

Staffing Issues among Small Tourism Organizations in Ghana: A Study of Selected Small Hotels in the Volta Region

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The study of challenges of staffing issues in large hotels, including recruitment, high employee turnover, employee retention, shortage of labor and remuneration has received much attention during the last decade. To date, however, little or no attention has been paid to whether these issues occur in small hotels. The purpose of this research was to investigate employee turnover, retention and recruitment issues in small and medium hotels in the Volta Region. To achieve this 115 questionnaires were administered to respondents. SPSS version 18 was used for analyzing the data. The final results indicated that attracting qualified labour is demoralizing among the selected hotels used for the study. Furthermore, labour turnover and other staffing related problems are on top of the list of challenges. Only few proprietors seem to understand the value of keeping staff for a long time because retaining valuable employees becomes dominant as it may reflect on the consistency of service quality.

Field of Research: Management

1. Introduction

As global competition intensifies in the tourism and hospitality industry, good staffing would provide sustainable competitive advantage. Staffing comprises of issues related to recruitment, high employee turnover, employee retention, shortage of labor Watson (2009). Many studies have reported on the operational challenges that hospitality businesses face including shortage of skilled labour and high turnover in large hotels. To date, however, little attention has been paid to whether these challenges affect small tourism enterprises. In Ghana during holidays, tourism and hospitality tertiary students go on attachment and work in the various sectors of the tourism and hospitality industry on seasonal basis. These opportunities provide tourism and hospitality businesses with free employees and also tap new ideas from these young graduates. The attachment period is on seasonal basis and tourism organizations used it for their advantage. At the end of the attachment students go back to their various institutions thereby creating gap that may have negative impact on the tourism businesses as well as lack of consistency in service delivery. Current tourism research has comprehensively identified many of the troubles tourism businesses face as uncertainty due to labour costs Tor (2007), low profit margins, competition, economic downturn and high turnover Brooke (2006). There is an extensive body of literature pertaining to the

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many problems tourism businesses face in large hotels, very few studies addressed these issues among small tourism businesses.

The purpose of the study is to examine staffing issues specifically, recruitment employee turnover, retention among small hotels in the Volta Region. Specific objectives are as follows:

1. To evaluate the effectiveness of the recruitment system in small hotels.
2. To explore the challenges of employee turnover in small tourism businesses.
3. To examine the efficiency and effectiveness in the practices of employee retention.

Based on the objectives the following questions were raised:

1. Do small hotels face any challenges in recruiting employees?
2. To what extent is employee turnover an issue?
3. To what extent, if any, employee retention is an issue?

The paper is organized as follows; section one is introduction, section two provides an overview of the literature review. Section three discusses the research methodology. Section four result/ discussions. Section five discusses conclusion, policy implications and limitations of the study.

2. Literature Review

2.1 Recruitment

Recruiting is a more complex activity that involved finding and engaging people in organization to fill vacant job position Badawy (2011). Recruitment process should relate with the company's strategic plan. The success of recruiting methods depends on internal and external factor Kilibarada (2007). Accordingly, the external factors are the looming undersupply of workers and increasing fewer qualified candidates Sutherland (2007). On the other hand, the internal factors are the consistency of the organizations recruitment efforts with its strategic goals Bluedorn (2006). Lower level jobs are easier to fill because qualification is fewer Brooke (2006). Brooke stated that, organizations consider many factors before choosing qualified candidates from inside and outside. However, recruiting poses challenges to many organizations and they have decided to adopt their own strategies Bliss (2007). Besides, formal recruitment methods include press advertisements, job centers, other agencies and informal methods are recommendations from existing staff, word-of-mouth methods with distinct advantages and disadvantages Barrows (1990). Moreover, Atkinson et.al (1994) stated that, small firms normally recruit lower level employees than large firms and are more vulnerable to changes in the external labor market. In addition Watson (2009) argued that, these factors have serious recruitment implications because the organization cannot attract high caliber employees.

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2.2 Employee Turnover

Employees' turnover is a much studied phenomenon. The hospitality industry is noted for high turnover compare to other organizations Catherine (2002). Turnover is the rotation of workers around the labor market; between firms, jobs and occupations (Abassi et al.,2000) and the ratio of the number of organizational members who have left during the period divided by the average number of people in the organization Beam (2011). However, high turnover can be harmful to company's productivity, if skilled workers are often leaving and the worker population contains high percentage of novice workers Davidson(2009). According to (Meaghan et al.,2002), there is the need to find out causes of turnover, what determines employee turnover, effects and strategies that managers can put in place to minimize turnover. With globalization heightening competition organizations should continue to develop tangible products and provide services which are based on strategies (Tor et al., 2007). Employees are extremely crucial to the organization since their value is essentially intangible and not easily replicated Trevor (2002) and the negative impact of turnover leads to customer dissatisfaction (Shah et al., 2003). However (Firth et al., 2007) argued that, turnover is not only destructive to organizations but very costly because anytime employee quits the job; there is the need to replace by recruiting, selecting and training. The knowledge, skills and contacts that a departing employee takes out of the organization constitutes a huge loss (Meaghan et al., 2002). Therefore there is the need for managers to develop and implement strategies to prevent employee turnovers in organizations Kalliath (2001).

2.3 Employee Retention

Retention is a voluntary move by an organization to create an environment which engages employees for long term Chaminade (2007). The purpose of retention is to prevent the loss of competent employees from the organization because this would have adverse effect on productivity and service delivery Sutherland (2004). However, private sector managers argue that, the most difficult aspects of their jobs is the retention of key employees Wood (2006). Therefore employers should adopt better working conditions to prevent employees from leaving organizations Thatcher (1996). The best way to retain employees is by providing them with job satisfaction and opportunities for advancement in their career Denton (2006) and employees that are satisfied and happy with their jobs are more dedicated Parrott (2008). Furthermore (Griffeth et al., 2007) argue that, self-fulfillment and working conditions are critical attribute valued among employees, than monetary rewards. Clearly, the consequences of having a stable work force can have benefits in a form of employee satisfaction, motivation, self-esteem, and lifting employees' morale (Cantrell et al., 2004). Studies shows that, employees who are satisfied with their jobs are more productive Wood (2006).

3. Methodology and Research Design

Small hotels in the Volta region were surveyed. It involves designing questionnaires to answer questions concerning the status of the study and reports the way things are in a

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given context Saunders (2000). One of the advantages of survey method is that, it focuses on the vital facts about people and their values, attributes, opinions, motivations and provides understanding of a phenomenon Marshall (1999). The data analysis was done in two main parts; part one being descriptive in nature and part two used some advance statistical tools such as kruskal-wallis and factor analysis to make inferences about the data on staffing in small tourism enterprises. It provides a significance test that compares responses of categories of respondents. The research was carried out in 2011. Secondary literature was used extensively from articles, journals, text books.

3.1 Sample Frame and Size

The sample size studied was 115 employees and 25 hotel managers. Sample frame of 11 small hotels were selected. There are few types of sampling that are used in research, of which one type is sampling extreme or deviant case Patton (1980). For the present study using sampling extreme was used to determine sample size and frame. By sampling extreme the researchers gathered prior information on staffing practices in the selected hotels that are worrying.

Interviews and questionnaires were data gathering instruments. Selected factors under recruitments, employee turnover and employee retention were measured by five-point likert scale with open and closed ended questions. The open ended questions catered for any omissions Potte (1992). The researchers visited the selected tourism enterprises and distributed questionnaires to prospective respondents. In four of the hotels where it was difficult to have access to respondents the questionnaires were left with the line managers to administer to employees.

Stratified sampling technique was used to select the sample frame. Within which convenience sampling method was adopted to select interviewees in the various departments in the hotels. Two managers and or hotel owners were interviewed face to face in each of the hotels. Different dates were set aside at the convenience of managers for the interview session.

3.2 Data Analysis

The original data were entered unto the SPSS version 18 spreadsheet for various statistical analyses. In all there were three classification variables and 15 basic questions on staffing that the respondents were to indicate their level of importance attached to each of the statements separately.

4. Result /Discussion

Table 1: Distribution of Respondents by Sex

Sex	Frequency	Percent
Male	28	48.3
Female	30	51.7
Total	58	100.0

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The distribution by sex does not appear to be significantly different for the two sexes. This is an indication that the responses received are not likely to be representing the views of only one particular sex.

Table 2: Distribution of Respondents by Age

Age group	Frequency	Percent
Below 20	10	17.2
Below 30	31	53.4
Below 40	15	25.9
Missing Values	2	3.4
Total	58	100.0

Table 2 has shown that most of the staff of the small hotels in the Volta region are within the age 30 (about 17.2 + 53.4=71%). This is suggesting that the findings of this research could 71% of the time be attributed to the youth who are below the age of 40.

Table 3: Distribution of Respondents by Level of Education

Level Education	Frequency	Percent
Professional	22	37.9
Degree	14	24.1
HND	11	19.0
A' Level	1	1.7
Others	8	13.8
Missing Value	2	3.4
Total	58	100.0

Majority of staff at the hotels appear to have some professional qualifications about hotel services with only about 14% been below A' level qualification. Employees with Degree or HND constitute about 43%. This therefore suggests that the small tourism industries also do have higher qualifications.

Table 4: Distribution of Respondents by Duration of Service

Duration of Service	Frequency	Percent
Up to 1Year	20	34.5
Up to 2 Years	13	22.4
Up to 4 Years	13	22.4
Up to 6 Years	2	3.4
Up to 8 Years	7	12.1
Up to 10 Years	3	5.2
	58	100.0

The non- normal nature of the distribution of the length of service suggests that there are differences in experience levels of hotel workers selected for this research work. It

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would be of critical interest to find out if this variation in experience is likely to influence the kind of responses given by the respondents about the issue under discussion.

4.1 Further Analysis

Descriptive Statistics for Rating on Staffing in Hotels

This section provides the mean rating assigned to each of the indicators measuring the staffing issues in small tourism industries in the Volta Region.

Table 5: Mean Rating For On Staffing In Hotels

Variable	Mean	Std. Deviation
V ₁	4.69	0.506
V ₂	4.63	0.627
V ₃	3.87	0.991
V ₄	4.23	0.877
V ₅	4.19	1.011
V ₆	4.00	0.950
V ₇	4.56	0.938
V ₉	3.50	1.094
V ₁₀	3.94	0.938
V ₁₁	3.90	1.107
V ₁₂	3.85	1.092
V ₁₃	4.00	1.010
V ₁₄	4.08	0.813
V ₁₅	3.88	0.963

The table has shown that the general rating assigned to the 15 indicators are 3 and 4 mostly, and 5 in some few cases. In all eight indicators (V₃, V₅, V₉, V₁₀, V₁₁, V₁₂, V₁₃ and V₁₅) appear to record mostly 3 ratings, this is because their mean values appear to be much closer to 3.

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Table 6: Significance Differences in Ratings

Significance Values					
Variables	Gender	Age	Level Education	Marital Status	Duration of Service
V_1	0.22	0.30	0.40	0.45	0.07
V_2	0.41	0.15	0.16	0.51	0.15
V_3	0.27	0.65	0.00	0.22	0.88
V_4	0.56	0.26	0.10	0.63	0.00
V_5	0.74	0.22	0.24	0.51	0.01
V_6	0.49	0.67	0.09	0.56	0.01
V_7	0.90	0.10	0.57	0.83	0.04
V_8	0.24	0.29	0.06	0.72	0.29
V_9	0.56	0.08	0.00	0.39	0.04
V_{10}	0.78	0.66	0.04	0.16	0.23
V_{11}	0.87	0.08	0.16	0.10	0.34
V_{12}	0.51	0.12	0.11	0.04	0.10
V_{13}	0.52	0.54	0.01	0.52	0.19
V_{14}	0.09	0.35	0.11	0.34	0.12
V_{15}	0.48	0.07	0.01	0.20	0.12

The Kruskal – Wallis test for testing differences in rating for independence variables has provided the significance values in the table above. The table values suggest that there appear not to be differences with respect to gender and age grouping, since all the values are greater than 0.05. This means that all sexes and all age groupings have the same views about the staffing issues in small hotels in the Volta Region.

Table 7: Differences in Rating With Respect To Level of Education

Marital Status	Mean Rank
Single	24.92
Married	33.84
Total	58.76

The difference in mean rank is lesser for the unmarried than for the married. This means that the married agree more with wages and salaries been the outcome of a symbolic relationship that exists between the employer and the employees.

Again respondents with different number of year of service also rated 4 out of 15 indicators differently. Table 8 records the mean rank for the different durations of service.

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Table 8: Differences in Rating With Respect To Duration of Service

	How Long Have Worked In This Establishment	Mean Rank
V₄	0 to 1.0	28.18
	1.1 to 2.0	27.38
	2.1 to 4.0	17.58
	4.1 to 6.0	45.50
	6.1 to 8.0	42.00
	8.1 to 10.0	45.50
	Total	
V₅	0 to 1.0	28.13
	1.1 to 2.0	27.27
	2.1 to 4.0	18.50
	4.1 to 6.0	44.50
	6.1 to 8.0	41.21
	8.1 to 10.0	44.50
	Total	
V₆	0 to 1.0	25.42
	1.1 to 2.0	25.15
	2.1 to 4.0	28.85
	4.1 to 6.0	50.50
	6.1 to 8.0	33.29
	8.1 to 10.0	38.50
	Total	
V₇	0 to 1.0	28.68
	1.1 to 2.0	30.46
	2.1 to 4.0	19.08
	4.1 to 6.0	37.00
	6.1 to 8.0	37.00
	8.1 to 10.0	37.00
	Total	

Differences in rating for the four indicators, V₄, V₅, V₆ and V₇, are as a result of low ratings received from people below 4 years of service. This means that staff with 4 or more years in service rated those four variables higher than staffs with lower years of service. These variables are:

V₄ = higher turnover rate might have negative effect on profitability of the organization if not manage properly

V₅ = losing employees means losing knowledge, capital skills and experience

V₆ = shortage of skills due to insufficient workers being trained

V₇ = salaries for most hospitality jobs is not sufficient to lead a satisfactory life

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Table 9: Correlations between Staffing Indicators

Variable	V ₁	V ₂	V ₃	V ₄	V ₅	V ₆	V ₇	V ₈	V ₉	V ₁₀	V ₁₁	V ₁₂	V ₁₃	V ₁₄	V ₁₅
V ₁	1.0														
V ₂	0.6	1.0													
V ₃	0.0	0.1	1.0												
V ₄	0.2	0.3	0.0	1.0											
V ₅	0.2	0.3	-0.4	0.1	1.0										
V ₆	-0.1	-0.2	-0.2	0.4	0.0	1.0									
V ₇	0.5	0.4	-0.1	0.2	0.5	0.1	1.0								
V ₈	0.1	0.0	0.2	0.0	0.3	0.0	0.2	1.0							
V ₉	0.2	0.0	0.5	0.3	0.0	-0.1	0.1	0.3	1.0						
V ₁₀	-0.1	-0.2	0.4	0.0	0.0	-0.1	-0.1	0.5	0.6	1.0					
V ₁₁	0.1	-0.1	0.5	0.2	0.1	0.1	0.0	0.3	0.6	0.6	1.0				
V ₁₂	0.1	0.1	-0.1	0.1	0.0	-0.1	-0.1	-0.1	0.3	0.1	-0.1	1.0			
V ₁₃	0.0	-0.1	0.6	-0.1	0.1	0.0	0.1	0.4	0.4	0.4	0.4	-0.1	1.0		
V ₁₄	0.3	0.0	-0.1	0.0	0.3	0.1	0.2	0.5	0.3	0.3	0.2	0.1	0.2	1.0	
V ₁₅	0.0	-0.1	0.6	0.3	-0.1	0.0	0.1	0.5	0.7	0.8	0.7	0.0	0.5	0.2	1.0

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Correlation values are measured within the interval -1 to 1; the closer the correlation value to -1 or 1 the better the relationship between the two variables. High positive correlation values indicate direct relationship while high negative correlation indicates inverse relationship. A zero correlation simply means that the two variables are not related at all. From the table above, it could be seen that the highest correlation of 0.8 is between V_{10} and V_{15} .

V_{10} = the reason for employee turnover is due to lack of interesting work, lack of job security, lack of promotion and inadequate training and development opportunities
 V_{15} = the cost of internal recruitment is far cheaper than external recruitment. This means that respondents assigned the similar rating to the two variables. This suggests that they generally agree with the two variables as a staffing issue in the hotels. Another high correlation is seen between V_{15} and V_8 , V_9 , V_{11} and V_{13} . Other high correlations are between V_1 and V_2 , between V_9 and V_{10} , V_{11} . There are some zero correlations also; some are between V_1 and V_3 and between V_{12} and V_{15} . This means that respondents do not think these variables are related in determining staffing issues in the hotels in the Volta Region.

At a cut of value of 0.5, representing high correlations, the staffing issues in the hotels in the Volta Region could be described by new components made up of the following correlations.

1. V_1 and V_2
2. V_9 and V_{10}
3. V_9 and V_{11}
4. V_9 and V_{15}
5. V_{10} and V_{15}
6. V_{11} and V_{15}

The rest are:

1. V_1 and V_7
2. V_3 and V_9
3. V_3 and V_{11}
4. V_3 and V_{13}
5. V_3 and V_{15}
6. V_5 and V_7
7. V_8 and V_{10}
8. V_8 and V_{14}
9. V_8 and V_{15}
10. V_{13} and V_{15}

V_1 = the best way to retain employees is providing them with job satisfaction and opportunity for advancement in their career.

V_2 = employees that are satisfied with their jobs are more dedicated to doing a good job and taking care of customers that sustain the operation.

V_5 = losing employees means losing knowledge, capital skills and experience.

V_7 = salaries for most hospitality jobs is not sufficient to lead a satisfactory life

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These ones are describing the indicators that the respondent agreed to have high knowledge of and which they think management needs to look at when solving staffing issues. The other category is made up of; V₃, V₈, V₉, V₁₀, V₁₁, V₁₃, V₁₅

4.3 Other Findings from Interview

Results from the interview revealed that, small hotels find it difficult in retaining their valuable employees thereby causing high rate of employee turnover and for the past 1 year they have experience about 20% - 30% of employee turnover.

It was also revealed that, labor turnover is caused by numerous factors as, job dissatisfaction, lack of commitment, economic reasons, good opportunity elsewhere. Four (4) of the hotels have adopted strategies in retaining their employees thus: Providing accommodation for staffs and transportation, allowing staffs to contribute to decision making, empowerment, provision of study leave with pay and given out bonuses and other fringe benefits. This has really help in maintaining staff for the past two years.

5. Conclusion, Policy Implications and limitations

Staffing issues in hotels should be addressed with much more seriousness by management. Inconsistencies in addressing staffing issues could have major impact on small hotels thus loss of revenue, dissatisfaction among employees and lack of commitments. There is the need for managers and stakeholders to ensure that staffing issues are streamline in small tourism enterprises. This will lead to enhance service quality, customer satisfaction, retention of knowledgeable employees and organizational productivity. The findings bear some policy implications. Employees should be avail to in-service training, motivated properly to prevent high turnover rate. Stakeholder policies on staffing issues in Ghana should be adhered to and possible sanctions applied to small tourism who failed to comply. Employees should be given challenging work and should be compensated adequately. However, no study in social sciences is error free Azim (2008). Therefore the current study also have some limitations. It is beyond the scope of this study to carry out a sector- wide survey of staffing issues within the tourism industry in Ghana. The study is limited to small hotels in the Volta Region. The study could be replicated in other regions.

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