The impact of employee benefits as retention strategy in a concept dining restaurant chain in India

Masters in Arts in Human Resource Management

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Abstract

**Background:** There are several studies conducted on organization’s retention strategy for various sectors, however, few studies explore the link between employee benefit as retention strategy in restaurant chains in India.

**Objective:** This study explores employee benefits as retention strategy in a chain of restaurants in India.

**Design:** Qualitative descriptive structured interview questionnaire for HR manager and HR executives to get current trends and organizational strategy towards employee retention. Quantitative exploratory structured interview questionnaire for ex-employee to ascertain true facts of the summary of exit interview, and the cause of turnover.

**Settings:** Small restaurant sector of 32 outlets and 2750 employees spread across India.

**Participants:** 64 ex-employees; two from each outlet selected through probability sampling. 32 HR managers and 32 HR executives selected purposive non-probability sampling shall be interviewed.

**Methods:** By means of structured interview questionnaire sent online to participants, the researcher aims at conducting the research.

**Result:** The researcher will try to find out the gap in the organization’s retention strategy and the main reasons for the employee resignation against what was mentioned by them during their exit interview. After establishing an understanding of the employee and employer expectations by means of interview questionnaire, researcher recommends retention and engagement surveys for the organization under research.

**Conclusion:** This study concludes the importance of employee retention strategy in organization. While drafting new strategies, organizations should analyse the impact it brings along. Consideration of employee development along with the organization’s growth helps employees to align their goals with that of the organization. Recruitment and selection, employee engagement, organizational culture and benefits, training and induction if planned in advance, would save the organizational cost which is incurred with high employee turnover and lack of retention plans.
Declaration

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Acknowledgements

I would like to express my appreciation to all those who supported me during the research and writing of this dissertation.

Special thanks to my husband, Raman

My daughter Sneh

My family and friends

For putting up with me for the duration

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Abbreviations

CX partners- Charles Tyrwhitt

ESOP- Employee Stock Ownership Plan

INR- Indian rupees

NHS- National Health Service

SHRM- Society for Human Resource Management
Chapter 1: Introduction

1.1 The background

The food service industry in India is worth 75,000 crores Indian rupees (INR) with the growth rate of 17% and expected to reach INR 137,000 crores by 2015. 70% of the success in growth rate is contributed by the unorganized sector which comprises of casual, fine dining restaurants, stand-alone restaurants, and international and domestic restaurant chains. However, the expanding restaurant sector needs to be complimented by retaining talent employees. Employee retention has been a major issue in this fast growing industry and has resulted in the closure of a huge number of restaurants. UK HR magazine throws particular focus on the importance of staff retention in tourism and hospitality industry to improve their productivity levels. One way to achieve this would be through customized training to bridge in the skills gap among employees (Newcombe, 2013). The need to keep down the turnover rates and remain in business has made employer’s to focus shifting to employee’s wellbeing and staff retention over customer satisfaction (Sethi, 2012). The American restaurant industry is having a similar growth rate for the coming years, expected sales to exceed $660 billion. The challenges apart from low customer spending and high food costs remain high employee turnover and high employee retention or replacement costs (Hsu, 2012).

There are several studies conducted in India and abroad to understand the reasons for high employee turnover and retention difficulties in restaurant sectors. Some studies has identified retention issues and high employee turnover as lack of retention plan (Heskett, Sasser, Schlesinga, 1997); low employee morale (Verma, 2013); work-life balance (Deery, 2008);
employee engagement (Deery, 2008; Hugles, 2008; Bhatnager, 2007) and poor leadership (Kouzes and Ponser, 2007).

The research aims to identify the gaps responsible for high turnover and the reasons for the failure or success of the retention strategies for the organization under research.

Appendix 1 highlights the regional Map of India. India is divided into four regions north, south, east and west. It would be important to establish an understanding on the same before proceeding further since the organization under research is spread across India having maximum outlets in the regions which are more profitable as mentioned below.

Northern region: 09 outlets
Southern region: 12 outlets
Eastern region: 01 outlet
Western region: 10 outlets

The analysis of the dissertation would be established based on the regions to have a better understanding on the subject under research.

1.2 The organization

A concept dining restaurant chain started in 2006 spread across India (appendix 1) with 32 outlets and 2750 employees. An international concept of live charcoal grill on the table with a pre fix menu of sumptuous variety of both vegetarian and non-vegetarian food options. The vision and attitude is helping the organization accomplish its global expansion plan. The recent development in the organization’s rigorous growth plan was highlighted by an investment of 110 crores Indian rupees (20 million euros) by Charles Tyrwhitt (CX) partners; a private equity UK based firm (Choudhary, 2013).
By-monthly food festivals gave customers a new experience every time they visited making the restaurant chain popular with corporate client for parties, team lunches and dinners. (Kurian and Zachariah, 2012) have indicated the popularity of the restaurant chain across India is in response to the smart marketing strategies and ambitious expansion. Featuring in 100 best restaurants in Asia, the restaurant chain stood at third position among the fastest growing companies in India for the year 2011 (Khetarpal, 2011). The organization’s revenue was 200 crores in last fiscal year and is expected to touch 350 crores catering to 55 lakhs guests in the year 2013-2014 as per the MD of the company (Bhat, 2013).

1.3 The issue

Effective retention strategy is one of the key talent management strategies. Organization under research did not meet this parameter, causing delay in expansion plan of opening up of new units. As an initiative to reduce turnover percentage, organization designed a framework which made employees partners in organization’s profit share and outlet profit share. Linking organizations tipping policy with employee’s daily performance evaluation by supervisors and managers was yet another step towards their retention plan; however, these employee benefit plans were confusing. Implementation of a well-planned retention strategy not only brings down the turnover rates but motivates employees to maintain job performance productively (Scott, 2013). In agreement with (Pfeffer, 2001), having high talent senior executives could have unintentional negative consequences on organizational growth. Same was the case here; ineffective implementation of new employee benefits as employee retention strategy and internal policies and procedures could not engage employees’ despite of attractive financial work benefits. The key retention strategy for the organization was unsuccessful due to idea clashes among the top management. They all had different view point on implementation strategies. This created unrest
among employees who started looking for other job opportunity unaware of the benefits which current job had in store for them. There was a need of an implementation plan in place and leaders who could execute the same at unit levels.

Holding team briefings or managers address discussing the new policies would have given employee clarity. The organization under research was under a lot of stress, not being able to focus on the issues and resolve them. There were new outlets ready, but due to lack of experienced staff, they couldn’t be commercially launched.

The researcher aims to investigate the impact of employee benefits as retention strategy in a concept dining restaurant chain in India.

1.4 Aim of research

The research aims to outline the impact of employee benefits as a retention strategy in a concept dining restaurant chain in India.

1.5 Potential significance

It is vital for HR and management to address significant concern of the organization and build strategies around the issues. HR of the organization under research needs to redefine its retention strategies to achieve organizational goals and enhance organizational performance.

1.6 Purpose statement

The purpose of this research is to identify the impact of employee benefit as a retention strategy in a fast growing restaurant chain in India.

1.7 Research questions

Research question helps to focus and gives a purpose to study.
In order to establish a meaningful analysis of the chosen topic, it is imperative for the researcher to establish a study and understand about work benefits and retention strategy of the organization.

The identified research question is ‘Are new work benefit incentives helping the restaurant chain in India with its retention strategy’?

1.8 Research objectives

(Wright, 2004) has indicated benefits as package to employees over and above their salary which is motivational factor to them, increasing their productivity and well-being. It is sometimes used for recruitment and retention issues, adding to employers cost in one hand and reducing their tax on the other hand. Are employee benefits a strong retention strategy for organizations’ working upon bringing down their turnover rates? The researcher has previously done a report on employee turnover for the same organization during the post-graduation degree last year; this motivates her to examine the effectiveness of a new retention strategy; employee benefits to reduce current turnover rates by proposing a new retention strategy. This would make the organizations ambitious expansion plan more realistic.

1.9 Purpose of the research

The purpose is to examine the impact of the current retention strategy of the organization which requires bringing down the current turnover rates to address the rigorous expansion plan.

1.10 Process of research

The process of research will be online structured interview questionnaires.
1.11 Logic of the research

The logic is to identify the impact of the current retention strategy to enable the organization to bring down the turnover rates and justify the cost involved in executing the retention strategy.

1.12 Outcome of the research

The outcome is to improve the retention strategy by giving it a wider focus on the issues surrounding high employee turnover. The research reflects on weak HR competencies and skills which resulted in failure of introduced strategies. It would give possible recommendation which would help the organization to retain and engage employees.

1.13 Limitations

This research is concerned with the organizations retention strategy; that is employee benefits. The focus of the research will be at the impact of the organization’s retention strategy. Also the researcher aims to the regional influences since the organization is spread across India. The result therefore will be generalised to show the correlation between employee benefits and organization’s retention strategy.

1.14 Delimitations

This sample represents chief executive officer and finance manager at corporate office, regional HR managers and executives. There may be cultural and regional differences which could possibly have an influence on the execution of employee benefits for specific outlets resulting in failure to retention strategy.

1.15 Dissertation outline

Chapter one (1) introduces to the background of the organization, topic under research, and previous findings on the same topic. It highlights the
issue, significance in HR and management context. It identifies the purpose research objectives, the limitation and delimitations surrounding the topic. In brief, it will address the research methodology to meet the research aims and objectives.

Chapter two (2): Literature review gives the theoretical and the methodological contribution towards employee retention. It gives an in-depth analysis of the topic and identifies the gaps which need to be addressed in order to give valuable contribution for the organization under research which is facing employee retention difficulties.

Chapter three (3): Reviews the research question, objectives and sub-objectives justifying the impact of the same on theoretical aspect, journals and any updates on the same.

Chapter four (4): Methodology highlights the summary of the research methods. It also discusses the harnessing of research strategies and analysis.

Chapter four (5): The main findings and the analysis of the gathered data shall be discussed in this chapter.

Chapter five (6): This chapter will address the identified gaps, recommendations and further areas for research.


Chapter 2: Literature review

2.1 Introduction

With 65% of the demography under the age of 35, India has the world’s largest work force. With an estimate of 300 million people entering the workforce by the year 2025, 25% of the world’s skilled workforce will be Indian’s (Arora, 2013). Researcher has done a previous study on employees’ turnover for the same organization. This study is being conducted to examine the employee benefits introduced as a key retention strategy seeing high turnover rate. Furthermore, this chapter introduces theoretical as well as practical aspects of employee retention strategy, employee engagement, employee turnover together with their relationship with each other and an overview on employee benefits. By means of the findings of previous research, recent articles and theories, a snapshot of organization’s failure to make the ends meet shall be identified.

2.2 Human Resource management

Human resource management has shown a functional change by shifting focus beyond recruitment and administration to communication, workplace learning, career management, and human capital accumulation (Morley, Gunnigle, O'Sullivan, and Collings, 2006). (Gunnigle, Morely and Foley, 1995, pp.138-142) mentions “external environment and internal environments responsible in determining the HRM functions for an organization”. External environment are built around levels of economic performance, societal values, technology advancement and internal environment consists of organization’s size, structure, established policies and procedures, current workforce etcetera. In an interview (Ulrich, 2010) mentions one of the key attributes of managing HR is to find, source and hire right people, keeping in mind to develop the available talent which is local talent.
2.3 Overview: Retention

Several motivation theories have significance importance towards employee retention, for example, the equity theory, need theory, expectancy theory. These theories have emphasised on the below mentioned factors which when fulfilled by the employer helps to create engaged employee.

- **Work environment**- It is important for employee to work in a friendly, stress free environment which encourages positive thinking making them productive.
- **Responsibility**- Employees seek for additional responsibility which should be awarded in fair and ethical manner.
- **Fairness and equity**- Employees expect fair dealing at work. There are organizations which suffer with losses of great talent who practice gender, race, age and any other kind of discrimination. Employee who puts in addition effort at work expects higher reward and remuneration.
- **Employee development**- Employees today seeks development with the growth of organization.

The above mentioned factors are with respect to the motivational theories that encourage employee retention (Ramlall, 2004).

2.3.1 Importance of retention

It is paramount to retain talent employees. (Taylor, 2002) addresses the importance of employee retention as mentioned below.

- There are several new job opportunities; however there is shortage of talent employees.
- There is an increase in getting skilled employees. This makes it critically important to hold on to the talent employees.
With the aging workforce, their retirement takes away the experience they carry. New employees can replace them not the knowledge of the leaving employees.

Most of the jobs require adequate knowledge along with skill.

New work culture demands more flexibility, which makes employees less committed and involved.

Similar are the views of other theorists expressing a need for HR practices to synchronize with the organization’s culture to gain competitive advantage. Having right employees for the right job will create committed and involved employees keeping turnover rates minimal, resulting in high guest satisfaction, customer loyalty and high service level (Dawson, M and Abbot J, 2009). Findings of (Heskett, Sasser and Schlesinger, 1997) suggest that hospitality industry suffers with high turnover culture, and with organizations not having serious retention plans, financial damages are huge. Other reasons suggested for high turnover are demographics of employees and demanding nature of business. In India, recent threat is the retention of talent employees in restaurant chains. The cost of turnover is not limited to monetary losses, it leads to customer dis-satisfaction, low employee morale, employee productivity effecting over all organization’s performance (Verma, 2013).

2.3.2 Retention approaches

The findings of Doherty and Maxwell suggest that there is a close link between work life conflict and employee turnover (cited in Deery 2008). Their study suggests that in hospitality industry, creating work-life balance will have an immediate impact on employee retention. Findings of the theorists who have studied hospitality sector to bring down turnover or to have an effective retention strategy are briefly mentioned below.
There are many articles in relation to organizations retention strategies; however, many authors’ writings direct talent management as key to employee engagement and retention strategy (Deery, 2008; Hughes, 2008; Bhatnagar, 2007). The war for talent has its emphasis on employee retention apart from recruitment. Going by the UK human resource directors who are very concerned about losing staff in 2013, in search of better work benefits, employees tends to switch companies and its common for companies to wait until they start to receive resignation before acting upon their retention strategies (Whitehead, 2013).

<table>
<thead>
<tr>
<th>RESEARCHER</th>
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<tbody>
<tr>
<td>Collins, 2007</td>
<td>Recruitment</td>
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<td>Pratten and O’Leary, 2007</td>
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<td>Chiang et al., 2005</td>
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<td>O’ Leary and Deegan, 2005</td>
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<td>Wildes and Parks, 2005</td>
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<td>Hjalager and Andersen, 2004</td>
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Table 1: Retention approach

Source: Adapted from (Deery, 2008; Table IV: pp.801-802)
The organization under research introduced three initiatives as work benefit for employees which in turn would help organization reduce their taxation. Firstly, employees’ share (25%) in the company’s profit shares. In case outlets could do profitable business, it would benefit them with income above their salary directly. Popular restaurant chain, McDonalds in USA offers its employees’ profit sharing and benefits plans in similar lines. The programme is restricted to eligible managers and employees wherein company matches to employees’ contribution in 3 to 1 match (McDonald’s Profit Sharing and Savings Plan, 2013).

Secondly, employees were made shareholders in outlets profit share (25%) creating an internal competition among outlets to meet and exceed their budgets. Similar is the concept of Employee Stock Ownership Plan (ESOP), a work practice in UK and United States, an employee-owner scheme that provides a company's workforce with an ownership interest in the company. In an ESOP, organizations provide their employees with stock ownership at no cost which is held at an ESOP trust until the employee is associated with the organization. On employees’ resignation or retirement, the shares are sold. This system also helps in boosting the motivation and employee productivity apart from organization to retain work force (Schmidgall and Bechtel, 1990). Creating outlet profit share was working beneficially for both employer and employee. The organization intended employees to perform in a particular fashion to obtain desired result. This would help the organization in many ways. They wanted to put a system in place which would enable them to monitor 32 units spread across India.

The last initiative was linking the outlet tipping system to their daily performance evaluation system, all this extra income earned by employees were made tax free for them, organization bearing the expense for the same. (Doonar, 2012) in his article in employment review mentions that communicating pay and benefits is an important aspect when introducing a
new strategy. It helps engage employees, key to retain employees. The organization’s approach was towards the performance management. In spite of introducing monetary benefits, the strategy adapted by the organization was not working to retain staff. In North America, around $6 billion is spent by consumers as tip in restaurant alone. Linking the tips to performance appraisal would help the organization to have a better control on employees which otherwise would be challenging. Other than this, organization would save on taxation with the voluntary tipping system and shared profit. It would give them non-monetary benefits of creating motivated and better engaged employee who would be more productive creating positive work environment. This would also help the organization create new workforce; existing employees would be keen in getting their acquaintance, family and friends to sit for interviews for the new job openings for the upcoming units.

2.4 Reward, benefits and retention

Reward management has a strategic significance by contributing towards organization’s business goals by means of reward policies, processes, and practices to support its implementation (Armstrong and Murlis, 2007). They mention that reward either tangible or intangible gives results when used effectively. Today, the essence of having reward system for employees in organizations are to meet three objectives which are to attract the right people for the right job, to retain the best employee by appreciating their contribution towards organizational profit and to motivate employees to perform best to their ability (Shields, 2009). Mark Murphy, author of The Deadly Sins of Employee Retention and CEO of Leadership IQ, a Washington D.C.-based executive education firm mentions that motivation in the form of bonuses, office parties, alone cannot help organizations to improve employee retention. There is a need for setting foundation is by attracting right people, by allowing employee a margin of error in the
assigned task which helps them in building trust and confidence towards the organization. Lastly, building a nice rapport with employees leaving so that need be they consider coming back to the organization (Spiro, 2010).

Employee benefits play vital role in staff retention. Investing on employees’ health and wellness is beneficial for organizations that intent to retain healthy workforce, however; bottom line remains much of such benefit programs are based on employers’ choice. This results in failure of an important organizational work benefit for its employees (Gillespie, 2012). There have been several researches done on role of performance appraisal, career progression, work life balance, training and development, compensation and benefits as retention strategy, however, big question is does these help to retain talent employees? Talking about one of the most successful restaurant chains, McDonalds, a very simple retention strategy made them the winners of the Grand prix prize for having the most effective reward strategy aligned with one of the organizations goals to achieve employee retention. The employee benefit program of the group is designed to attract, retain and engage talent employees who with their string performance will help the organization accomplish its goals and objectives (McDonalds, 2013). The organization believes that even with an uncertain economy, the best employees have options. They believe in retaining talent employee (Fisher, 2008). As an initiative to retain talent employees, organizations are now going towards voluntary benefits which help employers to increase employee’s salary (Lovewell, 2010). Some interesting findings about employee benefits by (Weathington and Jones, 2006) suggests that when offered both monetarily and non-monetarily benefits for employees, what works best depends upon the employer and employee relationship. To strengthen the relationship, employers introduced monetarily benefits for employees in the organization under research. Despite of economic crunch, a study by global consulting firm in India,
Mercer shows survey evidence of 19% salary hike to retain talent staff. Another interesting fact from the survey reveals about 62% of employees are willing to stay with their current employer in case they are offered better work benefits which suits their requirement (Economic times, 2013). Employee benefits alone are no longer considered as a strong retention strategy; they have to match with employees expectations. Talking about India in recent report submitted by Society for Human Resource Management (SHRM) over last three years the country has seen drastic cuts in work benefits budget because of falling economy (Employee benefits survey, 2012). Going by the findings of survey report on talent resourcing and retention in Asia, many human resource professionals from organizations focusing on staff retention strategies in Hong Kong, China, Taiwan, Malaysia, Singapore, and South Korea were interviewed. The report suggests mostly Asian countries work in similar fashion, not very keen to spend on employee benefits. Organizations now are looking at extending their employees with both financial and non-financial benefits in form of health care support, wellness screening, retirement schemes, and better work life balance (Kwon, 2013). However, hospitality industry around the world is with a view of having retention, employee productivity and profits earned by organizations responsible for each other (Lewis, 2009). To remain competitive with their recruitment and retention strategies, organizations are shifting their employee-cost accountability and decision making to employees. Not surprisingly, employers continue to re-model their employee benefits plan giving the burden of managing benefits to employees.

2.5 Overview- Employee engagement

There wasn’t much awareness of employee engagement; year 1990 initiated the academic work on personal engagement (Lombardi, 2013). Relationship between job and organization engagement was first introduced by Saks,
2006. Gallup is a renowned organization conducting employee engagement survey since 30 years involving 30 million employees developing twelve elements of engagement, recommends four essential factors which world’s best organizations prioritize to create engaged work force. Firstly, having a strategy, secondly, accountability and performance, thirdly, communication and lastly, development. An un-engaged workforce would arise due to failure of anyone of the above mentioned (Gallup, 2010).

Similar are the views expressed by Forbes. Alan Saks in late 2005 came up with the theory which suggests that to create employee engagement stating there has to be job engagement and organization engagement established for productive workforce and profitability for organization (Filipova, 2007). The organization under research shows weak employee engagement. Only when there is reciprocal relationship between organization and employees, a healthy work culture can be created with an engaged and committed workforce. (Kelleher, 2009) in his video on 10 steps of employee engagement mentions the key factors such as

- Creating individual employee engagement.
- Having a feedback mechanism.
- Having a motivational work culture.
- Having engaged first line managers.
- Importance of communication.
- Link to high performance.
- Ownership lies with the top management first.
- Recruitment and promotion of employees with right behaviour.
- Reinforce and reward the right behaviour.
- Tracking and monitoring progress through communication.

In today’s scenario when the world has hit recession, employees are expected to stick to the jobs they have. They are made to work more and
there is a cut in rewards and benefits offering. This makes employee engagement further difficult. Work of (Richman, Civian, Shannon, Hill, Brennan, 2008) establishes a relationship between perceived flexibility, supportive work-life policies and use of formal / occasional flexibility to employee engagement and expected retention. Recent finding on (Forbes, 2013) suggests employee engagement is beyond creating a stress-free, obstacle free environment magically turning employees happy and productive, however, according to Khan, 1990 cited by (Colin, Jake and Kontakos, 2007) engagement helps to harness organization members’ to their work roles who express themselves physically, cognitively, and emotionally during role performances.

Today every employee has an opinion and they want to be heard, they expect management to accommodate their odd request for example flexible work timings. Organizations have people to execute their plans and expertise of workforce is used to make dream into reality. Lastly, there is nothing like a perfect work place, organizations needs to welcome, disagreement, conflicts, rejection. It’s a human tendency to be engaged, managing changes.

2.6 Overview- Employee Turnover

Turnover culture is accepted both by employer and employee in hospitality sector. Average job tenure in United States hospitality industry is estimated at 1.5 years in 1997, however work of Rowley and Purcell in 2001 establish U.K’s average work tenure at 18 months to 2 years (Kusluvan, 2003). Impact of employee turnover on organization’s financial status has both positive and negative impacts (Gopal, 2003 and Grensing-Pophal, 2006). In views of Gopal, 2003), employee turnover as a result of dis-engagement has a negative financial impact on organization, whereas Grensing-Pophal have an opinion that voluntary turnover would help employer fill in places with
new talent which will flow new ideas and industry expertise (Broner, 2009). (Philpott, 2005) in his article on labour turnover mentions that hotels and restaurants have a relative high turnover rate and employers focus remain on retention strategy. Offering work benefit is a better choice for employers for the reason that employee replacement costs much higher than expenditure incurred on retaining them. The model of turnover, whose development is described, is often referred to as “Price-Mueller" model has a belief in two types of employee turnovers, primarily, voluntary turnover wherein employee leaves organization on his discretion and secondly non-voluntary turnover wherein he is either taken out of organization based on management discretion or an accident or illness to name a few as mentioned by Griffeth and Hom, 2004). The employees of organization under research looking for other job opportunity because they were very uncertain about the introduced changes, they were seeking for clarity. Somewhere they doubted the fairness of employer dealings with employees. There has been several research conducted to examine retention strategies in different organization. Organization’s growth trajectory is done in sync with the growth, development of employees (Bararia, 2011). An organization which understands employees’ need and aligns organizational goals accordingly would not face turnover difficulties. One of the key challenges which hospitality sector comes across is long working hours, wherein employees fail to create a balance between their family and work.

2.6.1 Effects of turnover

Employee turnover has always been a costly problem for restaurant industry. Employee engagement is required to reduce absenteeism from work, reducing the turnover rates. Strategies to influence employee attitude have a positive impact on their performance enhancing their commitment levels. This would in turn reduce organization’s cost and help them achieve their objectives efficiently. Motivation and empowerment at demanding jobs
however, has always helped to reap benefits (Chase and Kristine, 2004). Turnover is more of a management problem than employees because of the costs associated with it. A new recruit has both formal and in-formal training and development requirements. A new recruit’s performance to match with an existing employee needs adequate time.

Four distinctive behaviour of employee turnover mentioned by (Bluedorn, 1982) which is necessary for organizations to possess in order to validate the turnover trends

<table>
<thead>
<tr>
<th>Initiator of movement</th>
<th>Into the organization (Accessions)</th>
<th>Out of the organization (Separations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The individual (Voluntary)</td>
<td>Type 2 (Taking a job) Accessions</td>
<td>Type 1 (Quitting) Voluntary Separations</td>
</tr>
<tr>
<td>Other than an individual (Involuntary)</td>
<td>Type 3 (Military conscriptions) Involuntary</td>
<td>Type 4 (Being fired) Involuntary separation</td>
</tr>
</tbody>
</table>

Figure 1: Direction of motivation


2.7 Communication and retention

“Communication is the essence of culture, inextricably and reciprocally bound together, and effectiveness is rooted in the ability of people from different cultures to work together” (Jablin & Putnam, 2001). Cushman and King, 1993 has identified a new theory which identifies communication playing an important role in the functioning of an organization. Opinions can be voice out in organization by means of proper communication for
fruitful results. In his blog (Holland, 2009) mentions communication plays a greater role in retaining talent employees who would switch to a change given an opportunity.

Communication helps to create

- A culture of open communication.
- Help position the managers and supervisors as key or trusted source of communication.
- Encourage business leaders to be out front and up front.
- Communicate about employees’ total compensation package.

### 2.8 Organizational culture and retention

Organizational culture has many definitions. It defines the norms for employees to perform their day to day activities. Researchers, Kotter and Heskett in the below mentioned figure defines factors which make some organizational culture more successful than others (Aquinas, 2006).

![Figure 2: Organization culture and retention](image)

<table>
<thead>
<tr>
<th>SHARED VALUES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INVISIBLE</strong></td>
</tr>
<tr>
<td>Important concerns and goals that are shared by most of the people in a group, that tend to shape group behaviour and that often persist over time even with the changes in group membership. For example: the managers care about the customers: executives like long term debt.</td>
</tr>
<tr>
<td><strong>VISIBLE</strong></td>
</tr>
<tr>
<td>Common or pervasive way of acting that are found in a group and that persist because group members tend to behave in ways that teach those practices as well as their shared values to new members, rewarding those that fit in and sanctioning those that do not.</td>
</tr>
<tr>
<td><strong>HARDER TO CHANGE</strong></td>
</tr>
<tr>
<td><strong>EASIER TO CHANGE</strong></td>
</tr>
</tbody>
</table>
To simply the understanding on this subject (Smircich, 1983) classified the perspective of organizational culture into five theoretical culture mainstreams in anthropology.

1. Cross culture management.
2. Corporate culture.
3. Organization cognition.
4. Organizational symbolism.
5. Unconscious processes and organization.

Organizational culture has strong influences on employee commitment which leads to organizational performance. Leadership as well is considered as culture driven. (Schein, 1983) states that any kind of transformation which an organization undergo in terms of role modelling leadership, has a huge impact on achieving organizational change. The views are supported by Norman Brinker, the finder and owner of Brinker; a multinational hospitality industry whose success is credited to the positive organizational culture which encourages the employees to work with a positive attitude. (Dawson and Abbott, 2009) refers hospitality industry as different from any other service industry bearing in mind the importance of the manners with which the service is delivered by employees is of paramount importance, and that comes naturally in organizations which have a positive work environment or a culture which determines the same.

2.9 Leadership and retention

“Leadership is the ability to influence the thoughts and behaviours of others. A leader’s position may be formal and result from designated organisational authority (the jobs of appointed supervisors, for example) or informal and
depend on the individual’s personal ability to exercise power” (Bennet, 1998, pp.4-6). However, he is also in an opinion that the new leadership theories which emerged after 1980’s see leadership as transformational, charismatic and visionary. There are studies conducted by (Martin Naude and Dr Margaret McCabe, 2005) which reveals the importance of effective leadership for motivation among employees in organizations.

2.10 Talent employee and retention

With 65 percentage of employee under the age of 35, India is rich in talent resources. Retaining this huge demography will have to satisfy two questions which young aspirants comes with. Firstly, the worry of their career growth and secondly, the work environment should be fun filled. Going by the hospitality sector, McDonalds has a concept of ‘Learn and Earn’, which promotes various graduate and under graduate programs enhancing individual knowledge which in turn gives an enhanced performance. Hay group study reveals attrition rate at 25% is the highest in India with every fourth employee looking for a job change with better prospects and opportunity. With a large number of new projects in the pipeline and downturn of economy, there would be a demand of talent and concern for employee engagement and retention (Upadhayaya, 2013).

2.11 Why do people leave?

People who stay in organizations are the ones who are being able to connect their objectives with that of the organization. Employees should be able to see growth opportunity, enjoy the work environment and be able to find their jobs challenging, meaningful and with a purpose (Mills, 2007). Poor leadership is mentioned by (Kouzes and Ponser, 2007) as the main reason for people leaving organizations. Kaye and Jordan, 2008 mentions that there are leadership failures because most of the managers want to take care of the employees’ need however; their actions are not in conjunction with what
employees want. They mention that it is important for organizations to ask what employees want rather than guessing. (Kaye and Jordan, 2008, p. 10) elaborates on important questions which employees should be given and discussed individually to establish a better employee understanding, thus making employee retention strategy effective.

- ‘‘What will keep you here?
- What will entice you away?
- What is most energizing about your work?
- Are we fully utilizing your talent?
- What is inhibiting your success?
- What can I do differently to best assist you?’’

2.12 The theories

Researcher has done a previous study on turnover relationship with regards to employee retention. This study is being conducted to examine the employee benefits introduced as a key retention strategy. Motivation plays an important role in employee retention. There are several motivation theories by Abraham Maslow’s Need theory, 1943; Alderfer’s ERG theory, 1969; McClelland’s Achievement Need Theory, 1961; Edwin Locke’s goal theory, 1968. By means of three motivation theories, the researcher aims at explaining the importance of motivation on employee retention for the organization under research. The organization’s turnover would be addressed by means of turnover theory by Price and Mueller, 1986 and employee engagement by means of Saks, 2006. The other theories discussed in this dissertation are as mentioned below.

1. The need theory- Fredrick Herzberg- Two Factor Theory-1959
2. Equity theory-John Stacey Adams-1963
3. The expectancy theory-Victor Vroom-1964
Researcher aims to connect the organizational problem by means of these theories, which will give theoretical as well as practical aspects of employee retention strategy, employee turnover, and employee engagement and employee benefits.

The **two factor theory** by Herzberg indicate the factors which are responsible for job satisfaction (motivators) which are different from the factors which cause dis-satisfaction (hygiene factors) among employee making retention difficult and resulting in employee turnover.

Adam’s **Equity theory** highlights the dis- satisfaction among employees of various outlets of the organization due to unclear incentive programme which were introduced as retention strategy. They felt they were not communicated important changes which organization was undergoing.

**The expectancy theory** highlights the foundation of the new work benefits introduced. It shows how the organization made its employees believe that certain effort would lead to performance which in turn will result in an outcome of better incentive and advancements.

There are many research conducted to analyse the reason for an employees’ choice to stay with or leave the organization by (Mobley, 1979); (Bluedorn 1982); (Michaels and Spector, 1982). The model of turnover theory is often referred to as Price-Mueller model, described historically developed in five phases. The rationale for selecting Price-Mueller models of turnover over other theorists is the range which this model offers in analysing the turnover ratio along with the behavioural aspect of an employee who decides to quit or carry on working with an organization (Filipova, 2007).
Researcher has chosen Saks findings over others because Saks relates engagement as a reciprocal theory which brings together the job and the organization together to create high level of employee engagement.

2.13 Conclusion

With the shortage of skilled labour, employee retention is considered the key advantage for organisations (Torrington and Taylor, 2008). The three recognised factors of employee retention are recognition, reward and respect. KEi (an application service provider) which helps in recruitment and retention of staff came up with a retention wheel as mentioned below (Phil, 1999). The two prime beliefs of this retention wheel is based upon

1. Retention of employee becomes difficult when right person is not hired for the right job.
2. The process of retention should ensure employees satisfaction to work and stay.

The eight factors which feature in Kei’s retention wheel are mentioned below:

1. Attitude of employing the candidates.
2. Finding right person for the right job.
3. Application sorting.
4. Employee selection.
5. Starting employees.
6. Informing employees.
7. Improvising employees.
8. Employee reward practice.
The retention wheel indicates the factor which encourages retaining talent employees. Other important factor remains employers’ contribution to communicate and have a better understanding of the employees to keep down the turnover rates. Many other retention approaches are discussed above by other theorists which researcher established after going through several literatures. It would be worth mentioning that leadership style, communication, recruitment, organizational culture, employee engagement, reward and benefits are other tested solution to the austere problem of employee retention.
Chapter 3: Research objectives and questions

3.1 Research question

Research question helps to focus and gives a purpose to study. In order to establish a meaningful analysis of the chosen topic, it is imperative for researcher to establish a study and understanding about work benefits and retention strategy of the organization.

The identified research question is ‘Are new work benefit incentives helping the restaurant chain in India with its retention strategy’?

3.2 Aim

The aim of the research is to investigate the impact of employee benefits on retention strategy of a concept dining restaurant chain in India.

3.3 The objective and sub objectives

(Wright, 2004) has indicated benefits as package to employees over and above their salary which is a motivational factor to them, increasing their productivity and well-being. It is sometimes used for recruitment and retention issues, adding to employers cost in one hand and reduce their tax on the other hand. Are employee benefits a strong retention strategy for organizations’ working upon bringing down their turnover rates? The researcher has previously done a report on employee turnover for the same organization during the post-graduation degree last year; this motivates her to examine the effectiveness of a new retention strategy; employee benefits to reduce current turnover rates by proposing a new retention strategy. This would make the organizations ambitious expansion plan more realistic.
3.3.1 Overall objective and sub-objectives

The aim of the research is to investigate the impact of the employee benefits, retention strategy in a restaurant chain in India by means of below mentioned objectives.

**Research objective 1:** To review the components of the organisation’s retention strategy by means of (Arora, 2013; Bhatnagar, 2007; Taylor, 2002; Griffeth and Hom, 2004).

**Research objective 2:** To determine the level and nature of employee engagement (McDonalds restaurant chain worldwide; Bararia, 2011; Khan, 1990; Maslach, Schaufelli, and Leiter, 2001).

**Research objective 3:** To investigate the trend in employee turnover rates (Mobley, 1982; Hom and Griffeth, 2000; Gopal, 2003; Grensing-Pophal, 2006).

**Research objective 4:** To review the impact of voluntary benefits on retention rates (Bettelley, 2013; Black 2005; Derry, 2008; Griffeth and Hom, 2004; Taylor, 2002).

**Research objective 5:** To ascertain the effectiveness of employee retention strategies that have been implemented to-date. Retention strategies include

1. Organization profit share.
2. Outlet profit share.
3. Performance based tip system.

To investigate the objectives and the sub objective, researcher would use documentary text secondary data to gather information about employee turnover, retention, and attrition percentage. Data would be gathered to
establish an understanding of organizations over all policies and procedure, employee benefits and how they vary in different units of organization.

Ad hoc surveys would be used with the ex-employees to establish the real reason for them to leave and their overview about organizations strengths and weaknesses. Continuous and regular survey reports would be analysed to recurring issues stated by employees which are unaddressed by organizational heads.

Adapted from (Saunders, Lewis and Thornhill, 2012).

By means of primary data of internal desk and field research and secondary data as mentioned above, researcher aims at establishing data for last two years and investigates the same. The organization started facing difficulties with staff turnover and ineffective retention strategies in spite of several employee benefit initiatives over a period of one year.
Chapter 4: Methodology

4.1 Overview


The research stages as mentioned by Saunders are called the ‘research onion’ as mentioned below adapted from Saunders et al, 2007 pp. 132. He divided the research into

1. ‘Philosophies.
2. Approaches.
5. Time horizons.
6. Techniques and procedures”.

(Crotty, 1998) however, employs the research design into four stages as mentioned below

1. Epistemology- constructionist.
2. Theoretical perspective- history of thoughts.
3. Methodology- literature research.
4.2 Access

Currently the researcher lives in Ireland, however, the organization chosen for the research is in India. The researcher was associated with the organization for 5 years as a restaurant general manager. During the work tenure, researcher often reported to the corporate office, which is one of the reasons why the CEO of the company, Mr. Prosenjit Roy Choudhary and the finance officer, Mr. Pritam Mishra agreed on helping the researcher with this research topic. On a previous occasion, the researcher had done a project report for the same organization on high employee turnover which was appreciated by the organization as it highlighted the areas of employees concern which were un-noticed by the management.

On this occasion, management has extended their support by giving relevant data and information. They have allowed conducting online interview
through questionnaire with the unit managers and executives to develop an understanding of the current retention strategy and the challenges associated with it. The CEO mentions that the interview findings shall help bridging in the gap and make organization operationally stronger.

The researcher will conduct interview through electronic means and e-mail the interview questions to individuals in advance allowing them some preparation time and this will also speed up the interview process. Online interviewing is less expensive, gives interviewee time to think around the question. However, considering the time difference of 4.5 hours between Ireland and India, scheduling appointments for follow-up interview will be challenging. The Data Protection Act of 1998 of India ‘places responsibility on any organization to process personal information that it holds in a fair and proper way. It also includes any employee who is any individual who might wish to work or worked with them’’. Considering the Data Protection Act, Mr Prosenjit Roy Choudhary did not give consent to record the interviews or name the people who are associated with the organization.

4.3 Research philosophy

Research philosophy relates to the development of knowledge and the nature of knowledge as stated by (Saunders, Lewis and Thornhill, 2009). Research philosophy may also be referred as the first layer of the Saunders onion theory. The philosophies as mentioned by Saunders et.al are Positivism, Realism, Interpretivism, Objectivism, Subjectivism, Pragmatism, Functionalist, Interpretive, Radical humanist and Radical structuralist.

The researcher would be discussing Pragmatism due to its importance in this research. William James in 1907 was the original thinker of Pragmatism (Goodman, 2009). Discussing pragmatism would clear that this approach
examines a particular problem and determines what works best in a particular situation. The researcher would use both qualitative and quantitative analysis that is, mixed method approach which will help in addressing the research question (Lodico, Spaulding and Voegtle, 2010).

4.4 Research approach

The two research approaches as explained by (Saunders et al, 2007) are inductive and deductive. Research approach may also be mentioned as the second layer of the onion theory. The researcher would have both inductive and deductive approaches to answer the research questions. The interview questionnaire for the ex-employees would be addressing the stress and dissatisfaction experienced by the employees in relation to their working conditions, incentives and others. This will satisfy the deductive approach. Interview questionnaire with the HR manager and the HR executives will establish an understanding on the employee turnover, employee engagement and most importantly organization’s retention strategy. Below mentioned are the main differences between the inductive and the deductive approaches as adapted from (Saunders et al, 2007, pp: 120).

<table>
<thead>
<tr>
<th>Attitude</th>
<th>Internet and intranet mediated</th>
<th>Telephone</th>
<th>Structured interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population’s characteristics for which suitable</td>
<td>Computer-literate individuals who can be contacted by e-mail, internet or intranet</td>
<td>Individuals who can be telephoned, selected by names, household, organization etc.</td>
<td>Any: selected by name, household, organization, in the street etc.</td>
</tr>
<tr>
<td>Confidence that right person has responded</td>
<td>High if using e-mail</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Likelihood of contamination or distortion of respondent’s answer</td>
<td>Low</td>
<td>Occasionally distorted or invented by interviewer</td>
<td>Occasionally contaminated by consultation or distorted/ invented by interviewer</td>
</tr>
<tr>
<td>Size of sample</td>
<td>Large can be geographically dispersed</td>
<td>Dependent on the number of interviewers</td>
<td>Dependent on the number of interviewers</td>
</tr>
<tr>
<td>Likely response rate</td>
<td>Variable, 30% reasonable within organizations/via intranet, 11% or lower using internet</td>
<td>High, 50-70% reasonable</td>
<td>High, 50-70% reasonable</td>
</tr>
<tr>
<td>Feasible length of questionnaire</td>
<td>Conflicting advice; however, fewer ‘screens’ probably better</td>
<td>Up to half an hour</td>
<td>Variable depending on location</td>
</tr>
<tr>
<td>Suitable types of question</td>
<td>Closed questions but not too complex, complicated sequencing fine if uses IT, must</td>
<td>Open and closed but simple questions. Complicated sequencing fine</td>
<td>Open and closed but simple questions. Complicated sequencing fine</td>
</tr>
<tr>
<td>Time taken to complete collection</td>
<td>2-6 weeks from distribution (dependent on number of follow-ups)</td>
<td>Dependent on sample size, number of interviewers, etc., but slower than self-administered for same sample size</td>
<td>Dependent on sample size, number of interviewers, etc., but slower than self-administered for same sample size</td>
</tr>
<tr>
<td>Main financial resource implications</td>
<td>Web page design, although automated expert systems offered online and by software providers are reducing this dramatically</td>
<td>Interviewers, telephone calls, clerical support. Photocopying and data entry if not using CATT®. Programming, software and computers if using CATI</td>
<td>Interviewers, telephone calls, clerical support. Photocopying and data entry if not using CAPIc. Programming, software and computers if using CAPI</td>
</tr>
<tr>
<td>Role of the interviewer/field worker</td>
<td>None</td>
<td>Enhancing respondent participation, guiding the respondent through the questionnaire, answering</td>
<td>Enhancing respondent participation, guiding the respondent through the questionnaire, answering</td>
</tr>
<tr>
<td>Data input</td>
<td>Usually automated</td>
<td>Response to all the questions entered at the time of collection using CATI</td>
<td>Response to all the questions entered at the time of collection using CAPI</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DEDUCTIVE APPROACH</th>
<th>INDUCTIVE APPROACH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scientific principles.</td>
<td>Gaining an understanding of the meanings humans attach to events.</td>
</tr>
<tr>
<td>Moving from theory to data.</td>
<td>A close understanding of the research context.</td>
</tr>
<tr>
<td>The need to explain causal relationships between variables.</td>
<td>A more flexible structure to permit changes of research emphasis as the research progresses.</td>
</tr>
<tr>
<td>The collection of quantitative data.</td>
<td>Less concern with the need of generalise.</td>
</tr>
<tr>
<td>The application of controls to ensure validity of data.</td>
<td>the collection of qualitative data</td>
</tr>
<tr>
<td>The operationalization of concepts to ensure clarity of definition.</td>
<td>A realization that research is a part of the research process</td>
</tr>
<tr>
<td>A highly structured approach.</td>
<td></td>
</tr>
<tr>
<td>Researches independence to what is being researched.</td>
<td></td>
</tr>
<tr>
<td>The necessity to select samples of sufficient size in order to generalise conclusions.</td>
<td></td>
</tr>
</tbody>
</table>

Table 2: Research approach

Source: Adapted from (Saunders et al, 2007: pp.120)
4.5 Research strategy

(Horn, 2009) justifies the need of methodology for dissertation to critically discuss the principle and methods of the area under research. It is therefore relevant to discuss, criticize and evaluate the methods and practices. Research strategy would be considered as the third layer of the onion strategy. There are many advantages and disadvantages associated with both qualitative and quantitative approaches of data collection. ‘‘Quantitative research collects predominately numerical data and opinion, and often relies on deductive reasoning i.e. finding a relationship between one variable and another, however, qualitative research is carried on assumptions and requires exploration to uncover the nature of a thing or a process’’ (Horn, 2009). Mixed method research consists of both quantitative and qualitative analyses. There would be structured interview conducted by means of a questionnaire with the human resource department executives and human resource managers to authenticate the available data and to analyse the current trends and organizational retention strategy. The research also aims to get in touch with the ex-employees over email or telephone and conduct a structured interview questionnaire to ascertain the true facts of exit interviews. Seeing the need of both qualitative and quantitative data, mixed method approach best suits the research project. The researcher explains the advantage of mixed method as

- Triangulation: a method which best suits to gather information from different sources giving a better analysis of data collected. The researcher would be sending online interview questionnaire to different level of ex-employees to build a common understanding of the reason for their separation from the organization.

- Developing hypotheses: A qualitative approach undertaken by the researcher interviewing executives of the organization responsible
conducting the exit interviews by means of structured interview questionnaire.

- Identifying appropriate people for qualitative data gathering- A quantitative approach identified by researcher for conducting a structured interview questionnaire with human resource managers and gather information and data as the main reasons for high employee turnover and failure of retention strategy. This will also bring in information upon organization’s retention strategy and its other employee incentives for their engagement.

- To interpret the relationship between different variables- quantitative approach: the researcher will be able to establish a comparison among the different unit to establish the similarity/dissimilarity of occurrence for employee movement.

- Researching into different levels of human resource issues- both macro (identified with the quantitative approach) and micro (identified with the qualitative approach) are being considered by the researcher to focus on organization’s problem and to recommend possible solution.

The advantages of mixed methods are adapted from (Anderson 2009 p. 139) however; the researcher realizes the fact that this approach has limitations which are identified. “The mixed method approach not very reliable, and is not designed well. It involves mixing too many methods and so risk on finding accuracy of data remains uncertain. A lengthy process of gathering and analysing data may have time constraints” (Horn, 2009).

**4.6 Research design**

Research design is a blue print or overall action plan for the remaining research study, data collection, measurement, analysis and reporting. The
objective of this research is to explore employee benefits as retention strategy in a chain of restaurants in India. (Anderson, 2009) explains ‘“exploratory research focuses on why and how of a situation whereas descriptive research focus is on what, when, where and who’’. When there is a need to address an organizational problem by means of assessment of its cause and to take corrective measures, exploratory research comes into being. Whereas when there is a need of analysis of data to draw conclusions (both qualitative and quantitative), descriptive research is undertaken. The causal approach establishes a cause and effect relationship. The triangulation of gathered data over internet, correspondence over telephone and email is needed because the organization under research is abroad. The research would be using quantitative exploratory structured interview questionnaire for ex-employees to ascertain true facts about the exit interview. The findings will highlight the actual reasons for employees leaving the organization. Qualitative descriptive structured interview questionnaires for HR manager and HR executives will clarify to important findings of the retention strategy of the organization and current hospitality trends. The details of mixed method usage are already explained in the research strategy section above.

4.7 Data collection

The secondary source of data used for gathering information will be internet, trade and professional bodies, organizations database and some of grey materials. Getting in contact with the key employees who have left the organization over telephone, Skype, and email would be sources used to conduct structured interview by means of interview questionnaire with ex-employee which gives clarity on
• Recruitment and selection.
• Induction and training.
• Organizational culture and benefits.
• Reason for their exit from the organization.

The HR managers of the different outlets of the organization would be interviewed by means structured interview questionnaire which would clarify the below mentioned

• Human resource strategy.
• Employee engagement strategy.
• Employee turnover and retention plans.

HR executives of the different outlets of the organization would be interviewed by means of structured interview questionnaire which would clarify the below mentioned:

• Recruitment and selection procedure.
• Induction and training programme.
• Organizational culture and benefits for employees.
• Turnover and retention strategy.
• Cost to the organization.

The organization under research has 32 outlets with 2750 employees. The researcher would be interviewing 64 ex-employees (2 from each outlet), 32 HR managers and 32 HR executives. The ex-employees will be selected on a purposive non-probability sampling method.

4.8 Interview Questionnaire- sample

The design of structured interview questionnaire is systematic and all the interviewees receive the same set. Questionnaires can be used to measure behaviour, attitudes, awareness and characteristics. By using a questionnaire
the researcher provides standardisation and uniformity in the data gathering process. Validity being the biggest disadvantage of using structured questionnaire where the interviewer is not present to explain the questions resulting in wrong interpretation of the questions (Miller and Brewer, 2003). Below mentioned are the view of (Oppenhiem, 2002) on the advantages and disadvantages of using a questionnaire for research.

<table>
<thead>
<tr>
<th>Advantages of questionnaire</th>
<th>Disadvantage of questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low cost of data collection.</td>
<td>Low response rate, not accurate.</td>
</tr>
<tr>
<td>No discrimination among people with the pattern of questions being asked. Everyone gets the same questionnaire.</td>
<td>Not suitable for people with less literacy, language issues and people with disability.</td>
</tr>
<tr>
<td>Expected range of feedback and chances of them highlighting the areas which the participants would not have mention had the questionnaire were not designed ambiguous.</td>
<td>No explanation provided, chances of wrong interpretation of the asked questions resulting in inaccurate results.</td>
</tr>
<tr>
<td>Low processing cost.</td>
<td>No opportunity to access or gather data based on observation.</td>
</tr>
<tr>
<td>Can reach the participants anywhere in the world by electronic means.</td>
<td>Chances of incomplete questionnaire or the papers being passed onto some other source for completion by the participants.</td>
</tr>
</tbody>
</table>

Table 3: Advantages and dis-advantages of questionnaire

Source: Adapted from (Oppenhiem, 2002)
There is a possibility of making the dis-advantages work by providing a covering letter explaining the requirements from the participants. This letter can be used to address the reason and expectation of the researcher from the participants. It would be important to design the interview questionnaire carefully which does not confuse people. Keeping it ambiguous would help in procuring open feedback for the participants. The questions should be proving or directing towards the expected answers. There is a sample letter attached in the interview questionnaire design section by the research which shall be sent to all the participants in advance. Appendices 2, 3 and 4 has sample structured interview questionnaire for HR manager, HR executive and ex-employees respectively.

4.9 Data collection instruments

The interview questionnaire is designed for HR manager, HR executives and ex-employees respectively.

Below mentioned are the details of the section each questionnaire has along with the research objective they will meet.

1. HR manager
   - Questions under human resource management will cover questions from recruitment/selection and induction/training. This section helps to meet the fourth research objective.
   - Questions under employee engagement will cover questions from organizational culture & benefits and employee engagement. This section helps to meet the fourth and fifth research objectives.
   - Questions under turnover and retention will cover questions from turnover and retentions. This section helps to meet the first, third and fifth research objectives.
2. HR executives

- Questions under *recruitment and selection* help to meet the *fourth research objective*.
- Questions under *induction and training* help to meet the *fourth research objective*.
- Questions under *organization culture and benefits* help to meet the *fourth and fifth research objective*.
- Questions under *turnover and retention* helps to meet the *first, third and fifth research objective*.
- Questions under *cost to organization* helps to establish understand on the cost involved in satisfying research in totality.

3. Ex-employees

- Questions under *recruitment and selection* help to meet the *fourth research objective*.
- Questions under *induction and training* help to meet the *fourth research objective*.
- Questions under *organization culture and benefits* help to meet the *fourth and fifth research objective*.
- Questions under *reason for leaving* helps to meet the *first, second and third research objective*.

The analysis of the interview questionnaire will provide guidelines to the organization for the gap between planning and execution of the incentives programmes. It will also highlight the actual feel of employees who parted with the organization. Furthermore, implementation of the current retention strategy in effective manner will help organization retain their talent employee and bring down the current turnover rates.
4.10 Interview questionnaire design

A letter will be sent to participants as mentioned in appendix 5.

Approval from the CEO of the organization to conduct questionnaire interviews with the unit HR managers and unit HR executives is mentioned in the Access section. The participants will be contacted over phone and they will be sent a letter (appendix 5) before they receive the interview questionnaire. The ex-employees shall be contacted in the similar manner. There will be a pilot questionnaire sent to a few of the participants to establish their understanding on the asked questions.

The questionnaire shall be designed keeping that they are

- Easy to read and understand.
- Not too long or short, to read and complete.
- Questions are linked to the research question.
- Questions are not framed in a manner which directs to the expected response.

The researcher shall be using internet-mediated questionnaire which shall be returned back through email. This choice was made because the organization under research is in India and the researcher resides in Ireland. This best suits the current situation considering 4.5 hours’ time difference between both the countries. The main attributes of a questionnaire as mentioned by (Dillman, 2011); (Hewson, Yule, Laurent and Vogel, 2003); (Oppenheim, 2002); (Witmer, Colman and Katzman, 1999) and discussed by (Saunders et al, 2007, pp. 358) are mentioned in the table below.
<table>
<thead>
<tr>
<th>Attitude</th>
<th>Internet and intranet mediated</th>
<th>Telephone</th>
<th>Structured interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population’s characteristics for which suitable individuals can be contacted by e-mail, internet or intranet</td>
<td>Computer-literate individuals who can be contacted by e-mail, internet or intranet</td>
<td>Individuals who can be telephoned, selected by names, household, organization etc.</td>
<td>Any: selected by name, household, organization, in the street etc.</td>
</tr>
<tr>
<td>Confidence that right person has responded</td>
<td>High if using e-mail</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Likelihood of contamination or distortion of respondent’s answer</td>
<td>Low</td>
<td>Occasionally distorted or invented by interviewer</td>
<td>Occasionally contaminated by consultation or distorted/invented by interviewer</td>
</tr>
<tr>
<td>Size of sample</td>
<td>Large can be geographically dispersed</td>
<td>Dependent on the number of interviewers</td>
<td>Dependent on the number of interviewers</td>
</tr>
<tr>
<td>Likely response rate</td>
<td>Variable, 30% reasonable within organizations/via intranet, 11% or lower using internet</td>
<td>High, 50-70% reasonable</td>
<td>High, 50-70% reasonable</td>
</tr>
<tr>
<td>Feasible length of questionnaire</td>
<td>Conflicting advice; however, fewer ‘screens’ probably better</td>
<td>Up to half an hour</td>
<td>Variable depending on location</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---------------------------------------------------------------</td>
<td>-------------------</td>
<td>-------------------------------</td>
</tr>
<tr>
<td>Suitable types of question</td>
<td>Closed questions but not too complex, complicated sequencing fine if uses IT, must be of interest to respondent</td>
<td>Open and closed but simple questions. Complicated sequencing fine</td>
<td>Open and closed but simple questions. Complicated sequencing fine</td>
</tr>
<tr>
<td>Time taken to complete collection</td>
<td>2-6 weeks from distribution (dependent on number of follow-ups)</td>
<td>Dependent on sample size, number of interviewers, etc., but slower than self-administered for same sample size</td>
<td>Dependent on sample size, number of interviewers, etc., but slower than self-administered for same sample size</td>
</tr>
<tr>
<td>Main financial resource implications</td>
<td>Web page design, although automated expert systems offered online and by software providers are reducing this dramatically</td>
<td>Interviewers, telephone calls, clerical support. Photocopying and data entry if not using CATTc. Programming, software and computers if</td>
<td>Interviewers, telephone calls, clerical support. Photocopying and data entry if not using CAPIc. Programming, software and computers if</td>
</tr>
</tbody>
</table>
Table 4: Attributes of questionnaire

Source: Adapted from (Saunders et al (2007) pp. 358)

4.11 Data analysis

Each interviewee will be send the interview questionnaire in advance which they will complete and send back through e-mail within 7 days. The questions are designed around the research objectives to get a feel of the gap between the organization’s managers, executives, and ex-employees on five broad categories:
1. Human resource management.
2. Retention strategy.
3. Employee benefits.
4. Employee engagement.
5. Employee turnover.

Since the questionnaire shall be sent to the HR manager, HR executives and ex-employee of different unit, the researcher will then compare and analyse their feedback before drawing overall conclusion. The details of the same shall be mentioned in the research findings chapter of the dissertation.

4.12 Research bias

The basic threat to validity is research bias in qualitative research studies and the effect of researcher on individual study is reactivity (Maxwell, 2005). Research bias often limits the data analysis and interpretation (Belk, 2007). It is difficult to validate or completely trust the results of bias questions however, to some extend it is not possible to avoid its occurrence completely. The two bias threats are:

1. Random bias: Some participants who would not be able to provide with accurate data as they were too tired during the time of data collection.
2. Systematic bias: This prevails during the time when bias is uniform or consistent.

To deal with this situation, the researcher has adopted the triangulation of data. It will help to counter balance bias since multiple sources of data collection is being considered for this dissertation (Beck and Polit, 2010).
4.12.1 Research reliability

(Saunders et al, 2007) mentions reliability of data collection techniques or analysis methods which yields consistent findings. The three major threats to reliability of data collection as identified by (Robson, 2002) are:

1. **Subject or participant error**: Few participants complete the questionnaire at different days of the week which yields different results.

2. **Subject or participant bias**: At time the person who is getting interviewed speaks based on what is expected to say by their managers or boss.

3. **Observer error**: When there is more than one person conducting interview, the answer given by the participant might get interpreted in different ways.

The researcher shall be sending the interview questionnaire covering letter to all the participants in advance to address any queries they have in understanding the questions. The pilot interview questionnaire will be helpful to make the questionnaire simpler in terms of understanding and language. This will help to decrease the possible participant error threat to this research.

4.12.2 Research validity

(Saunders et al, 2007) mentions validity concerning with the reality of findings. The threats to validity mentioned are history, testing, instrumentation, mortality, maturation and ambiguity about causal direction.

4.13 Limitations

There are certain limitations while assessing this dissertation. There was only a certain variables considered while assessing the recruitment, selection retention, attrition, cost to organization and other perceived
employee attitude which is very subjective in nature. Since the researcher is abroad, so a broader database and physically taken interviews would have given a better understanding in the subject than interview questionnaire.
Chapter 5: Analysis and findings

The research conducted to examine the impact of current retention strategy of the organization which requires bringing down current turnover rates to address the rigorous expansion plan consists of 32 outlets and 2750 employees spread across India. 64 ex-employees; two from each outlet selected through probability sampling, 32 HR managers and 32 HR executives selected purposive non-probability sampling shall be interviewed. The reason for the adapted approaches has been explained in the methodology section. In views of (Mackay, 2007, pp. 64) “many factors which are responsible for employees to look for a job change, compensation, career development prospects, and the relationship between employer and employee is worth considering”. He also mentions the key retention strategies which should be incorporated by organizations to bring down the staff turnover rates as competitive pay scale, employee benefits, operating procedures to name a few.

The analysis of the interview questionnaire or HR manager and HR executives are based on compilation of the data under four main regions of India with one participant each and for Ex-employees two participants each.

Northern region: 09 outlets

Southern region: 12 outlets

Eastern region: 01 outlet

Western region: 10 outlets
5.1 Analysis of data from 32 regional HR managers

5.1.1 Background information

To create an engaged workforce, it is important to fairness and equality as discussed by (Ramlall, 2004). His theories have indicated about the organizations that practices discrimination on the basis of gender, talent, age, etcetera, suffer great losses.

The organization under research had a very bias selection procedure. They preferred male employees over female and to attract such candidates they were offered placements in high revenue generating outlets over low performing outlets. Managers who were lured with the high revenue generating outlets which would benefit them with high outlet profit share and in turn high organization’s profit share. The employees of these outlets would get a better performance rating benefitting them with high tips (with reference to fifth research objective). The prime reason for the same was the need of organization for having managers and employees who were ready to relocate for setting up new outlets and also to fill in the gaps when people resigned. With female employee it was difficult to entertain such flexibility because of their personal security and family commitments.

A snapshot of the background information of the HR managers is mentioned below, followed by the graphic representation of the same.
Table 5: Background information

5.1.1.1

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Questions</th>
<th>North</th>
<th>South</th>
<th>East</th>
<th>West</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender</td>
<td>79% Male, 21% Female</td>
<td>90% Male, 10% Female</td>
<td>100% Male</td>
<td>65% Male, 35% Female</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td>81% 30-39 years, 19% 40-49 years</td>
<td>72% 30-39 years, 28% 40-49 years</td>
<td>100% 30-39 years</td>
<td>85% 30-39 years, 14% 40-49 years, 1% &gt; 50 years</td>
</tr>
<tr>
<td>3</td>
<td>Designation</td>
<td>83% Human resource manager, 17% Human resource and training manager</td>
<td>87% Human resource manager, 13% Human resource and training manager</td>
<td>100% Human resource and training manager</td>
<td>72% Human resource manager, 28% Human resource and training manager</td>
</tr>
<tr>
<td>4</td>
<td>Work experience with organization</td>
<td>18% 1-3 years, 25% 4-7 years, 57% &gt; 7 years</td>
<td>63% 1-3 years, 12% 4-7 years, 25% &gt; 7 years</td>
<td>100% &gt; 7 years</td>
<td>59% 1-3 years, 23% 4-7 years, 18% &gt; 7 years</td>
</tr>
<tr>
<td>5</td>
<td>Level of turnover in the past two years</td>
<td>25% 16-25%, 75% &gt; 25%</td>
<td>12% 16-25%, 88% &gt; 25%</td>
<td>100% 10-15%</td>
<td>23% 16-25%, 77% &gt; 25%</td>
</tr>
</tbody>
</table>

Figure 5: Gender
It was observed that the ratio of male managers were much higher than the female managers. Most of the women employees were either in the cities close to the head office of the organization, or places non-metropolitan cities, where the business volume was low.

5.1.1.2

![Figure 6: Age](image)

Male managers were under the age group of 30-39 and female manager were over 40 years of age. There were a larger number of male managers seen across the organization who were ready to shift to different location based on the organization’s need. Female managers who were over 40 years of age usually were looking for permanent placement due to their family commitments.
5.1.1.3

Figure 7: Designation

Importance of training in organization to bring down the turnover rates has been cited by a number of theories as mentioned earlier. The findings of (Partten and O’Leary, 2007); (Marchant, 2007); (Chinang, 2005); (Hjalager and Andersen, 2004) suggests a key relation between training and job satisfaction. These approaches as suggested by the above mentioned theories works particularly for the hospitality industry with high turnover rates.

It is observed that the organization under research had its focus more towards managers getting enrolled in organization’s expansion plan over employees training. The percentage of human resource and training managers was marginal as compared to the human resource managers. The eastern region had only one outlet, which was contributing quality employees as well as generating profitable revenue. The southern outlets
were great at generating revenues because most the restaurant location was based on the areas rich with IT industry as well as BPO’s. This was giving a good business opportunity during the lunches and dinners. The eastern outlets had a similar story; the new outlets were built around the new cities which had good business opportunity. The organization was focused on managers who had the experience and capability to take care of the restaurant expansion apart from daily operations. The time which could be spent by the managers over employee development by means of training was spending after planning for the new outlet. Organizations standard recruitment process which should have been followed across the units was not followed by a large number of outlets wherein training played a vital role.

5.1.1.4

![Figure 8: Work experience](image-url)
The Northern managers were mostly with a work experience between 11-14 years, 19% were with experience between 7 to 10 years. These managers who were with experiences less than 10 years were usually deputed in outlets which were well established and had strong line managers. Most of these managers fell in the category of human resource and training managers who would concentrate in developing the expecting employees and the new recruits to take on the pressure of the upcoming outlets. Similarly, 88% of the Southern outlets, and 59% of the western managers were with experiences between 11-14 years.

5.1.1.5

![Bar chart showing work experience with organization](image)

Figure 9: Work experience with organization

Before analysing the managers’ experience with the organization, researcher would once again like to highlight the outlets under each region. North: 9, South: 12, East: 01, and West: 10. The manager who was deputed in the eastern region was one among the very old employees, reason being he was
staying close to his home and family, there was no outlet expansion plan in pipeline and the outlet was performing consistently. The Southern and Western outlets had maximum managers with 1-3 years of experience because of high turnover of managers in these areas. The southern outlets were expanding in a large way due to growth and business opportunity; however, employee turnover was as well higher due to long working hours and no overtime benefits. The managers were not being able to cope with pressure of handing operations and new outlets simultaneously. The northern outlets were expanding in new cities creating excitement among the managers to work in a new environment and with different mix of guest and employees, which still kept the managers motivated to be associated with the organization. These managers were most engaged workforce and saw the benefits and their personal development along with the organizational development.

5.1.1.6 :

Figure 10: Level of turnover in past 2 years
Preliminary causal model of turnover as mentioned below is based on four important variables of pay, primary group, communication and centralization. Pay has its importance when employee feels the need of it to be competitively higher than other, primary group refers to employees who were important for organization to stay with them, communication being the source of information transmission and lastly, centralization enabled distribution of authority within organization.

Table 6: Preliminary causal model of turnover

Source: Adapted from (Griffeth and Hom, 2004; Figure 1.1: pp.5)

The organization under research had introduced various attractive incentive schemes as their retention strategy thinking the same would be beneficial in bringing down the turnover rates. However, introduced policies lack consistency. The incentive schemes were benfitting employee based on their outlet performance. So the units which had low guest footfalls, were getting monetarily advantage much lesser than the units which were located in metropolitan cities at locations where the trend was of eating out. Moreover, during selection procedure, employees were made aware of organization’s requirement for employees to be flexible to relocate. In reality the employees were not very comfortable with frequent transfers and re-locations. Also, employees from high performing outlets would not want
to relocate to lower or average performing outlets. A natural tendency of comparison among the outlets soon created dis-satisfaction and unrest among employees. The organization here failed to address the employee issues resulting loss of manpower. Experienced employees were quickly being absorbed by competitive restaurants chains. The unit manager failed to council leaving employees since the organization believed in centralized decisions which were made from the head office leaving the unit managers with restricted power.

5.1.2 Human resource management

There was a standard recruitment procedure followed across the units as mentioned below.
(CIPD factsheet, 2012:P.1) suggests four main stages of recruitment process “(1) defining a role, (2) attracting applications (3) managing the application and selection process and lastly, (4) making appointment”. The above mentioned flow chart of the recruitment and selection process is in line with the standard as recommended by CIPD.

The HR managers had clear communication of employees being flexible towards transfer. It was one of the big scoring reasons why employees would change job when they were required to take transfers. Most of the employees would agree to organizations terms and conditions during recruitment, however, there weren’t many who were flexible with the
change in place as stated in their job contract. There was no standard organizations printed manual, so based on the knowledge and understanding which outlet managers had, training and orientation programmes were held at outlets. Outlets across India had 2 days orientation and induction process; however, it was not a full proof system. There were outlets in the southern region which mostly had high business volumes, where new employees were put straight to work without any orientation seeing the staff shortage an on-going issue. West having one outlet, had all the standards procedures in place and were being followed. The outlet was like a training centre where employees from other units were transferred at time to receive training and induction and to enhance their work experience. Outlets in west and north had low number of human resource and training managers. On slow business days they gathered employees with training needs from their regions and they were given training inputs. This was motivational for employees who would be able to see employees from other outlets and share experiences and incorporate best practices.

Findings of (Wright, 2004) suggests an elaborate recruitment procedures that sometimes helps in attracting new talent and retaining them since an employee who leaves soon after recruitment results in cost incurred to the organization. (Kelleher, 2009) theory of employee engagement has one of the focuses on recruiting employees and training them to make them reach to the next level through internal development. It is rewarding for the employee and a motivational factor for the others who would work hard to achieve the same fame and growth.

5.1.3 Employee engagement

Saks, 2006 expresses a deep connect among two factors responsible for employee engagement firstly, organizational engagement and secondly, job engagement. Meaningfulness, safety and availability are factors responsible
for an employee’s engagement or disengagement at work (Khan, 1990), however, job engagement has focus on sustainable workload, feelings of choice and control, appropriate recognition and reward, a supportive workload, fairness etcetera (Maslach, Schaufelli and Leiter 2001). Saks believes much of employee engagement depend upon individual attitude, intention and behaviour.

To derive high performance from employees, the organization under research introduced ‘performance based tipping’ as retention strategy. At the end of the day’s operation, departmental managers would rate their employee’s performance on an online track sheet, the result of which would be directly accessed by the head office. Tip was distributed on a monthly basis based on the employee’s average monthly performance. The better a person performed, higher tip he would collect. This kept the employees on toes during the operational hours, reducing the manager’s accountability less on monitoring employees and focusing on guest satisfaction.

Rapport building exercise (appendix 8) and 360 degree appraisal (appendix 9) were conducted to check upon the employee engagement. There were monthly unit managers meeting with the entire outlet to check upon the employee satisfaction and address and concerns. This was the time to award the employees with outstanding performance and communicate and changes as introduce by the head office.

(MC Namara, 2000) defines organizational culture as the personality of an organization. Several researches on HR issues in the hospitality sector have revealed two causes of organizational culture. Firstly, the weak link between the organizational culture and performance in the industry and secondly, the links between organizational culture and other variables which directly or indirectly links to the performances as discussed by (Emmanuel, 2002). The organization under research had its first priority as guest, followed by
employees, organization and lastly management. The organization believes in exceeding guest expectation which occurs through happy and motivated employees. Everyone working for the organization was one team with one common goal and boss to an outlet is considered as a link to reach guest and employees voice to the organization’s CEO and the Managing Director. The HR manager describes the key attraction for the employees and the aspirants as the organization’s commitment to share 25% of the organization’s profit plus 25% of each outlet’s profit with employees in addition to the salary. It did spoil the market to a larger extent which in a way was one of the strategies to bring a drop in the attrition percentage. This strategy was working in favour for the employees of the southern and northern regions, where there was high guest footfall, fetching higher tip for employees. This was creating a positive work environment. The sufferers were the outlets in the western and eastern region. Most of the outlets in the northern region were in shopping malls where there was presence of other competitive restaurants. Though mostly these outlets were exceeding their budgets, however, could not match with the southern outlet sales and outlet share.

5.1.4 Turnover and retention

Measuring turnover in an organization is important because it allows a comparative understanding within each department and in this case within different departments of the different regions. It also helps in benchmarking against competing organizations. The organization which identifies the causes of turnover and work on strategies to overcome this, wins half the battle. (Taylor, 2002) identifies Asda’s approach toward managing retention which focuses not on deciding the way forward for employees but on identifying the true cause of voluntary resignations. Price-Muller theory also has one of the key focuses on voluntary turnover, however his other focus of non- voluntary turnover is supported by (Griffeth and Hom, 2004). In case of the organization under research, there were several voluntary turnover
however, reasons for employee departure varied based on the regions they belonged to. Employees from the southern region would resign in case they were offered transfers to non performing outlets of other region, reason being their high profit share was directly getting affected. Most of the employees in eastern region were from the same town who would not want to leave their families and home for better job or financial opportunity. With the opening of new outlets in the northern region, the employees were keen to get inter region transfers and work in a familiar environment with promotions.

The organizations attrition was marked between 65 to 62% in the last two years. Ambitious expansion plan, lack of manpower, limited training and growth opportunity for employees and poor communication were the reasons mentioned by the HR managers of the organization. The three key retention strategies introduced by the organization were performance based tipping, outlet profit share and organization profit share of 25% each. As a process, exit interviews were taken for the employees leaving the organization after formal resignation and notice period of a month however; there was a large number of employees who left the organization for the reasons unknown.

Voluntary benefits existed in the organization however awareness of the same did not. Organization would support partially the cost of employee continuing education, life insurance benefits, sick leave pay, training benefits, and vacation pay. The junior staff would not benefit from such facilities that were on temporary contracts mostly and the voluntary benefits were extended to the permanent employees.
5.2 Analysis of data from 32 regional HR executives

5.2.1

A snapshot of the background information of the HR executive is as mentioned below, followed by the graphic representation of the same.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Questions</th>
<th>North</th>
<th>South</th>
<th>East</th>
<th>West</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender</td>
<td>92% Male, 8% Female</td>
<td>95% Male, 5% Female</td>
<td>100% Male</td>
<td>93% Male, 7% Female</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td>19% &lt; 20 years, 81% 20-29 years</td>
<td>13% &lt; 20 years, 87% 20-29 years</td>
<td>100% 30-39 years</td>
<td>9% &lt; 20 years, 91% 20-29 years</td>
</tr>
<tr>
<td>3</td>
<td>Experience with the organization</td>
<td>100% &gt; 2 years</td>
<td>100% &gt; 2 years</td>
<td>100% &gt; 2 years</td>
<td>100% &gt; 2 years</td>
</tr>
<tr>
<td>4</td>
<td>Region unit falls into</td>
<td>9</td>
<td>12</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>5</td>
<td>Employees under the region</td>
<td>773</td>
<td>1031</td>
<td>86</td>
<td>850</td>
</tr>
<tr>
<td>6</td>
<td>Percentage of employees completing the exit interviews</td>
<td>100% 26-40%</td>
<td>25% 11-25%, 75% 26-40%</td>
<td>100% &gt; 50%</td>
<td>30% 11-25%, 70% 26-40%</td>
</tr>
</tbody>
</table>

Table 7: Background information-HR executives
5.2.1.1

Figure 10: Gender

All the units across India had a similar trend of having more male HR executives over female. The prime reason for the same remained the requirement of executives to travel to other cities to conduct interviews. Female executives across board were not very comfortable with travelling jobs.
Only a small percentage of executives who were in a management deputation programmes were below 18 years of age. Other regions had executives between 20 to 29 years. The only outlet in the eastern region had a male HR executive above 30 years of age, who willingly didn’t want to take promotion and move out of his region to a bigger zone due to family commitments.

Figure 11: Age
5.2.1.3

Figure 12: Experience with the organization

It was observed that across the board the executive were between 2-3 years with the organization. Job role as an HR executive with this organization was very challenging. There was a constant pressure of recruiting new employees and it required a lot of travelling. The work life balance of executives was quite disturbed. The executives who were currently associated with the organization were looking for a growth opportunity within the company so that they would be relieved from travelling, however, due to lack of vacancy for the next level, most of them would want to change job with better working conditions.
5.2.1.4

Figure 13: Region responsible for

All the outlets were fully staffed as far as HR executive positions were concerned.
5.2.1.5

Figure 14: Employees under your region

Staffing of 85 staffs were sanctioned to each outlet with a seating capacity of 350 guests each.
Only the eastern region had 100% exit interviews conducted however, researcher would like to highlight the fact that employees here were highly motivated and there was a rare occasion when a staff would resign. The northern region had outlets widely spread failing to address employees issues. With the expansion of outlets in two new cities which were a quite a distance from other outlets, the HR manager was busy hiring new employees unable to keep a track of existing employees. Most of the employees in the northern region were on contract that would leave the organization after collecting their monthly pay.

Figure 15: Percentage of employees completing exit interviews
5.2.1.7 Recruitment and selection

(Compton, Morrissey, Nankervis and Morrissey, 2009) are of the view that recruitment needs for an organization is determined by three categories. Firstly, employee turnover, organization’s short term goals, organization’s long term goals. For the need of fruitful results of recruitment, it is thus important to be careful about the way employee selection is conducted. The final link which completes the recruitment and selection procedure is the analysis part of the candidate who is being considered for the job. The standard recruitment and selection procedure was set by the organization; however, there was always staff crisis. The outlets were working in coordination with one another based on their region. The southern outlets had developed an understanding among them and inter outlet transfers were practiced there. Same was the case in the western outlets. Mostly, one HR manager and two HR executives would travel to cities and interview new candidates and recruit for the region. The eastern outlets suffered the most. With the outlets widely spread and HR team less experienced, they found recruitment difficult moreover retention further challenging.

5.2.1.8 Induction and training

Training is considered a vital retention strategy by many theorists. It not only helps them to acknowledge their potential but also encourages and guides them to perform well (Ghuman, 2010). The regions followed monthly induction and training schedules wherein the required employees were assembled at one of the outlets and provided with 2 days’ work shop. This would not only save cost but would enable the employees to meet other team members from different outlets and share their experiences.

5.2.1.9 Organizational culture and benefits

(MC Namara, 2000) defines organizational culture as the personality of an organization. Several researches on the HR issues in the hospitality sector
have revealed two causes of organizational culture. Firstly, the weak link between the organizational culture and performance in the industry and secondly, the links between organizational culture and other variables which directly or indirectly links to the performances as discussed by (Emmanuel, 2002). As mentioned by the HR executive of the south and west regions, the organization was guest focused followed by the focus on employees, organization and the outlet boss would be the last priority. The organization believes in exceeding guest expectation which occurs through happy and motivated employees. Everyone working for the organization was one team with one common goal and boss to an outlet is considered as a link to reach guest and employees voice to the organization’s CEO and the Managing Director. The key attraction for the employees and the aspirants as the organization’s commitment to share 25% of the organization’s profit plus 25% of each outlet’s profit with employees in addition to the salary as stated by the executives of the western region. It did spoil the market to a larger extent which in a way was one of the strategies to bring drop in the attrition percentage. The unit head consults with the CEO before any final decision at outlet level, which delays response time. People focused organization has similar rules for all levels in the organization which was very encouraging for people working at the lower levels. The unit head or the business manager has an important role that is also responsible for connecting the unit to the corporate office. (Smircich, 1983) mentions strong impact of organizational culture over employee performance. The HR executives had a common believe when they were questioned about the organizational culture and its influence on people. This justifies that the employees were trained and groomed accordingly by the managers to perform on a certain fashion.
5.2.1.10 Turnover and retention

Going by the theories of (Gopal, 2003) employee turnover creates disengagement in the organization apart from the financial losses. The southern outlets were facing similar situation. The business volumes were high, but due to staff shortage, there were sections of restaurant which remained closed for meal periods, and on busy weekends, big bookings were turned down due to non-availability of staff to take care of operations. However, the northern outlet executives were seeing this as an opportunity where with the expansion of outlets in new cities the candidates were flexible towards placements and deputations. Similar is the view of (Grensing-Pophal, 2006), in their views turnovers creates opportunity taking new recruits who had fresh ideas and approach towards their job. The eastern outlets did not have any retention and turnover issues however, they were not open to transfers despite the organization would want to offer them financial growth or growth in position. The executives of western units were fairly new to the system and they felt turnover in their region existed because the employees had doubts on the fairness of the incentive schemes introduced by the organization. The employees here were not comfortable their colleagues who would work at the outlets in the south would benefit higher perks then them though they all had similar salary structure.

The retention strategies were exciting for employees who were earning beyond their salary due to organization’s and outlet profit share and performance based tipping system. However, due to lack of proper communication, there were a large number of executives who did not have clarity on the working of these systems. They felt much of the details of work were handled from the corporate office and they were merely executives taking care of recruitment at unit levels. (Heskett, Sasser and Schlesinger, 1997) theories suggest that the hospitality industry suffer losses because of high employee turnover which is a result of ineffective retention
strategy and improper communication channel. The employees of this organization under research had similar views about management of the company.

5.2.1.11 Cost to the organization

Attrition is costly to any organization and it can be higher than it really seems to be. Once an employee leaves the different costs involved and identifies as a direct cost and indirect cost (Goyal, 2012) in his recent study in India’s knowledge industry.

**Direct cost involves**

1. *Administrative costs:* It includes the costs for exit interview, no financial dues in the organization form which needs to be signed from various departments, financial cost incurred in preparing the no objection certificate, PF transfer, and gratuity.

2. *Hiring cost:* Secondly, cost involved with the replacement of employee with a new recruit, the external agency involved in searching for new candidate, interviewing cost, cost of background check, relocation cost of a new employee.

3. *Induction and on board cost:* costs involved in induction, orientation and training of a new recruit.

**Indirect costs involve**

1. *Loss of productivity:* With a new employee the manager will have to once again spend a lot of quality time to bring him to a level of an experienced employee.
2. **Learning curve**: Considering the employee who leaves the organization is a good performer, it takes a minimum of 2 months to train his replacement to expected levels.

3. **Loss of tacit knowledge**: The leaving employee carries his knowledge, wisdom, experience, guest relation and many other such attributes which are lost to the organization.

4. **Loss of personal network**: There is a loss of personal network every time an employee leaves the organization. The new person takes time in building up business, and other relevant networks.

5. **Loss of teamwork**: A leaving employee breaks the motivation level of existing employees based on the influence and relationship they have with each other.

6. **Loss of customers**: An employee’s popularity at times becomes a reason for guests to shift from one place to another or at times there is a drop in the frequency of guest visits.

7. **Opportunity cost**: The times spent in looking for a replacement could have been used for the development of the business.

Based on the understanding from the HR executives the cost associated with employee loss has shown inflation over last two years. Average employee cost was 12% and in the last year it had increased to 18%, which was having a huge impact on the organization’s profit. The operational cost of newly opened restaurants is particularly high in the first year, and the break even for a restaurant now takes 7 years compared to 5 years. Initially the cost of a 200 plus cover restaurant is 3.5 crores INR (507840.96 Euros) and the initial intensive marketing, launch, press conference, and very high employee turnover has an effect on the chain’s other restaurants in the region. Sharing his experience of the restaurant launched in Lucknow (Northern India), the
HR executive says, it was unbelievable how quickly the restaurant became operational without having a final check and assessment of operational difficulties, resulting in 96% attrition rate within the first 10 days. He adds that as a result, it gave organization a bad name in market as well as had a negative impact on staff morale and motivation.

Calculations of direct and indirect costs for the loss of each employee, the organization under research are outlined below. The following considerations were made while calculating the ‘cost to organization’.

1. The cost incurred mentioned below is for each region. The region incurring the highest cost is mentioned in the tables, other three regions are in similar lines if not higher on the cost.

2. Target employee recruitment is 35 for each region.

3. The external recruitment is taken care by the recruitment agency which charges one month's salary of the hired employee.

4. The initial training of each employee is conducted by a professional company at a prefixed fee charged to the organization.

The direct cost of recruiting each employee is 725,000 Indian rupees (10,468.15 Euros). The indirect cost of losing each employee is calculated at 12,09,530 India rupees (17,464.23 Euros). This indicates that the organization is damaged more by the indirect costs involved in losing an employee.
<table>
<thead>
<tr>
<th>SNO</th>
<th>COSTS</th>
<th>INDIAN RUPEES</th>
<th>EUROS</th>
</tr>
</thead>
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<tr>
<td></td>
<td><strong>DIRECT COSTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>ADMINISTRATIVE COST (3 HOURS @ Rs.500/hr)</td>
<td>1500</td>
<td>21.65</td>
</tr>
<tr>
<td>2</td>
<td>HIRING COST (7 HOURS @ Rs. 500/hr)</td>
<td>3500</td>
<td>50.53</td>
</tr>
<tr>
<td>3</td>
<td>EXTERNAL RECRUITMENT FEES (1 MONTHS SALARY OF THE HIRED EMPLOYEE MULTIPLIED BY NUMBER OF EMPLOYEES TAKEN ON BOARD @Rs.15000* 35)</td>
<td>525,000</td>
<td>7580.4</td>
</tr>
<tr>
<td>4</td>
<td>INDUCTION AND ON BOARD COST( 35 CANDIDATES PER MONTH )</td>
<td>20,000</td>
<td>288.77</td>
</tr>
<tr>
<td>5</td>
<td>TRAINING AND RELOCATION (PER EMPLOYEE Rs. 5000* 35)</td>
<td>175,000</td>
<td>2526.8</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>725,000</td>
<td>10,468.15</td>
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<tr>
<td></td>
<td><strong>INDIRECT COST</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>LOSS OF PRODUCTIVITY (Rs 25000 @ 35 EMPLOYEES)</td>
<td>875000</td>
<td>12634</td>
</tr>
<tr>
<td>2</td>
<td>LOSS OF TRAINING (Rs. 7915 * 35 EMPLOYEES)</td>
<td>277030</td>
<td>4000</td>
</tr>
<tr>
<td>3</td>
<td>OPPORTUNITY COST (Rs.1500/ hr.@ 5 hrs.)</td>
<td>7500</td>
<td>108.29</td>
</tr>
<tr>
<td>4</td>
<td>LOSS OF EMPLOYEE MORALE/TEAM WORK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>LOSS OF CUSTOMERS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>LOSS OF PERSONAL NETWORK</td>
<td>50,000</td>
<td>721.94</td>
</tr>
<tr>
<td>7</td>
<td>LOSS OF TACIT KNOWLEDGE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>12,09,530</td>
<td>17464.23</td>
</tr>
</tbody>
</table>

Table 8: Cost to organization
5.3 Analysis of data from 64 regional ex-employees

(Dawson and Abbot, 2009) suggests that the relationship between customers and front operational staff determines customer loyalty. Thus, it is important to retain operational staff. The interview questionnaire suggests that 41 of the 64 ex-employees who participated in the interview questionnaire were from operational department. There could be a possibility that the customers who were regular with this restaurant would have shifted to a new restaurant where there favourite server joined in. The HR strategy to retain employees for the betterment of firm’s performance is significant. The organizational culture plays an important role in determining the way an employee thinks about the organization. The culture alone can influence the way employee behaves. Going by Brinker International, Inc. established in 1967 has 44 restaurants across the world working under the brand names of Chili's Grill & Bar and Maggiano's Little Italy believes in two facts which are important for employee retention and to be successful. Firstly, hiring best people at work who have a positive influence to the team and secondly, creating and maintaining a positive work environment which determines ethical behaviour from employees.

McDonalds UK has a very structured recruitment and selection process enabling the new recruits to give deliver desired result. The organization spends quality time in familiarizing employees with work environment wherein each new recruit is assigned a buddy who helps him/her in settling down. This process is known as on job evaluation and until an employee successfully completes their OJE, they do not handle any equipment. Their prime work remains to interact with customers (Nottage, 2003). The gathered data gives evidence of the organization being fair during the recruitment process and this could be one reason that employees wanted to re-join given an opportunity.
Another example is UK’s top skill council for hospitality industry, People1st to overcome the skill gaps among employees and their retention within the sector. They recommend pre-employment training, individual development plan, recruitment and retention of professional workforce. E-learning is another upcoming popular way of updating hospitality professional who finds difficulty in taking time out for on job trainings. (Maxwell and Watson, 2004; Pratten, 2003) are on an opinion that the hospitality industry staff suffer due to poor training and induction plans by the organization resulting in high turnover rates (Lam and Zhang, 2003; Pratten, 2003; Taylor et al., 2001). In the organization under research, ex-employees had a mix opinion where proper induction and orientation was concern. Due to crisis management of staff shortage, there were hardly pre joining trainings or on job trainings provided. This was one reason for a large number of employees leaving soon after joining. Such employees who are lost are unable to understand what is expected of them or their job, roles left within a couple of months.

5.3.1

![Figure 16: Background information](image-url)

Figure 16: Background information
The interview questionnaires were filled anonymously, so it was not possible for the researcher to identify the regions of the respondents.

5.3.2

Figure 17: Recruitment and selection

This set of questions deals with the organizations transparency with respect to its recruitment and selection procedures. The outcome suggests that the organization had stated its objectives clearly in front of the candidates during the time of their interview and there was a formal presentation given to employees during the time of recruitment.
5.3.3

Figure 18: Induction and training

There was a mixed response towards induction to organization and outlet. The response also reveals lack of any initial training in the outlets. There was no formal training for respondents over a long period of time especially for employees who were associated with the organization for over 4 years.
The ex-employees couldn’t align their values with that of the organization; there was a mixed response towards the same. They were over worked and felt their growth with the organization was possible only with the condition of accepting transfers. There were a decent number of ex-employees who grew with the organization considering the fact that they responded positively towards transfers and new job roles. Organizations retention strategy which aligned the employee’s performance with tips and profit share kept the employees on their toes and they would look forward toward daily operations and attendance positively. The unit managers ensured to take care of employees social life.
There was a mixed response for the reason of people leaving the organization. However, there were a high percentage of employees who felt lack of transparency between the employer and the employee. There was long working hours; however, managers at units were encouraging and motivational.
Chapter 6: Recommendations and conclusion

Being a part of the organization for a period of five years, today the researcher understands the fact that the retention strategy to keep the employee’s engaged is not very successful. This is a result of the organization’s growth plan. Based on the past experiences and the current hospitality trends, the researcher would like to recommend two monthly surveys to be conducted by the units and analysed by the unit managers. There would be no relevance of the survey unless there is some action plan drawn and implemented to win the employee’s confidence that their voice is heard and acted upon. Prescribed formats for the employee engagement survey which is adapted from Aon Hewitt Engagement Survey and employee retention questionnaire can be seen in appendix 6 and 7 respectively.

6.1 Employee engagement survey

“Engagement is about creating opportunities for employees to connect with their colleagues, managers and wider organization. It is also about creating an environment where employees are motivated to want to connect with their work and really care about doing a good job. It is a concept that places flexibility, change and continuous improvement at the heart of what it means to be an employee and an employer in a twenty-first-century workplace” (CIPD, 2009).

It is evident that the employees at the organization under research was popular among the recruitment agencies and employees seeking new job opportunities because of its attractive pay package and good counselling at unit level. A source which could reach employees voice to the management was required. The researcher by means of employee engagement survey
would like to capture individual employee's background, their perception about the organization, their work life balance, the training they receive for their growth and development and how they feel about the management of their unit and overall organization.

6.2 Employee retention survey

There is a need of a robust employee retention strategy in an organization which is going ahead with an expansion plan, nevertheless, the fact remains that the expansion plan would need more and more of trained manpower to execute operational success. (Carsen, 2002) mentions in his book ‘HR how-to employee retention’ that there is a requirement of four things for an organization to create a retention strategy for the employees firstly, to measure the turnover rates, ways to attract the best talents, the reward system for exceptional performers, and lastly, retention of a diverse workforce. The researcher found that the organization under research did have good practices which made the company popular with employees. However, the frequency of change in policies and procedures was too high for an employee to benefit from any of the new introduced systems.

Appendix 8 mentions the proposed employee retention survey for the employees to be conducted in units on a quarterly basis, analysed by the HR executives and the required action plan of the result of the survey to be monitored by the head office. It broadly covers background information of employees, turnover intention, teamwork, concern for the organization and job satisfaction.

In the restaurant chain’s expansion plan, the researcher identified four major requirements for the organization. The first requirement was for a highly skilled workforce, the second need was for employees’ commitment to mobility, third, was a need for moving some percentage of staff from each department to the new units to create a healthy mix between them and new
recruits. This could be seen as an advantage as in bringing in new job promotions however family pressures and cultural difference within the states of India could unable employees want to remain where they were in their native place. Lastly, the organization's weak communication with employees along with unstable human resource policies and procedures resulted in de-motivation and a lot of unanswered questions with individuals.

6.6 Personal learning statement and reflections

I enjoyed the time spent and the knowledge gained during the preparation of this research report. Initially the impact of conducting a research for an organization abroad was not realized, until coordination between two countries because of the 4.5 hours of time difference made it difficult. Over a year, I am not associated with the organization and due to the changes in policies, procedure and people in management, getting dates and time for interview was difficult. The employment law of India as mentioned earlier, doesn’t allow any organization to give details of the employees without his/her consent made it further difficult to organize and coordinate things over emails and telephone calls. This was one reason where my initial plan of conducting a focus group interview was changed to a more manageable interview questionnaire formats. Also the initial thought for primary research had to be changed due to non-availability of time from the people who finally agreed to the interviews.

In ensuring access I had to agree to send all the interview questions to the ex-employees, HR executives and HR managers in advance and save our time and give them time to prepare. This worked as an advantage for me since a couple of interviewee’s were willing to talk in details about the questions asked to them.
Operating through different languages also presented difficulties as I had to design the questions in English, although the recipients spoke regional Indian languages which were as their first language. Therefore, not only were regional dialects and issue, but also converting to English. Sending the interview questions in advance was helpful in conducting the final interview since they had a better understanding of the questions and my expectations from them.

6.7 Implication of further research

This study is conducted on one organization with which the researcher was associated with. However, there are studies to prove that hospitality industry across India suffers with employee retention strategies. The same study could have been conducted in similar restaurant chain and also in other hospitality sector like hotels, cruise line, aviation and amusement parks. As far as the organization under research is concern, there is a scope for further investigation on the below mentioned

- Link between HR function as training and development of employees.
- Fairness in organization’s policies and procedure.
- Communication channels.
- Work-life balance.
References


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Rasin, L., Franze, I. and Russell (2008) ‘McDonald's and Power train to retain: Companies recognize career development is an inclusive business’ 


Bibliography


Appendices

Appendix 1: Map of India
Appendix 2: HR manager questionnaire

Below mentioned shows the sample of investigation interview questions with the HR Manager.

### Background Information

**Please indicate your answer by highlighting it in grey**

<table>
<thead>
<tr>
<th>Question No</th>
<th>Description</th>
<th>Parameters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Question 1</td>
<td>What is your gender?</td>
<td>Male</td>
</tr>
<tr>
<td>Question 2</td>
<td>What is your age?</td>
<td>30-39</td>
</tr>
<tr>
<td>Question 3</td>
<td>Designation</td>
<td>Human Resource Manager</td>
</tr>
<tr>
<td>Question 4</td>
<td>What is your work experience?</td>
<td>7-10 years</td>
</tr>
<tr>
<td>Question 5</td>
<td>What is your work experience with organization</td>
<td>1-3 years</td>
</tr>
<tr>
<td>Question 6</td>
<td>What has been the level of turnover over the past two years in the</td>
<td>10-15%</td>
</tr>
</tbody>
</table>

Please answer the below mentioned questions in briefly

**Type** | **Human resource management**
---|---
Question 7 | Please describe the organization's recruitment and selection criteria.
Question 8 | What are the expectations from the new recruits?
Question 9 | What orientation and induction process the organization follows?
Question 10 | What induction training do new employees receive?

**Type** | **Employee engagement**
---|---
Question 11 | How does organization ensures high performance from employees?
Question 12 | What measures are taken to achieve engaged work force?
Question 13 | In your opinion what types of organizational culture is most appealing to employees in this organization?
Question 14 | In your opinion what types of benefits are most important to employees in your organization?

**Type** | **Turnover and retention**
---|---
Question 15 | What is the attrition rate of the organization over the past two years?
Question 16 | Does the organization have a staff retention strategy?
Question 17 | What would be the main reason for the staff leaving the organization?
Question 18 | Is there any exit interview for employees leaving?
Question 19 | What impact would voluntary benefits have on the organization?
Question 20 | Which positions in the organization are subject to the highest rate of turnover?
Appendix 3: HR executive questionnaire

Below mentioned shows the sample of investigation interviews questions with HR executives.

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</thead>
<tbody>
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<td>Description</td>
</tr>
<tr>
<td>Q1</td>
<td>What is your gender?</td>
</tr>
<tr>
<td>Q2</td>
<td>What is your age?</td>
</tr>
<tr>
<td>Q3</td>
<td>What is your work experience with the organization?</td>
</tr>
<tr>
<td>Q4</td>
<td>Which region your outlet falls into?</td>
</tr>
<tr>
<td>Q5</td>
<td>How many employees are under the region?</td>
</tr>
<tr>
<td>Q6</td>
<td>What percentage of employees leaving complete exit interview?</td>
</tr>
</tbody>
</table>

Please answer the below mentioned questions in briefly

**Type Recruitment and selection**

| Question 7 | What recruitment process is followed in your region? |
| Question 8 | What are the selection criteria? |

**Type Induction and training**

| Question 9 | What are the training and induction process? |
| Question 10 | What is the training plan for the existing employees? |
| Question 11 | How is organizations policy and procedure communicated to the employees? |
| Question 12 | Does a new employee get assigned a mentor or buddy at work? |

**Type Organization culture and benefits**

| Question 13 | How important are employees to the organization? |
| Question 14 | How is the organization culture communicated to the employees? |
| Question 15 | In your opinion, what type of benefits attract the employees the most? |

**Type Turnover and retention**

| Question 16 | What is the attrition rate at your region? |
| Question 17 | Who is responsible for the exit interviews and how is it conducted? |
| Question 18 | What would be the main reason for employees leaving the organization? |
| Question 19 | How is the organizations retention strategy executed at the regional level? |

**Type Cost to organization**

| Question 20 | What is the per employee cost for selection and recruitment? |
| Question 21 | What is the per employee cost for training? |
Appendix 4: Ex-employees questionnaire

Below mentioned shows the sample of investigation interview questions with the Ex-employees.

*Please indicate your answer by highlighting it in grey*

<table>
<thead>
<tr>
<th>Question No</th>
<th>Description</th>
<th>Parameters</th>
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</thead>
<tbody>
<tr>
<td><strong>Type</strong></td>
<td><strong>Background information</strong></td>
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<tr>
<td>Question 1</td>
<td>How long did you work for the organization?</td>
<td>Yes No Not sure</td>
</tr>
<tr>
<td>Question 2</td>
<td>Were you associated with an operational department while working with the organization?</td>
<td></td>
</tr>
<tr>
<td>Question 3</td>
<td>Given an opportunity would you like to reassociate yourself with the organization?</td>
<td></td>
</tr>
<tr>
<td><strong>Type</strong></td>
<td><strong>Recruitment and selection</strong></td>
<td></td>
</tr>
<tr>
<td>Question 4</td>
<td>You were told about organization's expectation from you during your interview.</td>
<td></td>
</tr>
<tr>
<td>Question 5</td>
<td>You were given a brief presentation about the organization and its</td>
<td></td>
</tr>
</tbody>
</table>
expansion plan.

<table>
<thead>
<tr>
<th>Type</th>
<th>Induction and training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Question 6</td>
<td>Did you receive induction to the organization and the outlet when you first joined?</td>
</tr>
<tr>
<td>Question 7</td>
<td>You were taught how to do your job efficiently?</td>
</tr>
<tr>
<td>Question 8</td>
<td>Did you receive good training and support during work tenure?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type</th>
<th>Organizational culture and benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Question 9</td>
<td>Your values were aligned with the organization's culture?</td>
</tr>
<tr>
<td>Question 10</td>
<td>Did you feel control of your work load?</td>
</tr>
<tr>
<td>Question 11</td>
<td>Was employee development considered with the organizational growth?</td>
</tr>
<tr>
<td>Question 12</td>
<td>Were employees eager to come to work most of the time?</td>
</tr>
<tr>
<td>Question 13</td>
<td>Was social activities a part of organizational</td>
</tr>
<tr>
<td>Type</td>
<td>Reason for leaving</td>
</tr>
<tr>
<td>--------------</td>
<td>------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Question 14</td>
<td>Did you leave the organization because of a better job opportunity?</td>
</tr>
<tr>
<td>Question 15</td>
<td>No transparency between employer and employee?</td>
</tr>
<tr>
<td>Question 16</td>
<td>Long working hours</td>
</tr>
<tr>
<td>Question 17</td>
<td>Organization's expectation to be ready to relocate to other units in different region</td>
</tr>
<tr>
<td>Question 18</td>
<td>Manager's did not cared about how you felt for your job</td>
</tr>
</tbody>
</table>
Appendix 5: Interview questionnaire letter

38 Abbey wood court

Lucan, Dublin

Ireland

HR Manager

Department/Unit:

Name and address of Company:

Date:

Dear Sir/Madam,

I am a post graduate student at the National College of Ireland, Dublin, Ireland. I am undertaking a Dissertation as part of a ‘Masters in Arts in Human Resource Management’. You may know me as an ex-employee of the restaurant chain as I was employed by the company between the years 2008-2012 in various cities where outlets are currently situated.

The attached sample interview questions are a part of my dissertation on the topic of employee retention. The title of my research is ‘The impact of the employee benefits retention strategy in a concept dining restaurant chain in India’. I would really appreciate your help with my research. The following is an example of the questions I will be discussing during the interview, which is scheduled for 30 May 2013, as agreed with you earlier.

I would like to reassure you that I will be the only person with access to the data and all information I use in my research will be treated confidentially.
Finally, I would like to express my gratitude in advance, for your valuable assistance with my research.

Yours Respectfully,

Sonal Kumar
Appendix 6: Employee engagement survey

Name of the organization:

Employee engagement survey

‘In the quest of excellence, there is no finishing line’. This survey is our initiative to develop a better understand about our relationship you. Apart from the guest, our employees are our biggest asset, with your feedback and our effort; we aim to make Barbeque Nation a better working place. This questionnaire is anonymous.

Directions

- Welcome to the engagement survey, it will take 15 minutes to complete. If you have any queries, please contact the officer conducting the survey.
- Read the questions carefully. There is no right or wrong answer to the survey.
<table>
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</thead>
<tbody>
<tr>
<td></td>
<td>Highlight the one answer which represents your thoughts best</td>
<td></td>
</tr>
</tbody>
</table>

1. What is your job type?  
   - Non managerial employee: 1  
   - Non managerial supervisor: 2  
   - Senior Manager: 3  
   - General manager: 4  

2. Which region do you work in?  
   - North: 1  
   - South: 2  
   - East: 3  
   - West: 4  

---

I. Please state how strongly you agree or disagree with the statements

<table>
<thead>
<tr>
<th>The organization</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. I would recommend the organization to other aspirants.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>4. I rarely think of working with other organizations.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>5. I often speak great about my organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>6. I feel proud to be associated with the organization.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities for growth</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. I am motivated to put an extra effort to complete my work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>8. I get recognized when I do a job well.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stress at work</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. I have the right amount of work-life balance.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>10. I am satisfied with the amount of time put to work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Management</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>11. Senior management is open to communicate.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>12. The unit manager has great leadership qualities.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Workplace and resources</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>13. I am empowered to take decisions to do my job well.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>14. I am provided with right working conditions to perform my work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>15. There are great interdepartmental relationship.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Training and development</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>16. The organization provides me with opportunities to advance and improve my performance.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>17. I get training to advance my knowledge.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>
Appendix 7: Employee retention questionnaire

*Name of the organization:*

**Employee retention survey**

‘In the quest of excellence, there is no finishing line’. This survey is our initiative to develop a better understands about our relationship you. Apart from the guest, our employees are our biggest asset, with your feedback and our effort; we aim to make the organization a better working place. This questionnaire is anonymous.

**Directions**

- Welcome to the employee retention survey, it will take 15 minutes to complete. If you have any queries, please contact the officer conducting the survey.
- Read the questions carefully. There is no right or wrong answer to the survey.
<table>
<thead>
<tr>
<th>S no.</th>
<th>Background information</th>
<th>Parameters</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Your age</td>
<td>Highlight the one answer which represents your thoughts best</td>
</tr>
<tr>
<td></td>
<td>&lt;25</td>
<td>26-35</td>
</tr>
<tr>
<td>2</td>
<td>Your gender</td>
<td>Male</td>
</tr>
<tr>
<td>3</td>
<td>Your education</td>
<td>Primary</td>
</tr>
<tr>
<td>4</td>
<td>Work experience with the organization (years).</td>
<td>&lt;2</td>
</tr>
</tbody>
</table>

Please state how strongly you agree or disagree with the statements

<table>
<thead>
<tr>
<th>Turnover Intention</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Strongly Agree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 I often think about leaving the organization to work somewhere else.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>6 I spend most of my time at work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>7 With the development of the organization, I see my growth.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------------</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>8</td>
<td>I feel I am overworked most of the time.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>9</td>
<td>I have sufficient information yo do my job well.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>10</td>
<td>I feel motivated to go to work most of the time.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>11</td>
<td>My job responsibility challenges me to use my knowledge and</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>skill.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Team Work</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>The work load is fairly spread among the team members.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>13</td>
<td>There is great interdepartmental team work.</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>14</td>
<td>My colleagues work with great spirit to achieve organizational</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>goals.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Individual contribution is acknowledged in team work.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>-------------------------------------------------------</td>
<td>---</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>I would want to be a part of organization's expansion plan.</td>
<td>1 2 3 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>The organization motivates me in aligning my personal goals with that of the organization.</td>
<td>1 2 3 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Given an opportunity, I will spread good things about the organization.</td>
<td>1 2 3 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>My manager inspires me to meet our organizational goals.</td>
<td>1 2 3 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>I often think of changing my job.</td>
<td>1 2 3 4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Concern for organization**

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td></td>
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<td></td>
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<tr>
<td>18</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Job satisfaction**

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>21</td>
<td>I get paid fairly compared to similar places I might want to work.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>22</td>
<td>I am satisfied with the amount of work I do.</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>23</td>
<td>I have been spoken about my personal development in last six months.</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>
# Appendix 8: Rapport building exercise

## Rapport Building Exercise

<table>
<thead>
<tr>
<th>S no.</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Where are you from and what made you chose this line?</td>
</tr>
<tr>
<td>2</td>
<td>How many people are depended on your income?</td>
</tr>
<tr>
<td>3</td>
<td>Tell me about the most memorable experience while working with us.</td>
</tr>
<tr>
<td>4</td>
<td>What are your pain areas at the work front?</td>
</tr>
<tr>
<td>5</td>
<td>What we should do more to give guest an outstanding experience?</td>
</tr>
<tr>
<td>6</td>
<td>Any other comments.</td>
</tr>
</tbody>
</table>

**Remarks by the unit head**

**Signature**

**Date**
Appendix 9: 360 degree appraisal

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Please highlight in grey</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Performance</td>
<td>Outstanding</td>
</tr>
<tr>
<td>B) Personality &amp; Value</td>
<td></td>
</tr>
<tr>
<td>C) Potential</td>
<td></td>
</tr>
<tr>
<td>i) Enterprising</td>
<td>Outstanding</td>
</tr>
<tr>
<td>ii) Vision</td>
<td>Outstanding</td>
</tr>
<tr>
<td>iii) Respect for process</td>
<td>Outstanding</td>
</tr>
</tbody>
</table>

Special remarks on awards or recognition earned current year

<table>
<thead>
<tr>
<th>Present Salary</th>
<th>Proposed Salary</th>
<th>Present Designation</th>
<th>Proposed Designation</th>
</tr>
</thead>
</table>