

Fighting turnover: What do Viennese five-star hotels have to say about this?

Bachelor Thesis for Obtaining the Degree

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Abstract

The tourism and hospitality industry is known for its importance towards the global economy; however, many hospitality organisations are struggling with one major issue: high labour turnover rate. Even though 2,000 articles have been published on this issue, there is no research on how the Viennese five-star hotels deal with this problem. This thesis is aimed to find out the reasons for labour turnover within the Viennese luxury establishments, how the labour turnover can affect the hotels, and what can be done to reduce the fluctuation. The solutions are meant primarily for Viennese five-star hotels in order to fight against high labour turnover.

For this thesis, existing literature was needed to define the issue and the methods that can be used against it. In addition, the author conducted eight structured interviews with human resources managers of Viennese five-star hotels. The interviewees were asked nine questions which are derived from the research questions and literature review.

The results of the thesis show that there are many reasons for high labour turnover. Currently, the job offers are greater than the job demands; the employees have the freedom to choose their workplaces and can change them easily due to the similar nature of work. Especially young people are very flexible and fond of travelling, they tend to change their workplaces internationally. A high labour turnover does affect Viennese hotels; the issue can influence the performance, productivity and satisfaction of the staff. Likewise, the costs increase with high labour turnover rate; the hotel has to consider separation costs, replacement costs and training costs. In order to reduce employee turnover rate, the employers have to increase the satisfaction of the employees. With benefits, training and appreciation, the employees can be motivated and retained in the company.