However, the structural use of more descent tools of worker compensation is seen as the biggest attempt and the most appropriate tool, with which the hotels can use in restoring worker turnover. The turnover effect has led to a cost challenging activity which is even threatening the exact scope with which the profit mark up of the industry is to be managed. There is an average loss of 44% of workers on annual basis by the industry both on intentional and non-voluntary basis. The cost associated with such high turnover has even threatened the future performance of the hotels in the understanding that many of the workers carry the cost economies incurred in employee training process, management and supervisory activities. There is a serious state of mobility of workers in and out of the industry with the average state of stability by the workers been 4 years.

The high turn over is a big threat to the rate of tenure which is even going as low as 11/2 years. However, the economic puzzles have provided a legitimate adaptation to the hotels management with absorbing down the shocks that are caused by this turn over. According to a research in 2006, 57% of the hotels have a direct relation with employment bureaus which often supply them with new employees wherever the existing are lost through employee turn over. Data AnalysisData analysis of the collected data was passed through a well programmed data analysis system which comprised the use of SPSS. From this, various tools such correlation coefficients, pie charts, bar graphs, histograms were used in studying the relationship existing in the industry. The role played by compensation in monitoring turn overIdeally, compensation within the industry provides an

authenticity for reducing the rate of turn-over hence reducing the relative implicit costs that are associated with the same effect. However, compensation support is a highly extensive and developed phenomenon. Within the hotel industry framework, this has been used to capture within its frontiers various implications related to the issue of rationalizing on various variables operating within the understanding of labor turn over in hotel industry.

However, a discretionary argument has existed between this phenomenon and various research studies. In one level, compensation is seen as the basic pillar and as the foremost determination of the scope and level with which turn over can be mitigated. Through this understanding workers are closely monitored of their activities in ensuring a minimal level of turn over. This is though the incentives provided by the tools of compensation which gives the workers a general motivation in service and role play at their places of work. On the contrast, some research findings have provided for compensation as been not providing a direct initiative as to limiting the scope of turn over. (Berreth, 1996, p. 1) This theory argues that, employee turn over is a conception provided by many factors amongst which is the satisfactory status from the compensation benefits. From this argument, employees would still incorporate themselves in leaving their jobs despite adequate incentives brought out from employment compensation.

Therefore, the concept of the relationship between employees turnover and the compensation tool with the state of turn over is motivated by a threshold of implication where fundamental facilities of rationality is never

compromised for the most adequate relational capacity. Above the perception of payment inadequacy therefore, other fundamental reasons and variables also help to redefine the status and capacity in the scope of the employees while at their work place. However, the conventional significance of compensation plan is creating grounds of high incentives which promote worker productivity and reduce their turn over. Through various equity providing programs, workers are provided with an incentive to play their ultimate role in the organization with the least negative consequence which may occur from any attempt of turnover. The success in the workers activity can be related to the discretionary status of their positive relationship with their employer (hotels). Through basic system such as retirement plans and various statutory fringe benefits, the workers are more motivated into creating a higher contribution scale to the hotels. (Binkerloff, 1984, p. 75) From many research activities done in the past, compensation tool which provide conditions for equity in the overall employment benefits both within the internal and external scope is the biggest incentive in reducing the state of employee turn over.

Generally, compensation benefits provide a great initiative in determining the scope with which the level and the state of turn over may be defined in. High payment benefits provide a rational ground with which the workers are to be maintained at their work place. However, every activity that inhibits desirable benefits by workers will fundamentally underscore the level with which workers leave their jobs in search for better stated jobs and working conditions. If their current perception provides that their payment is indecent, they will use withdrawal from their job as been the best

entitlement rather than to stay held by the imagery of situation which compromises their standards. This factor is directly related to the role of job satisfaction in defining the exact scope with which to stay in a job. Poor job satisfaction is an environment providing a support for higher level of turnover than standards of approach which provide for more states of satisfied jobs and job environment. However, job satisfaction is not solely defined in terms of the level and the scope of payment. It seldom captures the state and the framework of the working environment which may be both impressive as well as not.

This ratifies the basic reason with which the tool of payment compensation is not fundamentally credible in defining the exact scope of turnover. With an environment which does not provide a treatment for job satisfaction, workers are still prone to leaving their jobs for others which are relatively well paying. However, employees are at the verge of leaving even well paying jobs for others provided that the overall working environment does not provide a full pursuit for job satisfaction. Either, the general level of service in terms of time spend within a job may influence the manner with which an individual would stay in such a job. (Cozzeto, Pedeliski, 1997, p. 1) Generally, many people would opt for more time to spend with their family which may be unavoidable at their deposits in the short run.

Workers with such notions seek to leave out their jobs for better paying jobs or elsewhere those which can offer them enough time to spend with their family. Depending on the social status of the employee, various compensation benefits may not even provide the most adequate tools for

ensuring the most adequate and sociable life with their family and allies. In such a situation, monetary compensation would not help to provide the most inviting initiative for working at their places of work. However, they would be more attracted to shorter working hours despite lower pay than long working hours accompanied by high payments. This is amongst the non-monetary compensation benefits which would perhaps provide the most vulnerable incentive to those who would appreciate longer hours spend with their relatives. Elsewhere, the state of management for the hotel may posit a huge attribute in defining the exact scope of turn over by the workers.

Conventionally, the management system within an organization acts as a pivot factor in determining the exact scope of activity when the employees turn over is to be ratified in. The relationship between compensation and employee turn over is highly volatile with the scope going to even greater heights of definition. However, the scope may be defined in terms of the authentic scenario which is brought out from the relationship. However, the decision to leave out by the workers from their jobs is fundamental and only provide for standards with which the employee would be highly motivated to safeguard the state of moving out of the jobs. (Brown, 1993, p.

1) Ideally, the conception of employee turnover in Indian hotel industry captures many fundamental variables and parameters. Firstly, a relation is drawn between the states of the compensation levels whether monetary or non-monetary. Elsewhere, it could be observed from a point of view of the relationship between this turn over within the hotel industry and the overall environment which comprises of various industries. To briefly summary the

two fold understanding in the scope of this study, the relationship between the economic framework capturing the influence of both the economic development and growth and its influence on the turn over in the hotel industry remains fundamental.

However, every adequate relationship between the booming economic status and the industrial patronage of their employment structures draws various tools of concern which define the exact scope with which the workers interact with various industries. Seemingly however, the employment scenario brings with it various challenges to the hotel industry where the economic structures had left its relationship with workers on a place of inequality. Generally, the same industry drags behind in providing a support for adequate employee relationship which can elsewhere redefine the management worker relationship hence minimizing the level of employee turn over.

However the essence of a proactive employee support by the industry which minimizes the effect of employee turn over also acts to reduce the efficiency in the role played by the workers in the industry. (Acs, Loprest, 2004, p. 44) With the diversity in the resource endowment by many economic units and industries within the economy, the hotel industry finds it at an economic disadvantage where it is loosing its workers to the external environment. This is perhaps the greatest challenge which the hotels are getting especially when compared with the many statutory costs which are incurred in ensuring an environment for workers in the short run period within the organizations.

Generally, the workers draw away with them various economic efficiencies which will otherwise limit their state of beneficiary operations. (Sigel, 1992, p. 66) However, compensation to the workers comes as a basic incentive which seeks to provide standards of motivating the workers to even reach greater heights of maintaining themselves in the environment which is operational to the hotel industry. Indeed, the compensation framework has provided a huge support into the authenticity of adequacy and optimal role play by the workers. Generally, various compensation tools have kept the workers within the threshold of their hotels working environment rather than exploring the external environment fed by the broad economic industry.

Generally therefore, compensation provides a cohesive structure with which the general performance of the industry is to be defined in. Either, the status of both internal and external environment provides a cohesive tool in understanding the scope with which the employees are to operate in. The internal environment defines the scope of the general employment benefits portfolio within the hotel industry. Either, the external environment defines the disparity framework within the economy.

The general disequilibrium which exists between these environments to an individual employee determines the scope with which such an employee is to operate within his position in the hotel industry. Summarily therefore, the role of compensation in hotel industry is fundamentally critically in defining the scope of the employee turnover is to be understood at. However, compensation whether of monetary foundation and non monetary benefits acts to provide a basement in support of employees stay within the

organization. Generally, such plans perhaps can be voted as a foremost attribute in defining the scope of stability which is held by the hotel industry. This is a basic source of motivation and incentive which should be understood as providing a great support in the general structure of the work force within the industry.

Questionnaire. This is a questionnaire designed to carry out the most appropriate information on the compensation tools that are used by Indian hotel industry. Note that the information so collected will be held confidential. Please, answer all the questions. a) Which hotel are you working in? _____ b) For how long has been your service in the hotel? _____ c) How often do you seek fresh employment? _____ d) Have you ever worked for any other organization beyond the hotel industry? _____. If yes, which industry? _____ e) If your answer is yes in (d) above is yes, can give an opinion on the states of compensation between the two industries? f) Would you prefer working in your current hotel for five years? _____. If no, how long would you prefer? _____ g) What is the size of your household under your care? _____ h) Would you state of any influence to your household from the influence of your compensation scheme(s)? _____ i) Give your opinions on (h) above? _____ j) How much in financial grounds are you currently earning? _____ k) Specify/list if any other form of compensation. l) Give the general opinions on the state of compensation? _____ Bibliography Aaronson, D.

, & Housinger, K. (1999). The Impact of Technology on Displacement and Reemployment.

Economic Perspectives, 23(2), 14. Retrieved January 21, 2008, from Questia database: <http://www. questia.>

[com/PM. qst? a= o&d= 5001302241](http://www. questia. com/PM. qst? a= o&d= 5001302241) Acs, G., & Loprest, P. (2004).

Leaving Welfare: Employment and Well-Being of Families That Left Welfare in the Post-Entitlement Era. Kalamazoo, MI: W. E. Upjohn Institute for Employment Research. Retrieved January 21, 2008, from Questia database: <http://www. questia. com/PM. qst? a= o&d= 110655448> Barbier, J.

(2005). Unemployment Compensation throughout the World: A Comparative Analysis. International Labour Review, 144(3), 352+. Retrieved January 21, 2008, from Questia database: <http://www. questia.>

[com/PM. qst? a= o&d= 5014582801](http://www. questia. com/PM. qst? a= o&d= 5014582801) Berreth, C. A. (1992). Workers' Compensation: State Enactments in 1991. Monthly Labor Review, 115(1), 56+. Retrieved January 21, 2008, from Questia database: <http://www. questia.>

[com/PM. qst? a= o; d= 5000132649](http://www. questia. com/PM. qst? a= o; d= 5000132649); Berreth, C. A. (1994). Workers' Compensation Laws: Significant Changes in 1993. Monthly Labor Review, 117(1), 53+. Retrieved January 21, 2008, from Questia database: <http://www.>

[questia. com/PM. qst? a= o&d= 5001658358](http://www. questia. com/PM. qst? a= o&d= 5001658358) Berreth, C. A. (1996).

Workers' Compensation Laws Enacted in 1995. *Monthly Labor Review*, 119(1-2), 59+. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=5000334647>; Berreth, C. A.

(1997). State Workers' Compensation Legislation Enacted in 1996. *Monthly Labor Review*, 120(1), 43+. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=5000448944>

Bittman, M., Hill, T., & Thomson, C.

(2007). The Impact of Caring on Informal Carers' Employment, Income and Earnings: A Longitudinal Approach. *Australian Journal of Social Issues*, 42(2), 255+. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=5022836850>; Brinkerhoff, M. B. (Ed.

). (1984). *Work, Organizations, and Society: Comparative Convergences*.

Westport, CT: Greenwood Press. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=28610048>; Briscoe, D.

R., ; Schuler, R. S.

(2004). *International Human Resource Management: Policies ; Practices for the Global Enterprise*. New York: Routledge. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=108033498>; Brodie, D. W. (1991). *Individual Employment Disputes: Definite and Indefinite Term Contracts*. New York: Quorum Books.

Retrieved January 21, 2008, from Questia database: [http://www. questia. com/PM. qst? a= o; d= 27670546](http://www.questia.com/PM.qst?a=o;d=27670546); Brown, R. A.

(1993). Workers' Compensation: State Enactments in 1992. Monthly Labor Review, 116(1), 50+. Retrieved January 21, 2008, from Questia database: [http://www. questia. com/PM. qst? a= o&d= 5001666752](http://www.questia.com/PM.qst?a=o&d=5001666752) Caruth, D. L.

, & Handlogten, G. D. (2001). Managing Compensation (And Understanding It Too) : A Handbook for the Perplexed /. Westport, CT: Quorum Books. Retrieved January 21, 2008, from Questia database: <http://www. questia. com/PM. qst? a= o&d= 101988046>

Cohany, S. R. (1996). Workers in Alternative Employment Arrangements. Monthly Labor Review, 119(10), 31+.

Retrieved January 21, 2008, from Questia database: <http://www. questia. com/PM. qst? a= o&d= 5000438599> Cozzetto, D. A., & Pedeliski, T. B.

(1997). Privacy and the Workplace: Technology and Public Employment. Public Personnel Management, 26(4), 515+.

Retrieved January 21, 2008, from Questia database: <http://www. questia. com/PM. qst? a= o&d= 5000591852> Fitzpatrick, J. J.

(2006). State Labor Legislation Enacted in 2005: Minimum Wage, Child Labor, Drug and Alcohol Testing, Equal Employment Opportunity, Human Trafficking, Overtime, Plant Closings, Prevailing Wage, Time off, Wages Paid,

and Worker Privacy Were among the Most Active Categories of Labor Legislation Enacted or Amended during the Year. Monthly Labor Review, 129(1), 3+. Retrieved January 21, 2008, from Questia database: <http://www.>

[questia.com/PM.qst?a=o&d=5014740332](http://www.questia.com/PM.qst?a=o&d=5014740332) Fultz, E., & Pieris, B. (1999).

Compensation for Employment Injuries in Southern Africa: An Overview of Schemes and Proposals for Reform. International Labour Review, 138(2), 171. Retrieved January 21, 2008, from Questia database: <http://www.>

[questia.com/PM.qst?a=o&d=5001862126](http://www.questia.com/PM.qst?a=o&d=5001862126) Gittleman, M. B. (2005).

Pay Relatives for Metropolitan Areas in the NCS: Using Data from the National Compensation Survey, Calculations of Pay Which Take into Account the Composition of Employment across Localities Indicate That Measures of Interarea Pay Differentials Which Do Not Control for Employment Composition Can Be Misleading. Monthly Labor Review, 128(3), 46+. Retrieved January 21, 2008, from Questia database: <http://www.> [questia.com/PM.qst?a=o&d=5011970774](http://www.questia.com/PM.qst?a=o&d=5011970774) Harcourt, M., Lam, H.

, & Harcourt, S. (2007). The Impact of Workers' Compensation Experience-Rating on Discriminatory Hiring Practices. Journal of Economic Issues, 41(3), 681+. Retrieved January 21, 2008, from Questia database: <http://www.> [questia.com/PM.qst?a=o&d=5022964997](http://www.questia.com/PM.qst?a=o&d=5022964997); Jennings, M.

, Werbel, J. D., ; Power, M. L.

(2003). The Impact of Benefits on Graduating Student Willingness to Accept Job Offers. *The Journal of Business Communication*, 40(4), 289+. Retrieved January 21, 2008, from Questia database: <http://www.>

[questia.com/PM.qst?a=o;d=5002439988](http://www.questia.com/PM.qst?a=o;d=5002439988); Kaestner, R.

(1996). The Effect of Government-Mandated Benefits on Youth Employment. *Industrial ; Labor Relations Review*, 50(1), 122-142.

Retrieved January 21, 2008, from Questia database: [http://www. questia.com/PM.qst?a=o;d=98939004](http://www.questia.com/PM.qst?a=o;d=98939004); Kmitch, J., Laboy, P., ; Van Damme, S. (1995).

International Comparisons of Manufacturing Compensation. *Monthly Labor Review*, 118(10), 3+. Retrieved January 21, 2008, from Questia database: [http://www. questia.com/PM](http://www.questia.com/PM).

[qst?a=o;d=5001655725](http://www.questia.com/PM.qst?a=o;d=5001655725); Lencsis, P. M. (1998). *Workers Compensation: A Reference and Guide*. Westport, CT: Quorum Books. Retrieved January 21, 2008, from Questia database: <http://www. questia>.

[com/PM.qst?a=o;d=23393942](http://www.questia.com/PM.qst?a=o;d=23393942); Levine, D. I. (1995).

Reinventing the Workplace: How Business and Employees Can Both Win. Washington, DC: Brookings Institution. Retrieved January 21, 2008, from Questia database: <http://www. questia>.

[com/PM.qst?a=o;d=35626250](http://www.questia.com/PM.qst?a=o;d=35626250); Loucopoulos, C., Pavur, R., ; Gutierrez, C.

F. (2002). Insights into Gender Discrimination in Employment Compensation through the Use of Classification Models. *Journal of Managerial Issues*, 14(3), 375+.

Retrieved January 21, 2008, from Questia database: [http://www. questia. com/PM. qst? a= o; d= 5000601775](http://www.questia.com/PM.qst?a=o;d=5000601775); Madaus, J.

W. (2006). Employment Outcomes of University Graduates with Learning Disabilities. *Learning Disability Quarterly*, 29(1), 19+.

Retrieved January 21, 2008, from Questia database: <http://www. questia. com/PM. qst? a= o; d= 5015360635>; Making Workers Safer around the Nation. (2005, February). *Occupational Hazards*, 67, 35+. Retrieved January 21, 2008, from Questia database: <http://www. questia. com/PM. qst? a= o; d= 5008965435>; Maples, L., ; Earles, M. J. (2002).

Employment Benefits and Divorce: Who Pays the Tax?. *Journal of Accountancy*, 193(2), 40+. Retrieved January 21, 2008, from Questia database: <http://www. questia. com/PM. qst? a= o; d= 5000697258>; Michie, J., ; Smith, J. G. (1997). *Employment and Economic Performance: Jobs, Inflation, and Growth*. New York: Oxford University Press. Retrieved January 21, 2008, from Questia database: <http://www. questia. com/PM. qst? a= o; d= 59627464>; Nordlund, W. J. (1991). The Federal Employees' Compensation Act. *Monthly Labor Review*, 114(9), 3+. Retrieved January 21, 2008, from Questia database: [http://www. questia. com/PM. qst? a= o&d= 5000135066](http://www. questia. com/PM. qst? a= o&d=5000135066) Ratner, R. S. (Ed.). (1980). *Equal Employment Policy for Women: Strategies for Implementation in the United States, Canada, and*

Western Europe. Philadelphia: Temple University Press. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o&d=99506649> Reville, R. T., Boden, I. I., Biddle, J. E., & Mardesich, C. (2001). *An Evaluation of New Mexico Workers' Compensation: Permanent, Partial Disability, and Return to Work*. Santa Monica, CA: Rand. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=103806500>; Rubery, J., Smith, M., Fagan, C., ; Grimshaw, D. (1998). *Women and European Employment*. London: Routledge. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=108262772>; Siegel, G. B. (1992). *Public Employee Compensation and Its Role in Public Sector Strategic Management*. New York: Quorum Books. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=28361448>; Smith, I. G. ; Debrah, Y. A. (Eds.). (2002). *Globalization, Employment, and the Workplace: Diverse Impacts*. London: Routledge. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=108220011>; Snower, D. J. (1995). *Unemployment Benefits: An Assessment of Proposals for Reform*. *International Labour Review*, 134(4-5), 625+. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=5000383009>; Spiezia, V. (2000). *The Effects of Benefits on Unemployment and Wages: A Comparison of Unemployment Compensation Systems*. *International Labour Review*, 139(1), 73. Retrieved January 21, 2008, from Questia database: <http://www.questia.com/PM.qst?a=o;d=5001797495>; Tinsley, L. C. (1989). *State Workers' Compensation: Enactments in 1988*. *Monthly Labor Review*, 112(1), 66+. Retrieved January 21, 2008, from

Questia database: [http://www. questia. com/PM. qst? a= o&d= 5000105222](http://www.questia.com/PM.qst?a=o&d=5000105222) Tramposh, A. (1991). *Avoiding the Cracks: A Guide to the Workers' Compensation System*. New York: Praeger Publishers. Retrieved January 21, 2008, from Questia database: <http://www. questia. com/PM. qst? a= o; d= 23331914>; Whittington, G. (2002). *Changes in Workers' Compensation Laws during 2001; Workers' Compensation Coverage Was Extended to Certain Law Enforcement and Public Safety Officers, but Excluded from Some Sports Officials Inmates, Musicians and Horse Trainers*. *Monthly Labor Review*, 125(1), 31+. Retrieved January 21, 2008, from Questia database: <http://www. questia. com/PM. qst? a= o; d= 5000742651>;