

## **Analysing the Unique Challenges of Managing Seasonal Employees in the Hospitality Industry in India.**

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### **Introduction**

The hospitality industry has historically centered its human resources (HR) and management studies around full-time hotel employees, often overlooking the unique dynamics surrounding seasonal staff. Seasonal employment, essential for accommodating peak tourist seasons, especially in regions such as the EU, where 40% of citizens travel between June and October (Eurostat, 2015), brings a distinct set of management and retention challenges (Butler, 2001; Andriotis, 2005). Despite their critical role, limited research explores the specific needs and motivations of these workers, making it challenging for employers to understand and improve retention strategies. Seasonal employment instability contributes to a perception of insecurity and limited career growth, escalating turnover rates, which significantly burden management with costs averaging \$5,864 per front desk employee turnover.

This research introduces a model aimed at enhancing managerial capabilities, fostering consistent policies for seasonal workforce management, and ultimately promoting stability in the workforce. Addressing these challenges is particularly relevant for the hospitality sector in India, where managing seasonal employees poses additional complexities, calling for an innovative approach to retain talent, improve service consistency, and support industry growth.

Seasonality is a defining feature of tourism, posing a significant challenge for the hospitality industry as it leads to periodic fluctuations in demand, directly impacting employment stability and business operations. This seasonality creates considerable hurdles for human resource managers, as maintaining a stable, full-time workforce is often difficult, necessitating reliance on seasonal, part-time, or temporary workers. The cyclical nature of demand in tourism often results in underemployment and job insecurity, prompting some workers to seek opportunities in other sectors for financial stability or to consider entrepreneurship for greater control over their careers (Pappas & Brown, 2020).

Entrepreneurship, therefore, emerges as a pivotal factor in tourism, enabling job creation, innovation, and the development of new tourist areas, all of which drive economic growth and societal benefits. Many countries view hospitality and tourism, coupled with entrepreneurial initiatives, as essential drivers of economic progress. In this context, entrepreneurship not only fosters economic growth but also enhances tourism experiences, thereby boosting the competitive edge of hospitality businesses. This study aims to explore how tourism seasonality influences employees' intentions to leave and pursue entrepreneurial ventures, with a particular focus on how internal Corporate Social

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Responsibility (CSR) initiatives may mitigate turnover and enhance employee attachment to their organizations.

Managing seasonal employees in the hospitality industry in India presents a distinct set of challenges. The following analysis addresses some key issues:

### **Recruitment and Retention**

When it comes to the recruitment and retention of seasonal personnel in the hospitality sector in India, there are several distinct issues that occur as a result of the nature of the workforce, the shifting demand, and the seasonal operations of the industry.(P R Sandilyan, 2017) Here's a deeper look at these challenges:

### **Recruitment Challenges**

**High Demand During Peak Seasons:** Hospitality businesses experience a surge in demand for employees during peak seasons (tourism festivals, summer vacations, holidays, etc.), which often results in a highly competitive job market.

Companies scramble to recruit a large number of seasonal workers at once, often leading to compromises on the quality of hires or paying higher wages to attract workers.

**Shortage of Skilled Labor:** Finding skilled employees for temporary positions, especially in roles such as chefs, bartenders, or housekeeping supervisors, is challenging. Many skilled workers prefer permanent or stable employment, making it difficult to hire qualified candidates.

Businesses in smaller cities or remote tourist destinations in India face even greater challenges in attracting trained professionals due to their location.

**Inconsistent Supply of Workers:** The availability of seasonal workers fluctuates based on multiple factors, including geographic location and time of year. Workers may move from one region to another or shift industries, making recruitment unpredictable.

Many seasonal workers may also find employment in other industries (e.g., retail, events) during peak tourism times, making it harder for hospitality companies to secure a reliable pool of candidates.(Ann Wigglesworth & Abel Boavida dos Santos, 2023)

**Limited Recruitment Budgets:** Many hospitality businesses, especially smaller hotels and resorts, operate on tight budgets. Offering competitive pay or investing in extensive recruitment efforts may not always be feasible.

Recruiting agencies or online platforms require additional investments that businesses may not be willing to make for temporary positions, further limiting their ability to find the right candidates quickly.

**Geographic Mobility Issues:** Seasonal work often requires employees to relocate temporarily to tourist destinations. Many candidates are unwilling to move, especially if the job tenure is only for a few months, or if the living conditions and additional benefits (such as accommodation and meals) are not favorable.

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### Retention Challenges

**Temporary Nature of Work:** One of the most significant challenges is the temporary nature of employment. Seasonal employees often see their jobs as a stop-gap measure, which results in low commitment to the company.(P R Sandilyan et al., 2023)

Many employees leave mid-season for better opportunities, leaving employers scrambling to fill vacancies.

**Lack of Incentives for Loyalty:** Seasonal employees typically do not receive the same incentives as permanent staff, such as bonuses, healthcare benefits, paid leave, or career advancement opportunities.(Anastasios Zopiatis et al., 2012)

This absence of long-term benefits and career paths reduces their motivation to stay with a company for the entirety of the season or return the following year.

**Minimal Engagement and Investment:** Seasonal workers may not feel fully engaged or valued, as companies often invest less in their professional development compared to full-time employees.(P R Sandilyan et al., 2012)

The lack of personal development opportunities or any training beyond the basics discourages employees from staying long enough to build loyalty to the organization.

**High Turnover Rates:** Given the limited engagement and temporary work structure, the hospitality industry faces extremely high turnover rates with seasonal employees. This affects not just productivity but also leads to increased hiring and training costs.

Frequent turnover also disrupts team cohesion, which is vital in a customer-service industry like hospitality.

**Seasonal Employment Fatigue:** Seasonal workers may jump from one seasonal job to another, leading to employee burnout or dissatisfaction. This lack of continuity in employment can push them to seek full-time, stable jobs, leaving employers struggling to retain workers across multiple seasons.(Piyasiri Wickramasekara\*, 2008)

**Lack of Job Security:** Seasonal workers often seek job security, which temporary roles inherently lack. Knowing that their employment will end after a few months, workers are more likely to look for permanent employment, causing a retention problem for companies that would like to rehire them in future seasons.

### Strategies to Address Recruitment and Retention Challenges

To address these challenges, hospitality businesses can adopt the following strategies:

**Offer Competitive Pay and Benefits:** Providing attractive wages, accommodation, and meal plans can help attract and retain workers for seasonal jobs.(Parida et al., 2017) Additional perks such as performance-based bonuses, referral incentives, or end-of-season bonuses can motivate employees to stay longer.

**Develop a Talent Pool for Future Seasons:** Businesses can create a database of experienced seasonal workers and rehire them for future seasons. Offering these employees better pay or added benefits for returning can help with long-term retention.(Piyasiri Wickramasekara\*, 2008)

**Enhance Training and Onboarding:** Providing quick, effective training programs can help seasonal employees feel more confident and perform better, increasing job satisfaction and reducing turnover.

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**Engage in Long-term Relationships:** Fostering loyalty by recognizing and rewarding seasonal employees' efforts and creating a positive work environment can encourage them to return for multiple seasons, thus reducing the need to recruit new employees every year.

**Flexible Work Scheduling:** Offering more flexible work schedules and accommodating employees' personal needs (such as allowing them to work shorter stints during the season) can also improve retention.

Addressing the recruitment and retention challenges in India's hospitality industry requires a combination of better workforce planning, strategic hiring, and employee engagement practices that ensure workers feel valued despite the temporary nature of their employment.

### Training and Onboarding

Managing seasonal employees in the hospitality industry in India, particularly in terms of training and onboarding, is a complex process due to the nature of the workforce, high turnover, and time constraints.(Ministry of Tourism, 2020) Effective management requires well-designed systems that ensure employees are prepared to perform efficiently with minimal time for training. (P R Sandilyan et al., 2012) Here's a comprehensive look at the challenges and strategies in managing this aspect:

#### Challenges in Training and Onboarding Seasonal Employees

**Short Time for Preparation:** Seasonal employees are usually hired just before peak seasons, giving limited time to prepare them for their roles. Businesses often rush through the training process to get employees ready for immediate customer-facing responsibilities.

**Diverse Skill Levels:** Seasonal workers come from varying backgrounds and may have different levels of experience in hospitality. This creates a challenge in delivering uniform training, as some employees may require more attention than others.(Knox, 2010)

**High Volume of Hires:** Hospitality businesses, especially hotels and resorts, often need to hire a large number of seasonal workers in a short period. Training and onboarding dozens or even hundreds of employees simultaneously can be logistically difficult.

**Lack of Familiarity with Company Standards:** Seasonal workers are new to the company's standards, operating procedures, and customer service expectations. Without adequate time to familiarize themselves, service consistency may suffer.

**Engagement and Motivation:** Seasonal employees may be less motivated to engage deeply with the training process because they view their employment as temporary. A lack of interest in the training can lead to poor delivery service.

**Technological Barriers:** Many hospitality businesses use digital tools (for reservations, inventory, guest management, etc.), and seasonal employees may not be familiar with these technologies. Training them on these tools in a short period adds complexity to the onboarding process.

**Retention Issues Post-Training:** Even after investing in training, seasonal employees might leave before or during the season, forcing businesses to retrain new workers, leading to increased costs and inefficiencies.

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### Effective Strategies for Managing Training and Onboarding of Seasonal Employees

Effective management of training and onboarding for seasonal employees is essential to maximizing their performance and retention in the hospitality industry. One critical strategy is to implement a streamlined, role-specific onboarding program that emphasizes hands-on, practical training.(Deery & Jago, 2009) By focusing on real-world scenarios that seasonal employees are likely to encounter, managers can help them quickly develop the skills and confidence needed for their roles. Some important Suggestive majors are given below:

**Streamlined Training Programs:** Develop concise and focused training modules that prioritize essential skills and procedures. This can include:

Basic customer service skills (e.g., handling inquiries, resolving complaints)

Safety protocols (fire safety, guest safety, and hygiene standards)

Job-specific training for different roles such as housekeeping, front office, or food service.

Online training platforms or mobile apps can be used to deliver this content before the employees arrive, so they can start the job with a basic understanding of their responsibilities.

**Role-Specific Training:** Tailor the training to the specific roles that seasonal employees will be performing, ensuring that their responsibilities are clear, and they are equipped to handle common tasks. Hands-on training (e.g., how to check in a guest, how to clean a room to standard) should be prioritized over theoretical lessons.

**On-the-Job Training and Mentorship:** Pair new seasonal hires with experienced staff members for shadowing and hands-on learning. On-the-job training is effective in helping employees learn by doing, which can be faster than classroom-based training.

A mentorship program can also ensure that seasonal workers have someone to guide them through their initial days, improving confidence and job performance.

**Use of Technology for Training:** Introduce e-learning platforms where seasonal employees can access training material, complete assessments, and revisit lessons as needed. Interactive learning tools such as videos, quizzes, and simulations can keep employees engaged.

Digital tools can also track the progress of training, ensuring that all seasonal employees meet basic competency standards before they begin work.(Tanya Basok, 1999)

**Quick Cultural Orientation:** Conduct brief orientation sessions that focus on the company's mission, values, and culture. Even for short-term employees, understanding the company's customer service ethos is important for maintaining consistency in service.(Kirillova, 2023)

Use practical examples and role-playing exercises to demonstrate how employees should interact with guests and handle common situations.

**Flexible and Adaptive Onboarding:** Seasonal employees have varying levels of experience, so onboarding programs should be adaptable. Offer basic training for beginners, but allow experienced workers to opt for a shorter, more focused onboarding. This will not only save time but also ensure that experienced employees aren't bored or disengaged by the material they already know.

**Incentivized Learning:** Encourage employees to take their training seriously by offering incentives, such as rewards for completing training modules or bonuses for demonstrating competence in key

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areas. This can improve engagement, especially among those who might view their employment as purely temporary.

**Job Aids and Support:** Provide easy-to-access job aids (like checklists, procedure manuals, or quick reference guides) at workstations. This ensures that employees can quickly refer to important information on the job without feeling overwhelmed by the training process. Managers and team leads should be available to offer support and answer questions, ensuring employees don't feel lost during their initial days.(Verma et al., 2022)

**Cross-Training for Flexibility:** Consider cross-training seasonal employees in multiple roles so they can fill in where needed during the busiest times. For example, train a front desk staff member to handle housekeeping duties during staff shortages. Cross-training also keeps employees engaged by offering variety in their work.

**Post-Season Follow-Up:** Keep a record of good seasonal employees and consider reaching out to them before the next season begins. Offering a fast-tracked onboarding process for returning employees can reduce the time and resources spent on hiring and training new people. Providing incentives for employees to return for the next season (such as bonuses or salary increments) can also improve retention across multiple seasons.(Arasli & Arici, 2019)

### Legal and Compliance Challenges in Managing Seasonal Employees

Legal and compliance challenges in managing seasonal employees include ensuring adherence to labor laws, such as fair wages, overtime, and proper classification as temporary or part-time workers. Employers must also comply with health, safety, and anti-discrimination regulations and maintain accurate documentation to avoid legal repercussions. (Sandilyan & Parthasarathy, 2019) Here are some suggestions:

**Employment Contracts and Classification:** Seasonal employees often fall under different classifications than permanent staff. Ensuring that they are classified correctly—whether as temporary, contract, or casual employees is crucial to avoid legal issues such as misclassification.

Indian labor laws require clear definitions of employment terms, including start and end dates, job roles, and conditions of termination. Failing to formalize these details can lead to disputes or legal claims regarding permanent employment rights.(Batat, 2021)

**Minimum Wage Compliance:** The hospitality industry must comply with both national and state-specific minimum wage laws, which vary depending on location and the category of work. Seasonal workers, like permanent employees, are entitled to receive wages that meet or exceed the minimum wage standards. In many cases, employers may try to pay seasonal employees less due to the temporary nature of their work, but this can lead to legal challenges if wages fall below the mandated minimum level.

**Working Hours and Overtime Pay:** Seasonal employees are often hired during peak periods, which means they may work long hours. Indian labor laws mandate maximum working hours, and any additional time worked must be compensated with overtime pay, which is typically at 1.5 times the regular wage rate. Non-compliance with these regulations, such as not compensating overtime, can lead to penalties and worker grievances.

**Social Security Contributions (Provident Fund, ESI):** Employers in India are required to contribute to social security schemes such as the Employees' Provident Fund (EPF) and the Employees' State Insurance (ESI) for employees earning under a certain threshold. Seasonal employees who meet the

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criteria must also be covered under these schemes. Ensuring contributions are made on time is crucial for legal compliance. Employers who fail to make these contributions (Rai, Shekhar, et al., 2024) may face penalties and potential litigation.(Arasli & Arici, 2019)

**Gratuity and End-of-Service Benefits:** Under the Payment of Gratuity Act, employees who complete five or more years of continuous service are entitled to gratuity upon leaving their job. However, since seasonal employees typically don't meet this threshold, they are generally not eligible. Despite this, employers must ensure that any severance or other end-of-service payments promised to seasonal employees are honored to avoid legal disputes.

**Health and Safety Regulations:** Hospitality businesses must comply with occupational health and safety standards, which apply to both permanent and seasonal employees. This includes providing a safe working environment, appropriate safety training, and protective equipment where necessary (e.g., kitchen, housekeeping, or maintenance roles). Failure to comply with safety regulations can result in penalties from labor inspectors and may expose the business to lawsuits in case of workplace accidents.

**Non-Discrimination and Equal Opportunity:** Indian labor laws prohibit discrimination based on gender, caste, religion, and other protected characteristics. Seasonal employees, like permanent staff, are entitled to equal treatment in hiring, pay, promotions, and workplace conditions. Non-compliance with non-discrimination laws can lead to lawsuits or complaints filed with labor authorities, potentially damaging the company's reputation.(Rai, Govil, et al., 2024)

**Leave Entitlements:** While seasonal employees may not be entitled to the same leave benefits as permanent employees, they are still covered under certain provisions of the Factories Act and Shops and Establishments Act, which may mandate sick leave or other forms of leave. Clear communication about leave policies is important to avoid misunderstandings, and non-compliance could result in penalties.

**Sexual Harassment and Workplace Grievances:** Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, all employees seasonal or permanent are entitled to protection from sexual harassment at the workplace. Employers must implement and enforce anti-harassment policies and provide a grievance redressal mechanism. Failure to provide a safe workplace can result in legal consequences and damage to the company's reputation.(Arasli & Arici, 2019)

**Record-Keeping and Documentation:** Indian labor laws require employers to maintain accurate records of employees' working hours, wages, overtime, and other employment details. These records must be kept for all employees, including seasonal workers. Proper documentation is essential for audits and inspections by labor authorities. Inadequate record-keeping can result in fines and penalties.(Biswakarma et al., 2015)

### Conclusion

This paper emphasizes the essential requirement for strategic methodologies in recruitment, training, and retention to tackle the distinctive issues of managing seasonal personnel in India's hospitality sector. The seasonal nature of tourism demands flexible workforce solutions, yet managing seasonal staff effectively is essential for delivering consistent service quality and sustaining industry growth. Recruitment challenges like skill shortages and geographic mobility, paired with retention issues related to job security and loyalty, require hospitality businesses to offer competitive incentives and adaptable training programs. Additionally, compliance with legal regulations such as fair wages, social security contributions, and workplace safety remains vital to avoid legal repercussions. One needs to

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look into using seasonal employees as a percentage of the regular employees, (maximum 10%) and they need to be given basic training prior to commencing their work. This seasonal workforce may be selected from those schools of Hospitality or Institutions, that are keen to pursue a career in the same field, unlike the practice of hiring from casual labor or Outsourcing, (Sandilyan & Parthasarathy, 2019) that works more on cost-cutting practices. These Seasonal employees must be exposed to the work in a phased-out manner to enable them to perform at par with regular employees.

By embracing creative tactics, cultivating a supportive work environment, and guaranteeing adherence to labor regulations, hospitality organizations can improve their ability to effectively manage seasonal staff, hence lowering turnover rates and boosting long-term sustainability in India's dynamic hospitality industry.

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