

NEXUS BETWEEN EMPLOYEE PERFORMANCE AND BIOGRAPHICAL VARIABLES: A STUDY ON HOSPITALITY SECTOR OPERATING IN LUCKNOW

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ABSTRACT

The hospitality industry is the world's largest employer of people and a vast consumer of physical resources. The study aims to understand the nexus between employee performance and biographical variables in Hospitality Sector and to understand the relationship between the two. It is to model the dynamic relationship between biographical variables and employee job performance, in order to develop a better understanding of the causal linkages between these two variables, as it affects the overall performance of the organization.

The study adopted a mixed research design which includes Exploratory and Descriptive Research Design. Further, in-depth interviews of 200 employees working in hospitality sector were conducted to interpret and validate the survey results. The independent variable selected for the study is Employee Performance Survey, which includes innovation, proactivity, decision-making, result oriented, guest service orientation and people orientation. The dependent sub-variable is biographical variables selected for the study includes age, gender, education level, department, designation and number of years in service. Testing of hypothesis and data analysis was done by using SPSS 20.

The results of the study indicate that biographical variables have a significant impact on employee performance. The analysis states that innovation, proactivity, result oriented and guest service orientation parameters of employee performance have a significant impact on the employee performance, then decision making and people orientation parameters. The length of service an employee has served the hotel and the educational qualification has a significant impact on the performance of the employee in the hospitality sector in Lucknow. There exists a strong nexus between biographical and employee performance variables.

To sustain the competitive advantage, the management should work on developing a performance driven environment that sketches strong associations between culture, management practices and performance, which is interconnected and essential for every organization for its development and enhancing employee performance.

As in the case of most survey empirical studies, this study is static and may not capture the changes over time. To prevent this bias, longitudinal follow-up studies would be required. Also, the self-report led data may be affected by response bias.

Keywords: Employee performance, biographical variables, hospitality sector

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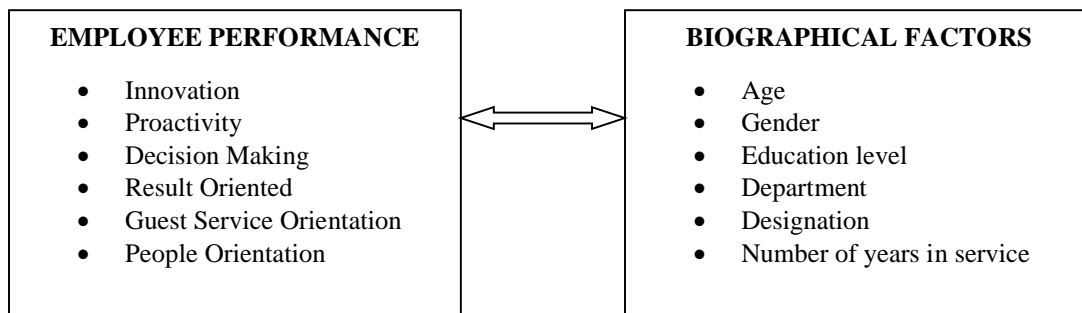
INTRODUCTION

A good employee performance is necessary for the organization, since an organization's success is dependent upon the employee's creativity, innovation and commitment (Ramlall, 2008). Good job performances and productivity growth are also important in stabilizing our economy; by means of improved living standards, higher wages, an increase in goods available for consumption, etc. (Griffin et. al, 1981). Griffin et. al also argues that therefore research of individual employee performance is important to society in general.

Job performance is a commonly used, yet poorly defined, concept in industrial and organizational psychology, the branch of psychology that deals with the workplace and refers to whether or not a person performs their job well. Despite the confusion over how it should be exactly defined, performance is an extremely important criterion that relates to organizational outcomes and success. One of the most commonly accepted theories of job performance comes from the work of John P. Campbell and colleagues. Coming from a psychological perspective, Campbell describes job performance as an individual level variable. That is, performance is something a single person does. Employee job performance also can be defined as the degree of accomplishment of a task that makes up an individual's job.

This research study assesses empirically the impact of biographical variables on employee performance in the hospitality sector. It is to model the dynamic relationship between biographical variables and employee job performance, in order to develop a better understanding of the causal linkages between these two areas, as it affects the performance of employees working within the organization, due to potential conflicts between groups as priorities shift (Planact, 2001).

Figure 1 provides the framework that will be used when discussing the literature with regard to biographical variables and employee performance.



Source: Researcher's own construction

LITERATURE REVIEW

In the organizational context, performance is usually defined as the extent to which an organizational member contributes to achieving the goals of the organization. Employees are a primary source of competitive advantage in service-oriented organizations (Luthans and Stajkovic, 1999; Pfeffer, 1994). In addition, a commitment performance approach views employees as resources or assets and values their voice. Employee performance plays an important role for organizational performance. Employee performance is originally what an

employee does or does not do. The performance of employees could include quantity of output, quality of output, timeliness of output, presence at work, cooperativeness(Güngör, 2011). Macky and Johnson pointed that improved individual employee performance could improve organizational performance as well. From Deadrick and Gardner's (1997) points, employee performance could be defined as the record of outcomes achieved, for each job function, during a specified period of time. If viewed in this way, performance is represented as a distribution of outcomes achieved, and performance could be measured by using a variety of parameters which describe an employee's pattern of performance over time. On the other hand, Darden and Babin (1994) said employee's performance is a rating system used in many corporations to decide the abilities and output of an employee. Good employee performance has been linked with increased consumer perception of service quality, while poor employee performance has been linked to increased customer complaints and brand switching. To conclude, employee performance could be simply understood as the related activities expected of a worker and how well those activities were executed. Then, many business personnel directors assess the employee performance of each staff member on an annual or quarterly basis in order to help employees identify suggested areas for improvement.

According to Kostiuk and Follmann (1989) in most organizations performance is measured by supervisory ratings, however, these data are not very useful since they are highly subjective. Bishop (1989) adds to this that in most jobs an objective measure of productivity does not exist. Bishop (1989) also states that the consistency of worker performance is greatest when conditions of work are stable, but in practice work conditions never are stable. This makes it even harder to measure performances objectively. According to Perry and Porter (1982), the performance of many employees probably will be measured despite the lack of availability of generally accepted criteria.

It is stated before that some researchers argue that a person's personality plays a more specific role in employee performance(Barrick & Mount, 1991). However, the effect personal characteristics and education have on performance is difficult to interpret, since those estimates are imprecise and the models who claimed that can interpret them are rejected as invalid (Kostiuk & Follmann, 1989). However, Kostiuk and Follmann do argue that personality differences seem to be important in the relationship with performance.

1. Determinants of performance

Campbell (1990) suggested determinants of performance components and stated that individual differences on performance are a function of three main determinants: declarative knowledge, procedural knowledge and skill, and motivation.

Declarative knowledge refers to knowledge about facts, principles, objects, etc. It represents the knowledge of a given task's requirements. For instance, declarative knowledge includes knowledge of principles, facts, ideas, etc.

If declarative knowledge is knowing what to do, procedural knowledge and skill are knowing how to do it. For example, procedural knowledge and skill include cognitive skill, perceptual skill, interpersonal skill, etc.

The third predictor of performance is motivation, which refers to "a combined effect from three choice behaviors—choice to expend effort, choice of level of effort to expend, and choice to

persist in the expenditure of that level of effort" (Campbell, 1990). It reflects the direction, intensity, and persistence of volitional behaviors. Campbell (1990) emphasized that the only way to discuss motivation as a direct determinant of behavior is as one or more of these choices.

The first one is the distinction between speed and accuracy. This distinction is similar to the one between quantity and quality. Important questions that should be considered include: which is the most valued by the organization, maximized speed, maximized accuracy, or some balance between the two? What kind of tradeoffs should an employee make? The latter question is important because speed and accuracy for the same task may be independent of one another.

The second distinction is between typical and maximum performance. Sackett, Zedeck, and Fogli(1988), did a study on supermarket cashiers and found that there was a substantial difference between scores reflecting their typical performance and scores reflecting their maximum performance. This study suggested the distinction between typical and maximum performance. Regular work situations reflect varying levels of motivation which result in typical performance. Special circumstances generate maximum employee motivation which results in maximum performance.

2. Hospitality Industry–An overview

Hospitality means kindness in welcoming strangers or guests. The word Hospitality is derived from the Latin word *hospes*, meaning guest, and developed into *hospice*, a place of shelter for travelers. The hospitality business is a massive industry encompassing all forms of transport, tourism, accommodation, dining, drinking, entertainment, recreation, and games. It is the world’s largest employer of people and a vast consumer of physical resources. Over the last two years, the hotel industry has seen higher growth rates due to a greater number of tourist arrivals, higher occupancy rate (being around 75% in FY'06) and a significant increase in average room rate (ARR). The major factors contributing to this growth include stable economic and political conditions, booming service industry, FDI inflow, infrastructure development, emphasis on tourism by the central as well as state governments and tax rationalization initiatives to bring down the tax rates in line with the international levels. The growth of hospitality has always been tied to the expansion of business, tourism, and travel, and is arguably the oldest professional activity.

In 2003-04 the hospitality industry contributed only 2% of the GDP. However, it is projected to grow at a rate of 8.8% in 2007-16, which would place India as the second-fastest growing tourism market in the world. The arrival of foreign tourists has shown a compounded annual growth of 6 per cent over the past 10 years.

SWOT analysis of Hospitality Industry

<p>Strengths</p> <ul style="list-style-type: none"> • Natural and cultural diversity • Demand-supply gap • Government support • Increase in the market share 	<p>Weakness</p> <ul style="list-style-type: none"> • Poor support infrastructure • Slow implementation of government initiatives • Susceptible to political events and unrest
<p>Opportunity</p> <ul style="list-style-type: none"> • Rising income levels of Indians • Open sky benefits stimulating demand and improved infrastructure 	<p>Threat</p> <ul style="list-style-type: none"> • Fluctuations in international tourist arrivals • Increasing competition as international majors entering the Indian markets

Contribution to Indian Economy

The Indian hospitality industry is going great guns presently, with high operating margins and increase in the number of travelers visiting India- both inbound and outbound. However, what need to be focused on are the facts that opportunities are not missed, which presently include the large gaps in rooms supply as compared to demand. India has approximately 100,000 rooms only in totality, which is lesser than that in Las Vegas, besides contributing to an insignificant portion of the GDP - just 5.4 per cent. In comparison to nations like China, Thailand, and Malaysia where the hospitality share ranges between 12 and 15 percent, India's growth potential is boundless. "By 2020, the hospitality and tourism sector would be a major contributor to the Indian economy," says Sudeep Jain, executive director of JLLM.

South Asia is and will remain a must-visit destination and India is looking more and more lucrative. Within the nation, major contribution as destinations will be from the growing tier I and II cities with a special emphasis on business hotels across categories as well as the prime leisure destinations like Goa, Rajasthan, etc, which will remain on the growth path, creating the aura for India as a leisure destination.

The Future of Hospitality

The Indian economy is opening up its horizons as it continues to integrate with the world economy. Therefore, the advantages of conducting business with and in India are many. This has led to the maneuvering of a variety of jobs to the shores of India, bringing in its wake transit travelers, business travelers, business meets and holiday seekers.

India is the ninth largest civil aviation market in the world in 2014. The sector is projected to be the third largest aviation market globally by 2020. India's aviation market caters to 117 million domestic and 43 million international passengers in 2014. Over the next decade, the market could reach 337 million domestic and 84 million international passengers.

Research Methodology

1. Research Objectives

To give effect to the problem statement, the primary purpose of this study was to examine the nexus between biographical variables and employee performance within selected units. To achieve the purpose of this research, the following objectives have been stated:

- To identify the profile of the performance parameters in the hospitality sector, namely, **Innovation, Proactivity, Decision Making, Result Oriented, Guest Service Orientation, People Orientation**, within the selected units in Lucknow.
- To understand the level of impact of various performance parameters on employees across the hospitality sector as depicted in the selected units in Lucknow
- To find the relationship between biographical variables on employee performance in the hospitality sector as depicted in the selected units in Lucknow

2. Research hypotheses

The hypotheses tests the association of biographical variables and perceived employee performance in the hospitality sector as depicted in the selected hotel units, which is statistically stated as under:

H1: There is a significant relationship between performance parameters and employee performance in the hospitality sector

H2: There is a significant relationship between biographical variables and employee performance in the hospitality sector

a. Research Design

Exploratory Research Design, where the primary objective was to gain insights and comprehension of the issues related to organizational culture and employee performance in the hospitality sector.

b. Research population and sample

The research population is hotel units situated in Lucknow, Uttar Pradesh. The sampled population of the research included all employees of the selected units, which accounted for mainly 200 employees.

The study made use of multi-stage sampling to attain its objectives of a representative sample. For the purpose of this research, convenience sampling was used for the choice of hotels and stratified random sampling for the selection of employees.

3. Research measuring instruments

• Employee Performance Survey Scale

The EPS consists of 25 questions describing each of the various performance parameters. Each question was originally cast on a 5-point Likert scale and the respondents were asked to choose any one point out of five as per his/her perception of employee performance.

Innovation: The ability to generate and utilize creative ideas.

Proactivity: The willingness to accept responsibility for outcomes i.e. taking ownership.

Decision Making: The ability to make effective data/ information-based decisions.

Result Oriented: Creating high-performance work systems built on best practices to deliver business goals.

Guest Service Orientation: The ability, willingness, and commitment to deliver services effectively and efficiently in order to put the spirit of customer (internal or external) service into practice.

People Orientation: It is the concern for and involvement in the growth and development of others and developing and sustaining cooperative working relationships.

4. Research Method

The survey was administered through the use of questionnaires over three weeks on site at the two hotels. The onsite data collection sessions consisted of the one-hour long session with different groups of respondents from the selected hotels for making the objective of the research clear.

a. Statistical tools of analysis

SPSS 20 was used for the analysis and was divided into descriptive and inferential analysis.

5. Findings and Discussion

▪ **Sample composition**

❖ **Response Rate**

Table 1 illustrates the information related to targeted and effective sample size in the form of response rate achieved for this research. The total population for this research was 200 employees. An extensive effort was made to procure the desired size of the sample. However the total questionnaires that were obtained after the fieldwork were 181 in number indicating an overall response rate of about 90.5% which is fairly high. There were 181 questionnaires that were correctly completed while 03 questionnaires were incorrectly completed and therefore unusable for this research. The effective response rate (the total number of usable responses/ the sample size of the research) was 90.5%.

Table 1: The sample summary of the study

	Selected hotel employees
Population	200
Sample/ Total Responses 181	181(90.5%)
Usable Responses 178	178
Usable Response Rate 178/181=98%	99/100=99%
Total Response Rate181/200=90.5%	90.5%

❖ **The demographic profile of respondents**

SPSS 20 was used to summarize the demographic profile of employees which is reported in the table. Table 2 gives the demographic profile of hotel employees on whom the study was conducted. The table illustrates that 134(75%) of the respondents were male, 44(25%) of the respondents were female.

The tables study the biographical variables, namely, gender, educational qualification, the age of the respondents, the level of duties performed, the length of service in the hotel and the department of operation. The parameters chosen for the study for the biographical variables is the representative for the information to be collected for the organizational culture and employee performance survey scores.

Table 2: The demographic profile of hotel employees administered OCTAPACE culture scale

Variable	Total (%) N=181 (90.5%)
<i>Gender</i>	
Male	134 (75%)
Female	44 (25%)
<i>Educational Qualification</i>	
Graduate	36 (20.22%)
Post-graduate	40 (22.47%)
Professionals	102 (57.30%)
<i>Age</i>	
21-30	16 (9.0%)
31-40	112 (62.9%)

41-50	38 (21.3%)
51 years & older	12 (6.7%)
Level of Duties	
Executive	80 (44.9%)
Management	44 (24.7%)
Staff	54 (30.3%)
Length of Service	
Less than 1 year	12 (6.74%)
01 to 05 years	8 (4.49%)
06 to 10 years	24 (1.34%)
Above 10 years	134 (75.28%)
Department	
Operations	110 (61.80%)
Sales & Marketing	38 (21.35%)
Accounts	22 (12.35%)
Technology & IT	08(4.50%)

Of the 178 respondents, majority 102 (57.30%) of the respondents predominantly had a professional qualification, and 40 (22.47%) of the respondents were post-graduate whereas 36(20.22%) were a graduate.

The majority age group of respondents was between 31 and 40, with 112 (62.9%) of respondents falling into this category. There were 38 (21.3%) respondents that were between the ages 41 and 50; 16 (9%) respondents who were between 21 and 30; and 12 (6.7%) respondents who were 50 years or older.

The majority of the employees are from the executive grade, accounting to 80 (44.9%), followed by the Staff members from various departments such as front office, housekeeping, operations, etc., is 54(30.3%) and 44 (24.7%) are from the management grade of employees.

The length of time that respondents have worked for the hotel is taken into consideration from one year to 10 years and above. The majority of respondents, 134 (75.28%) employees, have worked for the selected hotels for more than 10 years. This information was sought about respondents' number of years of working in the organization as it will help to show how much the respondents know about the organization and its activities.

Out of 178 respondents, there were a total of 110 (61.80%) respondents working in the different Operation Departments such as housekeeping, kitchen, front office, etc, 38 (21.35%) working in the Sales and Marketing Department, 22 (12.35%) working in the Accounts Department, and 08 (4.50%) of the respondents working in the Technology and IT Department.

- **The employee performance surveys profile**

Objective: *To understand the level of impact of various performance parameters on employees across the hospitality sector as depicted in the selected units*

H1: There is a significant relationship between performance parameters and employee performance in the hospitality sector

The employee performance survey was examined for greater insights into factor wise perceptions of the hospitality sector employees. The sub-scales of innovation, proactivity, decision-making, result oriented, guest service orientation and people orientation were examined using independent samples t-test to understand the factors which have a greater contribution to

maintaining a balance between the employee performance and the culture of the hospitality sector. The results of the test are shown in table 3.

Table 3: Comparison of mean score of the sub-scales of employee performance

Employee Performance parameters	Mean Value (N=178)	Std. Deviation	Std. Error Mean	t-value	Df	Level of significance (p-value)
Innovation	4.2	.97	.05	-4.27	176	0.000 < .05
Proactivity	3.55	9.297	.565	2.412	176	0.016 < .05
Decision Making	2.97	.598	.035	-.528	176	0.598 > .05
Result oriented	4.03	1.271	.076	3.591	176	0.000 < .05
Guest service orientation	4.03	1.289	0.067	2.647	176	0.008 < .05
People Orientation	4.5	0.916	0.054	1.020	176	0.305 > .05

The analysis clearly states that innovation, proactivity, result oriented and guest service orientation parameters of employee performance have a significant impact on the employee performance, in comparison to decision making and people orientation parameters.

The hypothesis stands correct that **the parameters for indicating employee performance used in the study have a significant impact on the employees and are valid as per the sample data.**

- **The relationship between the biographical variables and employee performance**

Objective: To study the association of biographical variables and perceived employee performance in the hospitality sector as depicted in the sample data

H2: There is a significant relationship between biographical variables and employee performance in the hospitality sector

Table 3a: Comparison of mean Employee Performance scores on qualification, age, level of duties, length of service and department of employees of hotel employees

Hypothesis	Total Sample	
	F value	'p' value
Age	0.496	.685
Department	1.443	.229
Length of Service	5.976	.001*
Educational qualification	10.592	.000*
Level of duties	1.090	.337

* Significant at 0.05% level of significance

Table 3b: Comparison of mean Employee Performance scores on gender

Hypothesis	Category	Mean score	Std. Deviation	Total sample	
				t – value	'p' value
Gender	Male =134	3.569	.330	1.398	.163
	Female = 44	3.522	.420		

* Significant at 0.05% level of significance

Table 3a indicates that there are two significant relationships, namely between the length of service in the hotel in which respondents work, as well as their education qualification and the respondents' perceptions of the employee performance. The statistical values for employee performance according to the various age groups of respondents is $t=1.398$, $p=0.685$; the level of duties performed by the employees is $t=1.090$, $p=0.337$ and for the departments where employee work is $t=1.443$, $p=0.229$. With regards to Pearson's chi-square test, the acceptance level of significance is 95% where $p<0.05$. Therefore the relationship between the age groups of respondents, the level of duties and department with the employee performance is insignificant and highly visible. Therefore, one could acknowledge that the age of respondents has a large, yet insignificant effect on the performance of respondents at the 5% level of significance.

Table 3b has the mean scores for employee performance for gender is 3.55, $t=1.398$ and p -value= 0.163 . As the p -value is greater than 0.05, the relationships between the gender of respondents and employee performance are not significant.

The statistical calculation indicates that length of service and educational qualification have a significant relationship with employee performance scales and age, gender, department of personnel and nature of duties have an insignificant relationship with employee performance scale. It can be thus stated that **the hypothesis is accepted for length of service and educational qualification**

6. Conclusion

- **Significance of employee performance variables for Employee Performance scores**

The employee performance survey was examined for greater insights into factor wise perceptions of the employees of the hospitality sector in the city of Lucknow. The sub-scales of innovation, proactivity, decision-making, result oriented, guest service orientation and people orientation were examined to understand the factors which have a greater contribution to maintaining a balance between the employee performance and the culture of the hospitality sector. The analysis clearly states that innovation, proactivity, result oriented and guest service orientation parameters of employee performance have a significant impact on the employee performance, then decision making and people orientation parameters.

The analysis stated that innovation is one of the important parameters for analyzing the performance of the employees implying that employees enjoy freedom to plan and find out an innovative solution to the problem for a performance was driven culture as per the sample data.

The findings imply that the hospitality industry supports the practices for trying out innovative ways of solving problems, encouraging employees to take a fresh look at doing things precisely, thinking out of the box and doing things and genuine attempts to enhance performance. Members have high expectation towards the company's culture, which inculcates more confidence, optimism, vigor and zeal among members that help them to excel at an enriched job and get ahead in professional and personal life.

The mean scores for result orientation also scored high, implying that there is a high level of congruence between the result orientation parameter and thus the emphasis on the performance-driven culture, as per the perception of the employees.

The findings stress the need to evolve a performance driven culture which focuses on HRM practices for a consistent and good employee's performance at an optimal level. In other words, these findings have potential practical implications for organizations and managers for developing managers to help employee deliver higher performance.

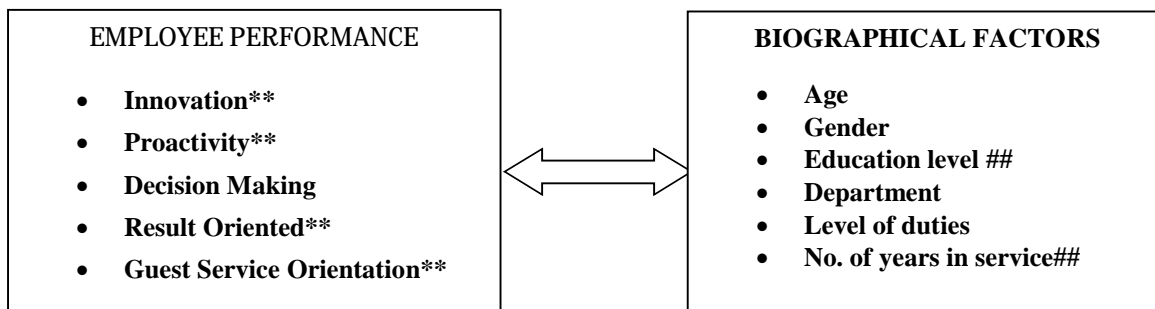
The emphasis needs to give to a culture which build upon the decision making power of the employees and which is more employee centric responding to the members basic needs, turning to understand their needs and wants of the employees, that make the difference in their attitude towards work and work efficiency, supporting the growth and advancement of the employees.

A culture that encapsulates decision making and people orientation parameters need to be exhibited for driving performance from the employees and delivering results as the hospitality sector is a service oriented industry.

- **Significance of demographic variables for Employee Performance scores**

The impact of demographic variables on the Employee Performance was tested for all employees of the sample data. The results revealed that there was no significant difference in the employee performance as perceived by either gender. Even in the case of age groups, departments, and level of duties, there were no significant differences between the respective groups. The length of service an employee has served the hotel and the educational qualification has a significant impact on the performance of the employee in the hospitality sector in Lucknow.

Figure 2. The Framework indicating significant relationship between Employee Performance & Biographical variables



Source: Researcher's own construction

** Significant parameters of employee performance in the hospitality sector

Significant biographical factors having an impact on employee performance in the hospitality sector

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