Appraisal of hospitality industry’s response to human resource management issues and challenges: Evidence from Lagos, Nigeria

Olabinjo, M.A., Ezenagu, N. & Esoso, J.
Department of Tourism and Events Management
College of Social and Management Sciences
Afe Babalola University, Ado-Ekiti, Nigeria
ORCID: 0000-0001-8066-8622
E-mail: olabinjo@abuad.edu.ng

Abstract

This study examined the hospitality industry’s response rate to the issues and challenges of managing employees in a competitive business environment with a focus on the hotel sector in Lagos Metropolis, Nigeria. The study sought to assess the scope of HRM issues in the hotel sector, identify key challenges likely to hinder effective HRM, ascertain new competitive realities in HRM for the sector, and suggest strategies to curtail identified challenges in employment contexts. A survey research design was used with a Likert-scale questionnaire as an instrument for primary data collection. Secondary data was sourced from textbooks and academic journal articles. The total number of questionnaires administered to respondents comprising line and staff managers from selected hotels in the study area was 200. The hotels and respondents were selected using purposive and random sampling techniques respectively. Descriptive statistics including frequency table and percentage were used for data presentation/analysis. Hypotheses were tested with chi-square. Findings from the study show that the scope and intensity of HRM issues for managers in the selected hotels is wide and high respectively. Key challenges hindering effective management of employees in the surveyed hotels include: intense competition, inflation and recession, rising labour costs, high levels of labour turnover, skill shortages and an ageing workforce among others. Despite these challenges, the results of tested hypothesis show that there are significantly positive relationships between HRM strategies and business performance in terms of enhanced levels of innovation, productivity, and profitability. To this end, the study concludes that HRM strategy has a direct and positive impact on the performance of the hotel business sector in terms of enhanced levels of innovation, productivity, and profitability which results in reduced costs of labour. Strategies were recommended to curtail all identified challenges.

Keywords: Hospitality, Accommodation, Hotel, HRM, Issues and challenges

Introduction

The travel and tourism industry we see in today's world of work of which hospitality is a part has undergone tremendous transformations. This is due to a number factors including but not limited to increased levels of competition in the marketplace, advances in information and communication technology due to the Fourth Industrial Revolution, and growing levels of customer awareness. Hospitality is a key aspect of service industry which is largely characterized by high levels of human involvement for development and delivery of services to discerning customers. It is also known as a people business because of the greater level of people involved as employees, consumers and clients. In addition, sectors of hospitality like hotel and restaurant are subject and open to normal vagaries of human behavior in terms of making decisions about what to buy and consume which may be predictable and unpredictable depending on prevailing situations. Without doubt, the role and contributions of the hospitality to economic, social, and cultural developments of a nation cannot be overstated. In fact, this extremely important industry occupies a vantage position in global economy and is now fully recognized as the world’s largest employer of labour (Walker, 2013).
Hospitality together with tourism represents a rapidly rising proportion of world trade; it accounts for 5% of global gross domestic product (GDP) and 8% of total employment. Again, receipts from international tourism expenditure in 2004 alone was US$474 billion; and international tourist receipts totaled $856 billion in 2007; and will continue to grow at least up to US$2 trillion annually by the Year 2020 as estimated by the World Travel Organization/WTO (WTO, 2008). In Nigeria, the hospitality and tourism contributed N1, 559.5 billion (6.1% of total GDP) to GDP in 2013 and is estimated to rise to N2, 886.2 billion or 3.4% of national GDP by 2024 (World Travel and Tourism Council, 2014). Despite these laudable contributions of hospitality industry to national economies, research on HRM in the hospitality industry of which the hotel sector is a part mostly in developing countries, according to Mara, Govender, and Makka (2019), is easy-going due to neglect by scholars; thus, the need for this study. Needless to say, having the right kind of staff doing the right kinds of jobs to delight customers must be central to management of successful hospitality trade.

To manage human resources effectively in the world of work, managers must research and have a good grasp of key competitive and human resource management (HRM) issues in which their daily activities are run. This is more imperative for a hospitality manager since employees are a vital part of the business. Observation and years of experience has shown that the human resources management has long been a functional part of a manager's role and a specialized task for the Human Resource (HR) Department. According to Cascio (2013), the underlining issues of human resources management in today’s world of work involve five domains namely: staffing, retention, development, adjustment, and managing change. From strategic view, these key issues altogether make up the HRM system; and form a network of interrelated mechanism for corporate survival. The thrust of managing human resources in hospitality settings like other ventures is to build good working relationships with staff for rewarding organizational benefits.

Although, a lot of work has been conducted on the role/benefit of human resource management in organizational contexts, many papers have also been published about issues and challenges of human resource management in the world of work. But, as laudable as these efforts may be, there is no existing study known to the researchers on how managers in the hotel sector are responding to underlining issues and challenges of human resource management given the new competitive realities of the business environment in which hotel enterprises run in Lagos, Nigeria as the study area. This gap in knowledge forms the statement of problem. Given this initial lead-up, this study seeks to assess the hospitality industry’s response to HRM issues and challenges in 5-Star hotels in Lagos metropolis. With this aim, specific objectives of the study are to: explore the scope/depth of HRM activities covered by a hospitality industry manager; identify challenges that may be hindering HRM; determine levels of corporate responsiveness to HRM issues; test the relationship between HRM strategies and performance of business in term of quality of work life, staff productivity, and firm’s profitability; and suggest strategies to curb identified challenges.

Conceptual Literature
Hospitality Industry
The term “hospitality” has been widely accepted over the years as a generic word describing the well-being of the tourists through warmly/sociable provision of amenities. Etymologically, the word “hospitality” is derived from the Latin word ‘hospice’ which equates ‘hospital’ in Greek axiomatic meaning of a guest-chamber or house of rest where travelers are being warmly received as visitors; implying The main domains of hospitality in the literature of travel and tourism include: private, social and commercial. The private domain is the provision of food, drinks, and lodging to visitors in domestic setting and at times has a reciprocal nature. The social domain is the charitable provision of food, drink and accommodation to people in the pre-industrial societies and also bestowed status on the host. In contrast, the commercial domain focuses on commercialized hospitality and has its roots in offering basic needs in forms of food, drink, shelter and safety to travelers through the market. This kind of hospitality characterizes many industrial societies where hospitality experience is a commercial rapport rather than private or charitable reciprocity as a rule.
(Walton, 2000:57). Thus, the concept of hospitality can be described as what tourists experience as travelers in terms of food, drink, shelter, safety and rest away from home. Historical studies of hospitality industry's literature suggest that hospitality is a medieval term associated with the Middle-Ages (i.e. the period from 1100 – 1500 AD): meaning that hospitality is a part of way of life with long history of existence. From the early rest houses of medieval time, to inns, and emerging public houses; evidence shows that hospitality firms met traveler’s needs away from home. It was during the Victorian era as the Queen of England (i.e. from 1837–1901) that an up-surge was made manifest in the size of hotel, restaurant and large-scale catering sectors in the forms of public dining rooms in London from the 1820s (Page & Connell, 2014). This kind of phenomenon was also reported in Dublin between 1700 and 1900 (Lomaire, 2013). As Littlejohn (2003) declares, the accommodation concept in term of hotel lodgings actually evolved in Paris in the mid-17th century. In 1780, this experience was noted in London with the creation of Nero’s Hotel whose aim was to serve an affluent customer otherwise called a guest, in hospitality parlance. In the mid-Victorian era, the provision of railway hotel catering for middle-class traveler created key development boosting the expansion of the hotel sector in urban centres.

In Nigeria, the hospitality industry is one of the priority sectors currently engaged by government to spur economic growth, generate job opportunities and foreign exchange. While the evolution of hospitality in Nigeria is in a number of phases; documentary evidence of hospitality industry’s growth is scanty owing to poor management of records as in many other early industries in Nigeria. The creation of catering guest houses by government in the 1920s (through Nigeria Railway Caterers Limited) and other catering guest houses across Nigeria in the 1950s marked the start of what turned out in later years to form the nucleus of formal hospitality trade in Nigeria (National Association of Nigeria Travel Agencies: AGM/Conference 2001). Earliest hospitality firms in Nigeria were initially built and run by government and located at major seaports, railways terminus or main towns where there were state capitals. In 1923 and 1931 the European Rest House at Port Harcourt and Lagos Rest House were set up respectively (Federal Government of Nigeria Reports on National Hotels Classification and Grading Exercise 1989:67). The next most vital development phase of hospitality industry in Nigeria is introduction of institutions like hotels, guest houses, staff canteens and staff clubs. Hospitality issues since the independence era in Nigeria until 2001 under President Obasanjo’s Administration, was mostly government-driven with lot of hurdles to navigate.

The concept of the hospitality industry as used here refers to the business of attracting, transporting, accommodating, and entertaining tourists away from home. In today’s world of work, hospitality together with tourism is widely recognized as the world largest employer of labour and fastest-growing industry (Walker, 2013). The industry puts a premium on how the guests are received with civility. Another exciting feature of this industry is that it embraces a lot of sectors like visitor attractions, transportation, and travel services, entertainment, catering, lodging, recreation, and events. The hospitality industry comprises small, medium, and large firms providing amenities for service delivery to travelers including tourists and visitors away from home environment. Such amenities include hotels, restaurants, pubs, night clubs, event venues, spas, gym, theme parks, viewing centre, shopping malls, etc. The scope of the hospitality industry as a field of practice is not only broad but dynamic. Obviously, these amenities altogether make it possible for the industry to occupy vantage position in the business world globally.

**Accommodation Sector**

According to Rogerson (2019) there is a spread of studies which examine historical development of accommodation services in the developing nations. Evidence from the literature shows that the accommodation sector is a key component of the hospitality industry as provision of beverage, food, accommodation, and entertainment is indispensable to anyone spending time away from
home. The key market segments that form accommodation sector are ‘serviced’ and ‘non-serviced accommodations’. Serviced accommodation sector is a full-range provider. Here, the facility owner offers a number of lodging services like housekeeping, check-in/check-out, meal and other guest services. Key players include commercialized hospitality providers e.g. hotel, resort, budget motel, and convention centre Trends in today’s business world show that the hotel sector is one of the most evident and highly stylish product offerings of accommodation sector. The word ‘hotel’ is derived from the French word hôtel, meaning a building receiving frequent visitors with courtesy. Hotel can be defined as a place where paid lodging, meal, or related services are offered to a visitor on a short-term basis; provided he is able and willing to pay for it and appears in a fit state to be received’. Bulk of what is offered in hotel accommodation today came into being due to tourists’ demands for safe, affordable and comfortable accommodations.

In contrast, non-serviced accommodation is a self-catering lodging where laundry, restaurant food and beverage services are not really in place, but can be obtained through personal arrangement. as these kinds of services are not part of offerings provided by facility owners meaning that users have to take personal responsibilities for these services while their stay lasts. A self-catering facility is often furnished with kitchenette so that guests can prepare their own meals, and attend to other services that are not often offered by provider during a stay. Players in this segment include holiday cottages, campsites, villas, hostels, etc. The most evident in this sector is hostel. A hostel can be defined as a hall of residence accommodating a group of people such as students, young workers, tourists, day-trippers, and event attendees with specific needs. A hostel provider is not under liability to offer same level of service delivered in hotels; neither does he considers users of facility as guests. The motivation to use hostel accommodation is largely created by users’ demand for living rooms to give them access to leisure and work.

Human Resource Management (HRM)

The term ‘human resource’ in layman’s word means people. The concept of HRM refers to all activities devoted to managing human asset in workplace. It is concerned with people dimension in business settings. It is the process of procuring, developing and maintaining competent human resources in an organization so that goals and objectives of the organization are effectively and efficiently achieved (Khanka, 2008). HRM can be defined as a form of employment management largely focusing on need for employees to be provided and deployed in a company. From strategic stance, HRM is the wisest possible use of people vis-à-vis the strategic focus of the firm in term of excellent service delivery to consumers. It is a vital business activity widely adopted by management teams to achieve organizational goals with financial and non-financial implications. Research evidence in literature of human resource management clearly indicates that the concerns of human resource management as a management function are geared towards planning for labour need, acquiring, developing, maintaining, motivating, and controlling organizational employees or human resource (Page & Connell, 2014).

Human resource management issues according to Baum (2006), are crucial for successful operation, development and long term sustainability of hospitality ventures The indisputable feature of hospitality as Page and Connell (2014) argue is its reliance on people as a critical factor in making an experience a success or failure. Even where experience may be affected by negative events, empowerment of staff with initiative and a grasp of how to make a difference can often salvage a negative hospitality experience. More complex analyses of human resource management usually identify the need for individual human resource system within a firm to realize strategic objective of that particular company, and this entails the delivery of excellent customer service to consumers. Past evaluation of human resource management in theories of management show that HRM has long been a very important component of every manager’s job. It is also the specialized responsibility of the human resource department in modern societies.
Thus, to succeed and survive in the world of work that is rapidly changing amid strong competition and advances in technology as in 4IR; managers must avidly research, understand, and appreciate critical issues in HRM. This is critical because of the fact that all managers whether in human resource or operating capacity) have responsibilities for optimizing all of the resources ranging from material, to human and financial available to them. Although, opinions regarding HRM issues vary greatly from place to place, industry to industry, and from one job to another; but, despite all divergent views on this subject, the following represents the summary of key issues that must be researched and understood by a manager saddled with the responsibilities of managing people in employment and organizational contexts:

- **Labour planning**: refers to steps undertaken to determine in advance labour requirements, policies, programmes. It involves making decisions about how many and what type of people is required; and also, making decision about means to motivate the would be staff.
- **Staffing**: is a managerial function of matching task’s requirements with people who have the basic skills needed to do the job. It involves identifying work requirements; number of people or skill mix, recruiting, selecting, placement, promoting qualified candidate
- **Retention**: refers to managerial activities intended to reward employees for performing their jobs effectively/efficiently and in ensuring harmonious working relationships between employees and employers by maintaining a safe, healthy and healthy work environment.
- **Adjustment**: refers to extensive activities intended to maintain discipline and compliance with rapidly changing rules and regulations within (e.g. human resource policies) and outside the company (e.g. labour law) through business strategies to improve profit levels.
- **Development**: refers to grooming activities aimed at preserving or enhancing employee’s competence in skills and abilities for job performance through educative programmes like training sessions (e.g. on-the-job), incentive programs (off-the-job), seminars, workshops.
- **Evaluation [appraisal]**: refers to the different levels of assessments in employment and organizational contexts ranging from human resource policies, to human resource practices, as well as survey, audit, morale and performances of employees
- **Change management**: an ongoing process to improve ability to anticipate and respond to development in internal/external environment which enable staff to cope with changes.

**Theoretical Models**

There are lots of models that offer analytical frameworks for human resource management studies. Of significance in the literature of HRM models include: (a) Fombrun Model, (b) Harvard Model, (c) Warwick Model, and (d) Guest Model. The appraisal of hospitality industry’s response to human resource management issues and challenges in hotel sector in Lagos Metropolis is based on the assumptions of Guest Model. The Guest model was developed by David Guest in 1997. The choice of this model for this study is imperative given its superiority over other models of human resource management listed above. Guest model assumes that a human resource manager has specific strategies to begin with, which demand certain practices, and which when executed result in specific outcomes like behavioral, performance related, and financial rewards. The logical sequence of Guest model revolves around the following ingredients: human resource strategy, human resource practice, human resource outcome, behavioral outcome, performance result and financial consequence. Looking inversely, the financial result in this regard is largely dependent on employee performance, which in turn is the result of action-oriented employee behavior. Behavioral outcome is the result of employee commitment, quality and flexibility, which in turn are impacted by human resource practices. Human resource practices need to be in tune with human resource strategies which are invariably aligned with organizational strategies. Indeed, the Guest model of HRM clearly maps out the field of human resource and delineates the input and output.
But, critics argue that the dynamics of human resource management are so complex that no model (including Guest model) can capture them comprehensively.

**Empirical Literature**

Studies related to issues, challenges, and HRM in hospitality industry are reviewed here. The word "issues" as used here denote various activities a manager will need to deal with in order to manage and develop human capital in an enterprise. Empirical evidence from recent studies conducted in hospitality field indicates that the span of HRM issues and challenges are complex and broad (Baum, 2006). The recent waves of business globalization spurred by rapid advances and diffusion of the information and telecommunication technology (ICT) amid fierce competition have led to irreversible changes in hospitality trade. These irreversible changes have forced many firms like hotels, restaurants, pubs and eateries/fast food outlets, etc., to constantly look at key issues which control human resource management in realm of work. Human resource management issues in the words of Baum (2006) are crucial for successful operation, development and long term sustainability of a hospitality business. According to Baum, the most critical issues which a manager must continuously and regularly research and understand in the world of work in which businesses are run to achieve results are as follow:

- Critical awareness of the scope and nature of the labour market;
- Employment termination, grievance and dispute procedures;
- Staff recruitment, selection, appointment, and retention;
- Induction of new recruits, training, and development;
- Motivation of staff and change management;
- Design and redesign of occupational jobs;
- Industrial relations and employment laws;
- Administration of salaries and incentive;
- Evaluation of staff performance.  
  
(Adapted from Baum, 2006)

Given the growing level of business globalization spurred by rapid advances and the diffusion of information and telecommunication technology (ICT) amid fierce competition in the business environment, many challenges are often encountered by managers and these affect the process and quality of HRM in the sector. Moving forward, business leaders in the 2014 labour market emphasized the need for attracting and retaining quality employees together with other career opportunities that were being lost to the competitors (Ramlall, 2012; Singh, Dev & Mandelbaum, 2014). This is necessary owing to more than average levels of labour turnover being experienced within the sector as authors argue that more companies are increasingly acknowledging how costly it is to replace employees rather than to retain them in the sector. As Mara, Govender and Makka (2019) noted, HRM can pose employee-related risks like high turnover, low commitment or lack of accountability by managers resulting in key financial losses for the hospitality industry if they are continually ignored or not attended to. Thus ethics training becomes a vital aspect to incorporate in hospitality training (Nicolaides, 2016). The focal point of the multiple case studies conducted by Guilding et al. (2014) was to explore strategies needed by the hospitality managers to retain workers. Through their studies of the service industry of which the hotel sector is a part, it was evident that the challenges of managing human resources in a workplace given the competitiveness of the business environment are encapsulated in rising labour costs, high level of labour turnover, shortages of skilled labour, poor workplace relations, aging/changing workforce, draconian labour law, poor attraction and retention of quality employees, intense competition, and more (Guilding, Lamminaki & McManus 2014).
More challenges in the world of work which have also hindered the effective management of human resources based on findings from Pizam (1999) cited in Page and Connell (2014) include: lack of effective managerial training, limited number of tourism instructors, poor regulations of training institutions, too few internship opportunities for tourism students, insufficient government fiscal incentives to facilitate industry training, low wages and salary levels for employees in the tourism industry, lack of travel agency training programmes, limited public sector support for tourism, lack of collaboration between educational and hospitality sectors, negative attitudes toward service occupations, and limited exposure to foreign language training. In this author's view, the challenge of HRM in competitive business environment is dynamic and heterogeneous. In addition, Olabinjo (2016) researching on the challenges of managing human resources in the Nigerian hospitality industry’s enterprises, also found a number of factors culpable as barriers to effective human resource management. These include: low retention and attraction of employees, high labour turnover; unfriendly relations in workplace, gender inequality in employment, talent shortages, competition for qualified-skilled labour, rising cost of employment/training, etc. Writers have variously argued that the rising challenges in this sector started in the past two decades when many hospitality service providers together with the investors and members of academia globally embraced careers in this field of interest mainly to improve provision in their areas.

Critics have also argued that rush to capitalize on this new growth area has led to present predicament resulting in poor provision of services among the same providers who have seen growth in client or student numbers and revenue as more crucial than the quality they create and offer some career direction of graduates including work-integrated learning initiatives at hotels which are imperative (Nicolaides, 2015). So, the need to invest resources in a few centers of excellence with well-funded programmes and industry linkage to ensure careers for potential workers or graduates is crucial rather than spreading the resource base thinly with providers who compete strongly for client and student numbers. Besides, training and education in this dynamic sector of economic activities globally needs to take stock of trends of what labour requirements are needed in various geographical areas or localities where business or institutions are located. In fact, what is exciting is the endurance of ongoing dilemma in HRM and hospitality which have altered a little in the last decade. If anything, changes in the demand for hospitality workers have intensified pressure on employers (Page & Connell, 2014). There is also a huge need for effective multiskilling of employees (Nicolaides, 2014). As the World Travel and Tourism Council / WTTC (2002) Task Force report indicates, the demand for tourism labour will continue to rise. At the same time, an ageing population in developed countries will reduce the pool of labour. The telling recommendation of the task force is that hospitality companies must place learning and education for their workforce center-stage in their business strategy (see Nicolaides, 2015). This is because, increasingly, the performance of hospitality business will be based on quality of human talent and how service excellence is provided by employees to paying guests (Nicolaides, 2008) so that operations can be sustainable.

At the frontline of delivery, quality of service will continue to be a surrogate of corporate performance, given the need to impress first-time visitors and also to nurture repeat customers. An insight into the nature and structure of the hospitality industry in the UK of which tourism is part shows that the industry is dominated by small and medium-sized firms with half of all businesses surveyed are employing less than 5 people; and 24% being sole traders. Almost half of these workers are employed by large-scale employers with over 100 employees. In this sense, the industry is dependent upon part-time labour as almost half of its staff fall into this category (compared to 28% for the national economy, which is also on the rise). Many of these workers are less than 30 years of age and almost two-thirds are female, yet they are under-represented in senior management posts. Regarding the structure of hospitality industry’s workforce, 21% are not UK nationals, two-thirds of whom are from outside European Economic Area. It means that the industry’s workforce comprise migrant workers who assist in filling lower-skilled roles since at any time 17% of employers have vacancies. Recruiting the job-seekers into many the hospitality posts is relatively easy; but, hiring a chef or managerial role is very hard. This is compounded by high
level (23%) of staff turnover which has dropped slightly due to recessionary effects on labour market. As People 1st (2011) explain, the cost of recruitment and training for the major sectors is estimated at £33 million per annum; and turnover level for the employers appear to be costly. This is why it is economically essential to build good working relationships with staff in terms of employer-employee engagement. It improves business performance in terms of productivity, profitability, enhanced level of innovation, reduced level of staff turnover, and better motivation resulting in greater level of corporate responsiveness to clientele and positive outward facing business known as “company advocacy”. To enhance employee engagement in the workplace, scholars stressed that more employee-focused work practices like flexi-time, condensed hours, flexible working, job sharing, and effort to draw women to return to workforce are vital (Page & Connell, 2014: 200). Suffice to say, improving staff engagement with the challenge of developing high quality workers that really make a difference in a business that is certainly people-oriented is not an easy task. Evidently, within many international HRM studies done in the hospitality field, there are concerns that there is and will continue to be stern lack of trained and able workforce.

Another critical challenge facing the workforce in the hotel sector is the ability to respond and adapt to change mostly at managerial level. In high technology sectors (e.g. hotel); where skills and technical know-how count, recruiting and retaining high quality staff is crucial and this will be exacerbated as the Fourth Industrial Revolution impacts on the hospitality industry more and more (Mpofu & Nicolaides, 2019). This is so due to growing levels of sophistication in the marketplace, reactive human resource policies in the key sectors, new economic climate coupled with the growth of knowledge-economy; meaning that change and competition will continue to deepen. Again, those businesses which are not adopting progressive human resource policies in line with other sectors will be left behind and apparently find it hard to compete when much of the work is human-oriented and/or skill-based.

One of the real solutions in the hotel sector for staff retention is introduction of flexible working conditions. This may help with reducing the risks in some areas, especially the problem of stress for those involved in long hours of work, working face-to-face service delivery, improving employee satisfaction in forms of work-life balance, staff development, attracting and retaining them. Studies in hospitality field also indicate that managers can succeed and survive on their role by researching and having sound understanding of why effective HRM counts in the world of work. Authors also suggest that all managers at all levels must be concerned with the choices that organization makes from a wide variety of likely policies, practices and structures for managing its workforce (Cascio, 2007). There also exists a huge and growing body of evidence showing a strong linkage between how firms manage people and economic results they achieve.

A quantitative summary of empirical results from a meta-analysis by Crook, Todd, Combs, Woehr, and Ketchen (2011) in 66 studies using 68 samples and 12,163 observations, showed that the average relationship between the measures of human assets (e.g. the experience of top executives) and the measures of business performance (e.g. company’s profitability and guest satisfactions) were positive with 0.21 as mean score. The result was even stronger for studies that used specific measures of workers as opposed to the universal measures or those relying on the operational performance measures like innovation or customer-service satisfaction rather than the global performance measures (e.g. return on the assets or sale revenues).

According to Boselie, Dietz and Boon (2005), the extent to which HRM practices will pay off depends on skills and care with which several HRM practices available are applied to solve real business problems or support the firm’s operating or strategic initiatives. Such high-performance work practices offer some vital sources of enhanced organizational performance. Given the right business environment, people work harder owing to increased involvement and commitment that comes from having more control and say in their work. Such employees work smarter as they are encouraged to build their skills and competence. They work more responsibly as the employers
saddled them with more responsibilities deep down the business. As Cascio (2013) observed, the business environment of the 21st century has made issues in HRM more complex to deal with. In his view, the main feature of a competitive environment in which businesses run is highly dynamic; meaning that the business environment keeps on changing. These changes are unpredictable and differ greatly from one place to another.

From the foregoing, it is clear that the HRM system plays significant role towards business survival, financial performance, productivity, and quality of work-life of the people within the firm. It is also certain that the environment in which the hospitality industry runs is competitive. So, to succeed/survive in the rapidly changing world of work amid stern competition; managers must research, understand and appreciate critical issues and challenges inherent in HRM. This is worth considering as all managers whether in line or staff authorities have responsibilities for optimizing all of the resources ranging from material, to human and financial available to them.

Methodology

Research Design

The researcher undertook fieldwork of the selected hotels to gather data required to solve the problem of the study. A survey research design was used. This was facilitated by a Likert scale questionnaire as a primary data collection instrument, while the secondary data was sourced through a range of related textbooks obtained from library and published academic journal articles. To achieve the objectives of this study, a total of 200 questionnaires were administered to respondents comprising line managers in different capacities and human resource executives. Questions were designed to gather the views of respondents on hospitality industry’s response to issues and challenges of HRM in a competitive business environment with special focus on hotel sector in Lagos Metropolis, Nigeria. To actualize the objectives of study, the hotels and respondents were selected using both purposive and random sampling techniques respectively. Descriptive statistics such as frequency tables and percentages were used for data presentation and analysis; and all hypotheses formulated for the study were tested with Chi-Square statistics.

Study Area

Lagos state since its creation on May 27 1967 has undergone considerable and wide-ranging policies and structural development. Lagos state as a former capital city and commercial nerve of the Federal Republic of Nigeria hosts about 17 million inhabitants. The state is a wetland area, lying about 4.5 meters above sea level in the south-western coastline of Nigeria. The state is bounded on the north and east by Ogun State, and shares international boundary with the republic of Benin in the West. The south is bordered by the Atlantic Ocean where it has approximately 180 kilometers (km) stretch of waterfront. Lagos state occupies just 3,577 km² (i.e. 357,700 hectares) of the total land mass of Nigeria. Out of the 3,577 km², 22 percent is water forming a maze of lagoons and inland waterways (also known as creeks).

Lagos is built around a huge lagoon, with a mainland and three islands –Lagos Island, Ikoyi and Victoria Island. But over the years, the city’s map has been creatively redrawn such that areas that were once separated by water are now linked by bridges (Niger Delta Human Development Report: UNDP, 2006). One of the oldest commercial activities in Lagos State is lodging which comprises hotels and other forms of lodging. Lagos state has the highest concentration of lodging facilities in Nigeria to lodge travelers for diverse leisure and tourist activities.
Results and findings

Data collected from sampled respondents at their respective locations in Lagos Metropolis, Nigeria are considered in this section. The data are presented in tables and analyzed using frequency and percentages as previously indicated. Out of 213 questionnaires distributed to respondents comprising human resource executives and line managers occupying different operational roles in the surveyed hotels; a return rate of 93.90% (200) was achieved; while 6.10% (13) were either not returned or improperly filled. Therefore, analysis of data carried out in this section is based on total response rate of 93.90% or 200 sampled respondents whose opinions were sought and gathered through the Likert-scale questionnaires.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Name of Hotel</th>
<th>Class of Hotel by Star-Rating</th>
<th>Frequency Proposed</th>
<th>Frequency Actualized</th>
<th>Percentage Actualized</th>
<th>Cumulative Total (%)</th>
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<td>1</td>
<td>A = Radisson Blu Anchorage Hotel</td>
<td>5-star</td>
<td>22</td>
<td>21</td>
<td>10.5</td>
<td>10.5</td>
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<tr>
<td>2</td>
<td>B = Federal Palace Hotel &amp; Casino</td>
<td>5-star</td>
<td>22</td>
<td>21</td>
<td>10.5</td>
<td>21.0</td>
</tr>
<tr>
<td>3</td>
<td>C = Sheraton Hotels &amp; Towers,</td>
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<td>22</td>
<td>21</td>
<td>10.5</td>
<td>31.5</td>
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<tr>
<td>4</td>
<td>D = Best western International,</td>
<td>5-star</td>
<td>21</td>
<td>20</td>
<td>10.0</td>
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<td>E = Lagos Continental Hotels,</td>
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<td>F = Four Point by Sheraton,</td>
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<tr>
<td>7</td>
<td>G = Eko Hotels &amp; Suites,</td>
<td>5-star</td>
<td>21</td>
<td>20</td>
<td>10.0</td>
<td>72.0</td>
</tr>
<tr>
<td>8</td>
<td>H = Lagos Oriental Hotel,</td>
<td>5-star</td>
<td>21</td>
<td>19</td>
<td>9.5</td>
<td>81.5</td>
</tr>
<tr>
<td>9</td>
<td>I = The George Hotel,</td>
<td>5-star</td>
<td>21</td>
<td>18</td>
<td>9.0</td>
<td>90.5</td>
</tr>
<tr>
<td>10</td>
<td>J = The Wheat Baker,</td>
<td>5-star</td>
<td>21</td>
<td>19</td>
<td>9.5</td>
<td>100.0</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>200</td>
<td>200</td>
<td>100%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Table 1. Distribution of Respondents among Selected 5-Star Hotels in Lagos Metropolis Source: Field Work, 2019
Table 1 is a cross-section of surveyed hotels together with the distribution of respondents who took part in the study staged at the instance of 5-star hotels in Lagos metropolis. According to the results shown in this table, a total of ten (10) 5-star hotels participated in the exercise. Out of total number of the hotels that participated (i.e. 200 properties), four (4) properties had 42% response rate (i.e. 84 respondents); another three (3) hotels had 30% response rate (i.e. 60 respondents); yet, two (2) more hotels had 19% response rate (i.e. 38 respondents); and one hotel (1) had 9% response rate (i.e. 18 respondents). Derived from the above results, the cumulative percentage of all hotel properties surveyed amounted to 100% (i.e. 200 respondents) on the whole. This implies that each of the hotels selected for the purpose of this study is well represented through random selection of respondents from the study population.

| Question: How will you rate the responsiveness of your hotel to the following HRM issues? | VH | HI | AV | LO | VL | Mean (x) | Std Deviation (s) | Remark |
|---|---|---|---|---|---|---|---|---|---|
| 1. Awareness of HRM trend and nature of labour market | 66 (33%) | 82 (41%) | 12 (6%) | 32 (16%) | 8 (4%) | 3.90 | 1.093 | Agree |
| 2. Staff recruitment, selection, appointment & retention | 38 (19%) | 104 (52%) | 8 (4%) | 32 (16%) | 8 (4%) | 3.74 | 0.999 | Agree |
| 3. Induction, equal opportunities, training & development | 66 (33%) | 82 (41%) | 8 (4%) | 30 (15%) | 14 (7%) | 3.92 | 1.044 | Agree |
| 4. Termination, grievance handling & dispute procedure | 36 (18%) | 88 (44%) | 8 (4%) | 44 (22%) | 24 (12%) | 3.59 | 1.038 | Agree |
| 5. Industrial relations, employment policies & labour law | 26 (13%) | 104 (52%) | 12 (6%) | 40 (20%) | 18 (9%) | 3.56 | 1.025 | Agree |
| 6. Administration of employee’s salaries & incentives | 36 (18%) | 88 (44%) | 8 (4%) | 44 (22%) | 24 (12%) | 3.59 | 1.038 | Agree |
| 7. Job design & redesign or defining/redefining of work | 66 (33%) | 82 (41%) | 12 (6%) | 32 (16%) | 8 (4%) | 3.90 | 1.093 | Agree |
| 8. Motivation of employees and change management | 50 (25%) | 96 (48%) | 12 (6%) | 24 (12%) | 18 (9%) | 3.76 | 1.107 | Agree |
| 9. Evaluation of employee’s performance on the job | 60 (30%) | 82 (41%) | 12 (6%) | 34 (17%) | 12 (6%) | 3.85 | 1.107 | Agree |

Valid N (list wise) | 200

Table 2. Level of Hotel Responsiveness to Human Resource Management Issues in Lagos

Note: VH = Very High, HI = High, AV = Average, LO = Low, VL = Very Low  
Source: Field Work, 2019

Table 2 indicates the responses to the Likert-scale Question #2 seeking to establish the level of corporate responsiveness to human resource management issues in the study area with a view to establishing the scope of the human resource management issues covered a manager in 5-star hotels in Lagos metropolis, Nigeria. Accordingly, the results in clear terms indicate that the respondents’ awareness about the trends and nature of the labour market is very high (74%); the respondents are also deeply involved in recruitment, selection, appointment and retention of staff (71%); the depth of their involvement in induction, equal opportunities, training and development issue is great (74%); they are widely consulted on issues relating to employment termination, grievance and dispute procedure (62%); their pact is good on industrial relations, employment policy and labour law (65%); their role on the administration of salary and incentive is satisfactory (62%); on job design and redesign matter, respondents’ effort is quite exciting (74%); their commitment to employee’s motivation and change management is laudable (73%); and on staff performance appraisal, their participation is wonderful (71%). This means that the HRM issues for a manager in the hotel sector have a deeper scope and wider coverage.
### Table 3: Challenges that May Hinder Effectiveness of HRM in 5-Star Hotels in Lagos Metropolis

| Question 3: What’s your level of agreement/otherwise with each of the following items as challenges that may hinder the effectiveness of HRM? | SA | A | U | D | SD | Mean (x) | Std Deviation (δ) | Remark |
|---|---|---|---|---|---|---|---|---|---|
| 1. Rising labour costs for the hotels and allied sectors | 48 (22%) | 112 (56%) | 4 (2%) | 24 (12%) | 12 (6%) | 3.96 | 0.870 | Agree |
| 2. Limited public sector support for hospitality career | 40 (20%) | 110 (55%) | 8 (4%) | 28 (14%) | 14 (7%) | 3.80 | 0.968 | Agree |
| 3. Ageing and changing workforce within the industry | 6 (3%) | 4 (2%) | 20 (10%) | 84 (42%) | 86 (43%) | 3.75 | 1.189 | Disagree |
| 4. Poor collaboration between academic & hotel sector | 50 (25%) | 96 (48%) | 12 (6%) | 24 (12%) | 18 (9%) | 3.76 | 1.107 | Agree |
| 5. Inflationary pressure owing to economic recession | 66 (33%) | 104 (52%) | 8 (4%) | 16 (8%) | 8 (4%) | 4.07 | 0.935 | Agree |
| 6. Low levels of wages and salaries for the workforce | 14 (7%) | 20 (10%) | 82 (41%) | 62 (31%) | 3.68 | 1.293 | Disagree |
| 7. Shortage of skilled labour within hospitality industry | 26 (13%) | 104 (52%) | 12 (6%) | 40 (18%) | 18 (9%) | 3.56 | 1.025 | Agree |
| 8. Fierce competition among players in hotel sector | 36 (18%) | 106 (53%) | 28 (14%) | 26 (13%) | 6 (3%) | 3.76 | 0.993 | Agree |
| 9. Negative attitudes towards hospitality profession | 16 (8%) | 32 (16%) | 54 (27%) | 42 (21%) | 56 (28%) | 3.71 | 1.381 | Disagree |
| 10. Unfriendly and dominating labour union leaders | 38 (19%) | 104 (52%) | 8 (4%) | 32 (16%) | 18 (9%) | 3.74 | 0.999 | Agree |
| 11. High level of labour turnover for the hotel sector | 60 (30%) | 82 (41%) | 12 (6%) | 34 (17%) | 12 (6%) | 3.85 | 1.107 | Agree |
| **Valid N (list wise)** | **200** |

Note: SA = Strongly Disagree, D = Disagree, U = Undecided, A = Agree, SA = Strongly Agree  
Source: Field Work; 2019

Table 3 shows the responses to the Likert-scale Question #3 seeking to identify the likely challenges hindering effective management of human resource in the hotel sector. The results show that HRM challenges for managers in hotel sector are enormous. These challenges serve as an impediment to developments in the hospitality industry. While some of these challenges are internal to organizations with a high level of control over them by management; others are external and without any form of control by a management team. Of significance are rising labour costs (78%); limited public sector support for hospitality careers (75%); poor collaboration between the hotel and academic sectors (73%); inflation and economic recession (85%); skills’ shortages (65%); fierce competition (71%); unfriendly or dominating labour union (71%); and high level of staff turnover (71%). Other problems also faced by managers as they deal with HRM issues are an ageing and changing workforce (85%); low levels of salaries and wages (72%); and negative attitudes towards hospitality careers (49%).

While the last three items exist in the sector, findings show that their existence does not hinder effective HRM in selected hotels. Poor pay (72%) might explain the reason why there are negative attitudes towards hospitality careers.
<table>
<thead>
<tr>
<th>Question 4: What is your level of agreement or otherwise with each of the following competitive realities in HRM now in vogue and the rate of its adoption by the hotel as a strategy to boost the performance of the business in terms of innovation, productivity and staff engagement given the competition rate in the market?</th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>Mean (x)</th>
<th>Std Deviation (δ)</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Shift from vertically integrated management hierarchies to networks of specialists</td>
<td>16 (8%)</td>
<td>32 (16%)</td>
<td>54 (27%)</td>
<td>42 (21%)</td>
<td>56 (28%)</td>
<td>3.71</td>
<td>1.381</td>
</tr>
<tr>
<td>2. Use of job design and/or job re-design techniques to enhance staff engagement with the firm</td>
<td>50 (25%)</td>
<td>104 (52%)</td>
<td>8 (4%)</td>
<td>32 (16%)</td>
<td>18 (9%)</td>
<td>3.74</td>
<td>0.999</td>
</tr>
<tr>
<td>3. Pay tied less attention to person’s positions and more to market value of skills for effective job performance</td>
<td>66 (33%)</td>
<td>82 (41%)</td>
<td>8 (4%)</td>
<td>30 (15%)</td>
<td>14 (7%)</td>
<td>3.92</td>
<td>1.044</td>
</tr>
<tr>
<td>4. A paradigm shift in business from making product to providing service by casual staff</td>
<td>36 (18%)</td>
<td>88 (44%)</td>
<td>8 (4%)</td>
<td>44 (22%)</td>
<td>24 (12%)</td>
<td>3.59</td>
<td>1.038</td>
</tr>
<tr>
<td>5. Outsourcing different roles that are not the core of its competencies to boost profit or curb rising labour costs</td>
<td>6 (3%)</td>
<td>4 (2%)</td>
<td>20 (10%)</td>
<td>84 (42%)</td>
<td>86 (43%)</td>
<td>3.75</td>
<td>1.189</td>
</tr>
<tr>
<td>6. Use of flexible working conditions and job sharing to grow employee engagement in the workplace</td>
<td>26 (13%)</td>
<td>104 (52%)</td>
<td>12 (6%)</td>
<td>40 (20%)</td>
<td>18 (9%)</td>
<td>3.56</td>
<td>1.025</td>
</tr>
<tr>
<td>7. Decline of the routine work coupled with the expansion of complex job calling for flexibility, creativity and ability</td>
<td>36 (18%)</td>
<td>88 (44%)</td>
<td>8 (4%)</td>
<td>44 (22%)</td>
<td>24 (12%)</td>
<td>3.59</td>
<td>1.038</td>
</tr>
<tr>
<td>8. Use of employee-focused work practices like flexi-time and condensed hours to boost employee engagement</td>
<td>26 (13%)</td>
<td>104 (52%)</td>
<td>12 (6%)</td>
<td>40 (20%)</td>
<td>18 (9%)</td>
<td>3.56</td>
<td>1.025</td>
</tr>
<tr>
<td>9. Help to attract women to return to workforce to boost female gender equity in hospitality careers</td>
<td>16 (8%)</td>
<td>32 (16%)</td>
<td>54 (27%)</td>
<td>42 (21%)</td>
<td>56 (28%)</td>
<td>3.71</td>
<td>1.381</td>
</tr>
</tbody>
</table>

Table 4. Ascertaining New Competitive Realities in HRM for the Hotel Sector in Lagos Metropolis

Note: SA = Strongly Disagree, D = Disagree, U = Undecided, A = Agree, SA = Strongly Agree

Source: Field Work, 2019

Table 4 shows the responses to Likert-scale Question #4 seeking to ascertain new competitive realities in human resource management for 5-Star hotels in Lagos Metropolis with sample mean (x), and standard deviation scores for each level of competitive realities in human resource management clearly stated. According to the results in the above table, the respondents’ ratings of the corporate responsiveness to new competitive realities in HRM towards enhancing staff engagement and productivity level in the hotel sector show that a number of strategies are now being used to deal with emerging issues in employment and organizational contexts.

Notable among the strategies adopted in selected hotels to keep employee engaged include use of job design and re-design methods at 77%; pay less attention to employee positions and more to market value of skills needed for the tasks 74%; a paradigm shift in business from making a product to providing a service through part-time workforce 62%; adoption of flexible working and job sharing 65%; declining of routine work coupled with the expansion of complex jobs calling for flexibility, creativity, and ability to work well with people 62%; enhancing staff engagement via employee-focused work practices like flexi-time and condensed hours 65%.

In contrast, 49% of the sampled respondents disagree on the hotel responsiveness to new competitive realities in human resource management in forms of a shift from vertically integrated
hierarchies to a network of specialists; again, 85% similarly disagree on the outsourcing of roles that are not the core competencies of the company; and another 49% disagree on the approach of helping the female gender more than ever to enhance gender equity in workforce.

**Test of Hypotheses**

**Hypothesis I:**

*Null Hypothesis* ($H_0$): There is no significantly positive relationship between HRM strategy and business performance in term of enhanced innovation level.

*Alternative* ($H_1$): There is significantly positive relationship between HRM strategy and business performance in term of enhanced innovation level.

<table>
<thead>
<tr>
<th>Test</th>
<th>Value</th>
<th>Df</th>
<th>Asym. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>16.064</td>
<td>6</td>
<td>.012</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>19.324</td>
<td>6</td>
<td>.004</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>3.656</td>
<td>1</td>
<td>.047</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>200</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Table 5. Chi-square test of hypothesis* ($H_1$)  Source: Author Compilation (2019)

**Decision Rule:** Reject null hypothesis ($H_0$): if Chi-square calculated value is less than Chi-square tabulated value at 0.05 significant levels or else accept alternative hypothesis.

**Interpretation:** Since Chi-square calculated value of 0.013 is less than tabulated value at 0.05 significant levels; it means that the relationship between dependent variable (i.e. business performance) and independent variable (human resource management strategy) is significant. Furthermore, it can be said that the relationship between Human Resource Management (HRM) Strategy and Hotel Innovation is positive for the study conducted amongst selected hotels in Lagos Metropolis, Nigeria.

**Conclusion:** Based on the interpretation of the above results, it is statistically enough to reject the null hypothesis; and accept the alternative hypothesis. This means that there is significantly positive relationship between human resource management/HRM strategy and the performance of business in term of improved level of innovation in 5-star hotels selected in Lagos Metropolis as the study area.

**Hypothesis II:**

*Null Hypothesis* ($H_0$): There is no significantly positive relationship between HRM strategy and business performance in term of improved level of productivity.

*Alternative* ($H_1$): There is no significantly positive relationship between HRM strategy and business performance in term of improved level of productivity.
Table 6. Chi-square test of hypothesis (H$_2$)  

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>21.055*</td>
<td>6</td>
<td>.022</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>29.635</td>
<td>6</td>
<td>.003</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>2.983</td>
<td>1</td>
<td>.027</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>200</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 7. Chi-square test of hypothesis (H$_3$)  

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>16.064*</td>
<td>6</td>
<td>.013</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>19.425</td>
<td>6</td>
<td>.004</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>3.952</td>
<td>1</td>
<td>.047</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>200</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Decision Rule: Reject null hypothesis (H$_0$): if Chi-square calculated value is less than Chi-square tabulated value at 0.05 significant levels or else accept alternative hypothesis.

Interpretation: Since Chi-square calculated value of 0.022 is less than tabulated value at 0.05 significant levels; it means that the relationship between dependent variable (i.e. business performance) and independent variable (human resource management strategy) is significant. Additionally, it is evident that the relationship between Human Resource Management (HRM) Strategy and Hotel Productivity is positive for the study conducted amongst selected hotels in Lagos Metropolis, Nigeria.

Conclusion: Based on the interpretation of the above results, it is statistically enough to reject the null hypothesis; and accept the alternative hypothesis. This means that there is significantly positive relationship between human resource management/HRM strategy and the performance of business in term of improved productivity level of 5-star hotels selected in Lagos Metropolis as the study area.

Hypothesis III:

**Null Hypothesis (H$_0$):** There is no significantly positive relationship between HRM strategy and business performance in term of improved level of profitability.

**Alternative (H$_1$):** There is no significantly positive relationship between HRM strategy and business performance in term of improved level of profitability.

Decision Rule: Reject null hypothesis (H$_0$): if Chi-square calculated value is less than Chi-square tabulated value at 0.05 significant levels or else accept alternative hypothesis.

Interpretation: Since Chi-square calculated value of 0.013 is less than tabulated value at 0.05 significant levels; it means that the relationship between dependent variable (i.e. business performance) and independent variable (human resource management strategy) is significant. Additionally, it is evident that the relationship between Human Resource Management (HRM) Strategy and Hotel Profitability is positive for the study conducted amongst selected hotels in Lagos Metropolis, Nigeria.
Conclusion: Given the interpretation of the above results, it is statistically enough to reject the null hypothesis; and accept the alternative hypothesis. This means that there is significantly positive relationship between human resource management (HRM) strategy and the performance of the business in term of improved level of profitability of the 5-star hotels selected in Lagos Metropolis as the study area.

Discussion of Major Findings

This study examined the hospitality industry’s response to issues in managing human resource alongside its challenges with a focus on the hotel sector in a competitive business environment. The study was carried out in Lagos Metropolis, Nigeria. It sought to know about trends and practices arising from new competitive realities in HRM in the labour market and to ascertain how the hotel business sector is responding to changes in the world of work in terms of human resource issues. Findings from this study show that the respondents are well informed about current trends in the labour market and the level of corporate responsiveness to human resource management issues from the selected hotels is very high; meaning that the level of managerial prowess is good.

Key human resource management issues commonly undertaken by the respondents based on findings include efforts in researching the current trends and nature of the labour market; recruitment, selection, appointment and retention issues; induction, equal opportunities, training and development; termination, grievance and dispute procedural matters; employee’s motivation and change management; industrial relations, employment policies, and labour law; salaries and incentives administration; job design and redesign, and employee performance appraisal. The associated sample mean ($x$) of responses obtained from individual items as variables for human resource issues in chronological order are 3.90, 3.74, 3.92, 3.59, 3.56, 3.59, 3.90, and 3.76, and 3.85; and the standard deviation scores for same variables also in chronological order are: 1.093, 0.999, 1.044, 1.038, 1.025, 1.038, 1.093, 1.107 and 1.107 respectively. The implication of these findings is the dynamic nature and broad scope of human resource management issues for a manager in the hotel sector. This conforms with the view of Baum, (2006) and also Cascio (2013).

Another finding derived from this study is a set of challenges militating against managerial effectiveness in dealing with the HRM issues in the hotel sector. Of significance are: rising labour costs, limited public sector support for hospitality careers, fierce competition, poor regulation of training institutions, skill shortages, an aging and changing workforce, inflationary pressures and economic recession, as well as high level of labour turnover. The associated sample mean ($x$) for the responses are: 3.96, 3.80, 3.76, 4.07, 3.56, 3.76, 3.74, 3.85; and the standard deviation score for each variable are as follow: 0.870, 0.968, 1.107, 0.935, 1.025, 0.993, 0.999, 1.107 respectively. This finding is in line with Page and Connell (2014) who jointly opine that the challenge to effective HRM is heterogeneous and multifarious. This view explains why a number of respondents see HRM as a confounding role with multiple barriers preventing effective management of workforce especially in developing countries.

Because of the competitive conditions under which the industry’s is expected to work and achieve results, a number of strategies are now being used to deal with HRM issues in the world of work within the hotel sector. Notable among them are: job design and re-design; paying less attention to employee positions and more to market value of the skills needed for the tasks; a paradigm shift in business from making a product to providing a service by using part-time workforce; adopting flexible working time, and job sharing; declining routine work coupled with the expansion of complex jobs calling for flexibility, creativity, and ability to work well with people; enhancing staff engagement through employee-focused work practices ranging from flexi-time and condensed hours; shift from vertically integrated hierarchies to a network of specialists; and outsourcing the roles that are not core competencies of a company among others.
Again, the findings also suggest that there is a relationship between the HRM strategy and the performance of the hotel business sector. It is obvious that the response of the surveyed hotels to HRM issues present specific competitive benefits to companies. Among these include improved innovation; productivity, and profitability. It is hoped that the different HRM strategies employed by the hotels in the study area towards enhancing employee engagement will also result into an improved work-life balance among the staff, productive competition and customer satisfactions.

**Recommendations**

To ensure effective management of human resource issues in employment realm, the need to curb all challenges identified in this study becomes imperative. It is therefore recommended that:

1. More sophisticated human resource policies are required for the hotel sector as employer of labour in following areas: industrial/labour relations, employee empowerment, induction of new recruits, training, reward for initiative, and succession plans to cover for aging staff.
2. Concerted efforts should be made toward collaboration between the private sector and the members of academia to facilitate cross-fertilization of ideas through training.
3. Management teams should strive toward improving the industry’s image and emphasize the likely benefits to be derived by potential job seekers in the hospitality field to further stimulate their interests in the profession. This can be attained via public enlightenments.
4. There should be more public sector support in the forms of fiscal incentives to facilitate industrial training (government need to do more e.g. through internship),
5. Organizations should regularly review employee job descriptions to make their job more interesting and less cumbersome. They should also ensure that pay/reward systems are attractive to boost productivity and retention for superior service delivery to the customer.
6. To increase satisfaction, managers should always conduct performance appraisal without bias; agreement should be reached between a manager and staff on any teething issue; and where performance is low, corrective rather than punitive measure should be used.
7. To further improve staff engagement in the workplace, the management teams should exploit employee-focused work practices such as flexi-time and condensed hours.
8. To maximize profits, the management teams should curtail the ever-growing labour costs. This can be achieved through cost-saving method as detailed in the discussion.

**Conclusion**

There is no doubt whatsoever that the hospitality industry’s response rate to HRM issues mainly in the hotel sector is high in the study area. It is also clear that the scope of HRM issues covered by a manager in the hotel sector is extensive. Key factors hindering the effective management of workforce in the hotel sector based on findings are quite enormous. Despite these challenges, the results of the study showed that there is a significantly positive relationship between HRM strategy and business performance. This is made manifest in improved levels of innovation, productivity, and profitability. To this end, the study concludes that HRM strategy has direct and positive impact on the performance of the hotel business sector. This is in tandem with Page and Connell (2014); People 1st (2011).

This result implies that - deriving an exceptional organizational benefit like higher profit, improved productivity or enhanced level of innovation in the hotel sector, is a function of managerial ability to research and understand critical issues in HRM coupled with the know-how to curb the barriers to effective management of human resource issues.
References


