

Staff Turnover in the Hotel Industry: Two Realities

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Staff turnover is critical for a hotel, especially when you have such a high quality hotel as we do. The focus of our hotel is on outstanding service that will exceed guests' expectations, and therefore we invest a lot into our people. A high rate of staff turnover has an immediate effect in the hotel industry, especially in the guest service areas, and therefore we can't afford ourselves to lose a single employee. The labor turnover rate in the hospitality industry is generally higher than in other business segments. One of the reasons for this is that a lot of our employees are students, so working in the hotel is a first step in a career for them, and as soon as they graduate from the institute they may consider working in their area of specialization.

In Korea the situation with staff turnover is absolutely different compared with Russia. First of all, children grow up in a highly competitive environment. They seek good employment from the beginning of their career and attempt to stay in the company for their whole life. Competitiveness starts even in school and tends to increase at the university entrance examinations and job interviewing process. Children grow with the perception that working for a big Korean conglomerate is a big benefit. Companies in Korea offer their employees stability, various training programs, a gym, special relaxation rooms and a kindergarten inside the office. These additional benefits are very attractive for people. An employee can get a promotion in about two years; however, if a person is loyal to the company for long enough, he will likely get the promotion. Loyalty for the company is a very important criterion in Korea, showing loyalty may define employee's future career in the organization. Korean organizations are focused on giving loyal employees the opportunity to grow rather than evaluations or other forms of encouragement.

Having knowledge of the Russian labor market, particularly in the hospitality sphere, we paid a lot of attention to our employee's training programs from the very beginning of our operations here. Each person who becomes a part of our team gets introduction training

for three days to get a deep knowledge of the hotel, our standards and our philosophy. Also each employee has a training plan that is fulfilled during one year. The team that was involved in the pre-opening period has a two week training program in the Lotte Hotel Seoul. Special attention in our hotel is paid to motivation of our employees. I find it very important. We run several special incentive programs to motivate people and make them feel happy and proud of being a part of our team.

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