



Effects of Covid-19 on Job Turnovers and Succession Plans in the Hospitality Industry in Kenya

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INTRODUCTION

The short and medium-term effect of Covid -19 on human resources in the tourism and hospitality industry is now a reality (Abonyi, 2021; Wood, & Kispál-Vitai, 2021; Akramova, & Tadjieva, 2022). As many establishments struggle to recover from the devastating effects of the pandemic on their business, the reality that has hit the HR managers is that they lost some employees who today are difficult to replace. (Wordsworth, & Nilakant, (2021). Some employees had talents, skills, and knowledge that had taken years to accumulate. Under normal circumstances, establishments lose employees through voluntary resignation, death, retirement, and other involuntary methods. (Simonetti, et al., 2022; Ahmed, & Jwmaa, 2023) The Covid pandemic disrupted these natural ways and HR managers had to develop mechanisms of recalling former employees and recruiting new ones to replace those that left for better jobs. (Mokline, & Ben Abdallah 2022; Sarkar, & Clegg, 2021). Some employees have left for other careers. Scanty research has been done in this area as many establishments are still going through the disruption post-COVID-19 era. This is the gap the study intends to fill.

Research Problem

The COVID-19 pandemic hit the global tourism industry more than any other pandemic before (Shih, 2021). Global travel came to a standstill as travel restrictions were witnessed all over the world. Air transport, water, and land transport were only limited to essential travel either for evacuations or other emergencies. With travel restrictions globally, accommodation sectors, attractions sectors, and those that support the tourism business were grounded due to cessations of travel from many countries, travel restrictions for citizens of the global village, and travel advisories to those destinations that were affected by the virus Horaira, (2021).

These unprecedented interruptions of employees in the years 2020 and 2021 forced Human Resource managers to implement radical survival strategies such as pay cuts, compulsory leaves, dismissal of employees through redundancies clauses, and many other survival strategies.

These interruptions did not spare those working in accommodation facilities. Orîndaru, et al., noted that many establishments implemented post-COVID-19 recovery strategies that have seen the tourism and hospitality industry declare growth in terms of visitors' arrival, bed occupancies, revenues, and relaxation of travel restrictions, lockdowns, and other measures that restricted mobility. For the travel and tourism business to operate effectively, the different establishments have used different strategies to recall their former employees to replace those they lost during the pandemic. Ensuring that business continues with the least possible disruption has become one of the main priorities after the pandemic.

The pandemic also interrupted the succession plans in the tourism industry (Cave, & Dredge, (2021). Succession planning is a process where employers prepare candidates from within the business to take over critical leadership roles at the appropriate time (Martin, & O'Shea, 2021). A lot of preparation is needed to ensure that vacancies are promptly filled by competent people, mainly because their skills and experience were identified beforehand. Under normal circumstances, business continuity becomes a proactive rather than reactive process with the help of succession planning. This order was disrupted and businesses forced to adapt to the new normal post-Covid -19 environment.

This study documents the strategies taken by hospitality and tourism establishments to retain staff with, unique skills, talents that may have been lost during the COVID-19 period when most accommodation facilities were closed. This study documents the post-Covid strategies used to recall employees who were either on leave, those on contracts whose services had been stopped, and those on permanent employment who were recalled when the business resumed.

Study Objectives

The specific objective of this will therefore be:

1. Examine the extent to which accommodation facilities in Kenya lost their talented and skilled staff during the COVID-19 period and the strategies used to retain or replace them.
2. Investigate the impact of COVID-19 on succession plans in the accommodation sector in Kenya.

Study Hypothesis

The study hypothesized that:

- H_0 : The number of employees with unique skills and talents who did not come back after the pandemic **are the same as** those that were recalled post the pandemic.
- H_a : The number of employees with unique skills and talents who did not come back after the pandemic are **different from** those that were recalled post the pandemic

Significance of The Study to The Stakeholders

To the Training Institutions:

The finding will be important to those institutions that train tourism and hospitality programs. This is because it will highlight skills and knowledge gaps that were created by the pandemic. They can develop training programs such as refresher courses and other tailor-made programs to address any gap that may arise. It will also recommend further study and curriculum reviews where needed.

To the Accommodations Provider's:

The findings will be shared with the accommodation providers, documenting the impacts of the pandemics and the success of the recovery strategies adopted

To the Scholars and Academicians:

To the scholars and the academic world, the findings will be compared to what exists in the body of knowledge and also contribute to the literature gaps from Kenya's tourism industry

LITERATURE REVIEW

Post Covid 19 Impacts on the Accommodation Sectors

The COVID-19 health crisis is an unprecedented shock that transformed the lives and livelihoods of individuals around the globe (Sharma, 2021). Its effects extended beyond the short-term, medium, and long-term as well. As COVID-19 started spreading, virtually all countries around the world put in place containment and mitigation strategies involving restrictions on movement. Gideon, (2021) found that among the most affected industry is the tourism sector which relies heavily on people's mobility. The tourism industry has come to a halt as most accommodations, travel, and tours closed doors. It's evidence that the global community lost most of its valued workforce due to job closures that were forced by travel restrictions and lockdowns.

Then come the years 2021 and 2022, most of the companies that had released their valued employees were again looking for them to hire. It is noted that many companies cannot find the quality of employees they had before the Covid -19 as most of them continued with their lives within the COVID period while others got similar or different jobs and are not willing to be re-employed. This is evident from the volume of online job postings requiring people to fill some of the tourism and hospitality-related vacancies. The changing nature of work due to COVID-19 containment measures has led to an increase in job postings advertising requiring employees to work from home (Vărzaru, Bocean, & Cazacu, 2021). This new trend comes with its advantages and disadvantages for employers who physically supervise their employees and are required to supervise and monitor them remotely as they work from home. Other jobs must be completed in the office alone and not working remotely.

The COVID-19 crisis not only impacts the demand for jobs requiring lower qualifications but also those talented jobs that may have taken years of training and long customer history and relationships (Vărzaru, Bocean, & Cazacu, 2021). The demand for workers in 'front-line' sectors, or in those involved in the management of the COVID-19 pandemic, is highly strong as demonstrated by a growing number of jobs advertised. When looking at the underlying skills mentioned in job postings, evidence from many countries shows a strong increase in the demand for technical competencies and talents in both soft and hard skills. There has also been a trend where international cruise ship recruiting companies have been reported in Kenya (Sucheran, 2021). This causes a brain drain on the tourism and hospitality industry. These firms are scouting for talented staff in tourism and hospitality careers pose more competition to the local markets as their package looks more attractive as compared to job offers within Africa (Meister, & Willyerd. 2021).

Yacoub, & ElHajjar, (2021) in their study found that despite many hospitality companies advertising in search of these skills, most of them do not get the right persons. In cases where they are found the cost of recruiting and retaining them is often higher than that of the employees, the companies lost during the pandemic. The possibility of them leaving the company is higher as their skills are sorted by many. This is affecting the short and long-term operations of the accommodations, travel, and tourism sector which lost most of its frontline employees due to the closure of its establishments. This is the trend in other sectors of the global economy.

Impacts of Covid-19 on Succession Planning in The Hospitality Sector

The Covid- 19 has also affected the succession plans for most establishments in the accommodation sector as most of them were forced to close without any warning (Aladejebi, 2021). This abrupt disruption of the employment equilibrium has caused demographic shifts which have created intense competition for talent in some sectors more rapidly than anticipated, but inevitably. Under normal circumstances, candidates in the labor pool lack experience and many core skill sets required for crucial positions. This is one of the reasons why organizations have succession plans that incubate critical organizational knowledge to be shared with subsequent generations of workers (Karaki, 2022).

Other reasons for engaging in succession planning include adapting to demographic changes and talent scarcity, identifying skill gaps and training needs, retaining institutional knowledge boosting morale and retention by investing in employees, replacing unique or highly specialized competencies

McGuire, Germain, & Reynolds, (2021) have documented that business and HR leaders view the skills shortage as a top concern that needs to be addressed post the COVID-19 era. The global workforce does not have enough skilled employees to fill an ever-increasing demand for highly professional jobs (Verma, Lamsal, & Verma,2022).

Today, employees are hired and paid for their thinking rather than for their labor (Clemens, 2021). This means that what we know is likely more important than what we do. The entire concept of knowledge management focuses on identifying, harvesting, archiving, and retrieving organizational knowledge

Montoya, (2019) noted that succession planning needs to evolve to meet changing workforce and employee expectations in this disrupted job market. Organizations with succession planning that includes active work to retain key talent are in a much better position to weather the post-pandemic challenges than others (Owolabi, & Adeosun, 2021).

Until you look at the evidence, you won't know if these are indeed high-value roles, and you may be missing other critical roles further down the hierarchy. When identifying critical roles, consider the impact on both short- and long-term business goals. In the short term, what roles support revenue-generating activities and day-to-day operations? In the long term, what roles enable the achievement of the organization's strategic goals and rely on skills that are hard to find and develop?

RESEARCH METHODOLOGY

The study used both descriptive and exploratory research designs as guided by the objectives. A mixed research method was used to collect qualitative and quantitative data. The study areas are comprised of the Nairobi region, coastal regions, Naivasha/ Nakuru regions, and finally Mount Kenya regions. These regions were purposely selected as they host more than 80% of tourist accommodation facilities. The clustering sampling method was used to select the stated region. The target population was supervisors, managers, and Human resources personnel from accommodations in these regions that fall between 3 to a 4-star rating. This may have introduced some biases to the findings. Questionnaires and interviews were used as data collection tools.

Descriptive and quantitative data was analyzed using SPSS while qualitative data was analyzed using content and thematic methods.

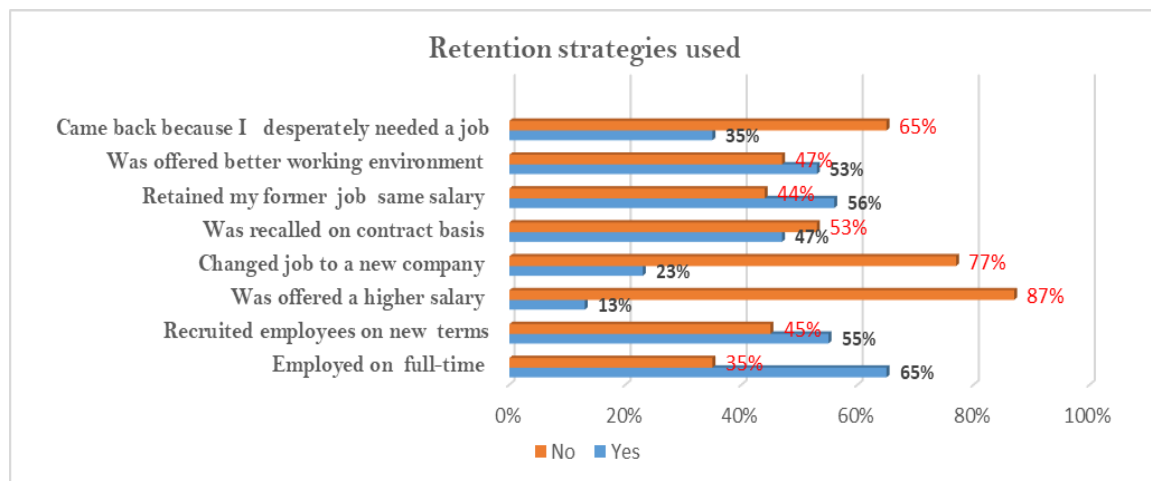
RESEARCH FINDING

Respondents' Profile

For this study, 289 hotel employees from various hotels participated in the study. The majority (44%) of these employees worked in city hotels and most (56%) of them were in operations, 35% in supervisory jobs, and only 9% in management positions. The bulk of these respondents (46%) were youth between the ages of 30 and 40, with 38% between the ages of 25 and 30. Only 40% of respondents have been in their current company for between 1 to 5 years. The majority (75%) of the respondents remained in the same facility even after the Covid-19 pandemic.

Strategy Used to Recall and Retain Employees

Hotel employees were asked to indicate which strategy their company used to have their backs after the coronavirus period.



There was a significant relationship between employees' position and their terms of employment. Most of those recalled were on full-time employment.

The study noted that different strategies were used to retain staff after the pandemic. The majority, 65%, of respondents reported that they were now employed full-time and on permanent terms. Also noted was that, 56% stated that after their business reopened they were recalled and retained in their previous job with the same salary without any increment. About 55% respondents stated that their hotel recruited new employees with new terms in some positions, while 53% of them stated that their company provided a better working environment than before.

The study found that the level of employee's position (operations, supervisory, and management) influenced whether they were employed on permanent terms or not. There was a significant relationship between employees' position and terms of employment of those who recalled after their companies reopened. See Table 1

As expected, most of those recalled were on full-time employment whose job is protected by labor laws.

Table 1: Relationship between employees' level of employment and strategy used

Strategy applied	Chi-square test of dependence	Conclusion
Former employees who were recalled were offered Full-time Employment	X^2 7.3, df (2), $p < 0.26$	There was a significant relationship between employees' position and their terms of employment. Most of those recalled were on full-time employment
New employees were given new terms of employment	$X^2 = 16.58$, df (4), $p < 0.02$	There was a significant relationship between employees' positions and whether one was given new terms after they were recalled
Other employees Changed career	$X^2 = 10.80$, df (4), $p < 0.29$	There was a significant relationship between employees' positions and change of employment from the hotel
Other employees were recalled for another job but on contract	$X^2 = 11.13$, df (4), $p < 0.25$	There was a significant relationship between employees' positions and those hired on contract.

On the other hand, the majority of hotel employees disagreed that they were offered a higher salary after the hotel re-opened; that the hotel had recruited some retired employees to work part-time; that they changed jobs to a new company after the Corona closed down; that they were allowed to work from home for some days and come to the office on other days; that they returned because they did not have a job and desperately needed one to survive; and that they were recalled on a contract basis as they wait for the business to recover.

Percent of Recalled Employees

The respondents were asked to estimate the percentage of employees who were recalled to work in their previous department after the close-down. Figure 1

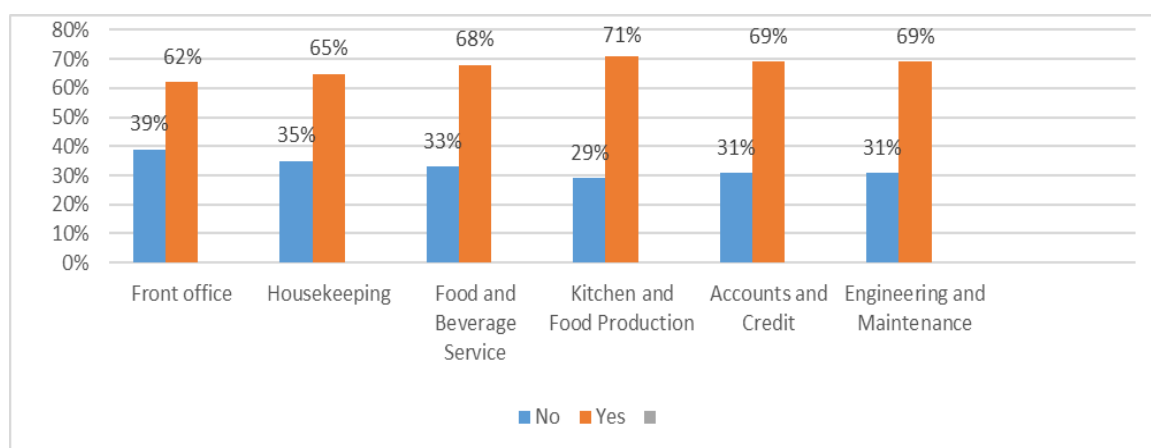


Figure 1. Percentage of employees who have come back after the closed down

Different departments were affected differently in the number of employees who were recalled after their establishments reopened. More than 60% of employees in all hotel departments were recalled meaning that only about 40% did not come back and may account to what this

study is all about. The department with the highest percentage of those recalled was those working in kitchen and food production, followed by engineering and maintenance (69%) and those working in the account office. These departments had more than 70% recalled.

Front Office (39%) Housekeeping (35%) and the food and beverage departments (33%) had the highest percentage of those employees who were not recalled. What skills and talents was lost from those who did not come back? This is explained in the next section.

Effect of The Pandemic on Different Departments in A Hotel

Employees were questioned whether their establishment had lost employees with unique skills and talents. This was to investigate the effect of the pandemics on the specific nature of skills and talents. The study found that all departments were affected in different magnitudes and many hotels had not quantified these effects as most of them did not have an existing performance measurement tools in the departments under study. Figure 2

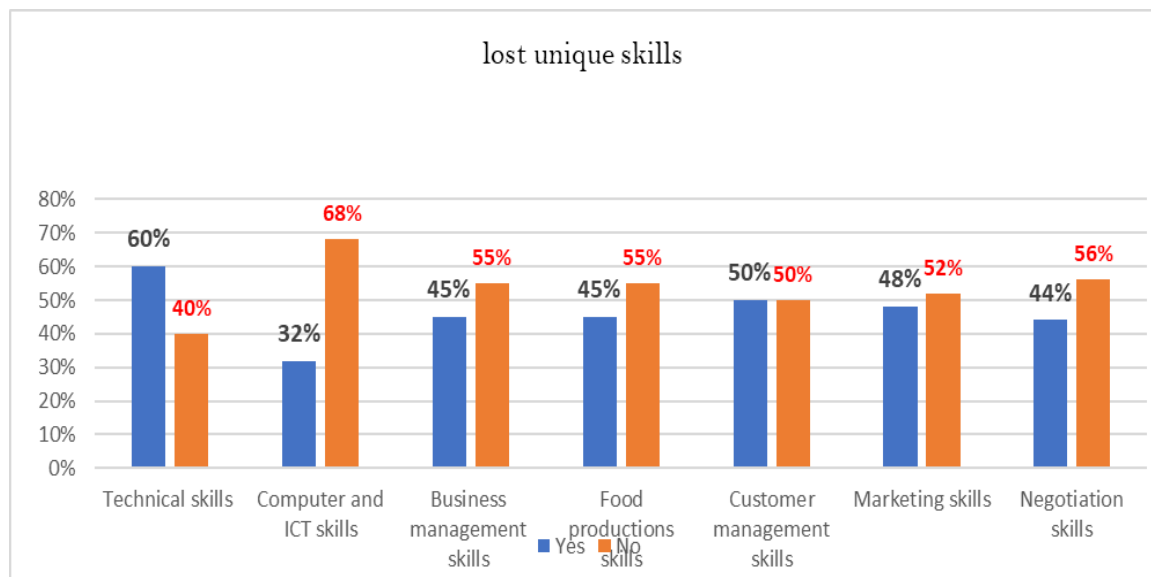


Figure 2: Lost skills and talents in the hospitality industry in Kenya

Technical skills in most departments (60%) and customer management skills (50%), according to the majority of hotel employees, were lost as a result of personnel not returning after the Corona period. As a result, the findings indicate that close to 40% of employees with unique skills may have been lost, and maybe the individuals who did not return to their workstations as their skills were needed somewhere. Some skills may have taken this establishment long to build may have been lost may take them even longer to regain.

Once again, the study noted that almost 40 % of employees did not go back to their pervious employers. Some of them were employees by other hotels while other changes their career. A good number were recruited by international cruise ship companies while other retired

Hypothesis Testing

Employees were questioned whether their establishment had lost employees with unique skills and talents. The responses they provided are listed in the table below.

- H_0 : The number of employees with unique skills and talents who did not come back after the pandemic **are the same as** those that were recalled post the pandemic.
- H_a : The number of employees with unique skills and talents who did not come back after the pandemic **are different from** those that were recalled post the pandemic

The observed frequency was higher than the expected frequency in all departments and was significant at $P > 0.05$

The study therefore rejected the null hypothesis and concluded that the number of employees with unique skills and talents who did not come back after the pandemic was different from those who came back in all departments: Table 2

Table 2: Effects of the employee's turnover in selected departments

Department	Yes	No	Chi-Square Goodness of Fit	Conclusion
Front Office	58%	42%	6.391df (1), $p < .011$	The observed frequency was higher than the expected frequency and was significant at $P > 0.05$ The study therefore rejected the null hypothesis and concluded that The number of employees with unique skills and talents who did not come back after the pandemic are different from the ones who came back in all departments
House Keeping	57%	43%	6.113, df (1), $p < .013$	
Food and Beverage Service	59%	41%	9.390, df (1), $p < .002$	
Kitchen and Food Production	56%	44%	4.662, df (1), $p < .031$	
Accounts and Credit	37%	63%	17.883, df (1), $p < .001$	
Engineering and Maintenance	40%	60%	11.901, df (1), $p < .001$	
Human Resource	36%	64%	21.560, df (1), $P < .001$	

The majority of employees agreed that they had lost personnel with special skills and talents in different departments as follows: Food and Beverage Service (59%); Front Office (58%); Housekeeping (57%); and Kitchen and Food Production (56%). Some of the affected skills were: interpersonal skill, communication skills multitasking skills and hotel property management system skills applied by the front office personnel. Some hotels lost chefs with specialized skills which had taken many years to acquire. Others lost some staffs working in food and beverage outlets as waiter, with multilingual skills as seen in Table 2

The majority of employees who agreed that they had lost personnel with special skills and talents worked in the following departments: Food and Beverage Service (59%); Front Office (58%); Housekeeping (57%); and Kitchen and Food Production (56%).

Effects of The Pandemic on Employees Succession Plan

Succession plans guide hotels on employees that need training and develops needed plans to prepare high-potential employees for their future roles. It highlights areas for growth so they can develop critical skill sets, empowering some staff to thrive today and in the future. The pandemic did not spare these plans. Figure 3

Respondents were asked to rate the extent to which they agreed with the pandemic's impact on their company's succession strategy. The majority of employees agreed that the pandemic had affected the company's succession plan (68%); that some talented staff did not return

(68%); that certain workers with unique skills did not return (61%); and that the hotel was forced to reorganize its succession plans (53%).

Despite most respondents noting that a few employs did not come back, the study noted that some of those who did not come back got jobs from other establishments in the country while other got jobs outside the country.

The effect of such turnover may not be measured as many organizations do not have a parameter to measure contribution of specific staff on their performance

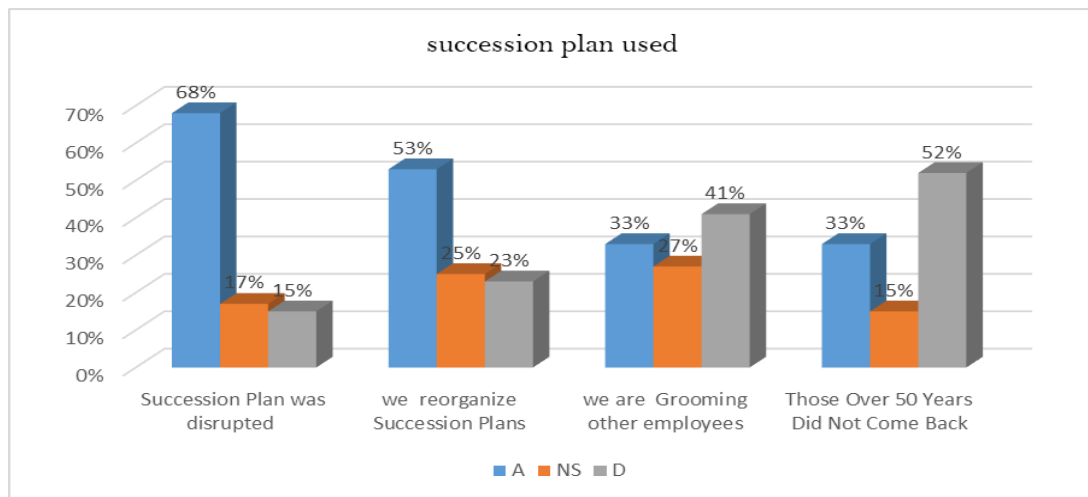


Figure 3: Effect on succession plans in the hospitality industry

STUDY CONCLUSION AND RECOMMENDATIONS

The study concludes that nearly all departments in the hotel industry were affected by the virus. The most affected was front office, followed by housekeeping and food and beverage and finally account and maintenance. The degree and extend of this disruption may never be known and its effects may be felt in later years.

It was noted that most hotels did not have systems in place to track exit costs, including recruiting, interviewing, hiring, orientation and training, lost productivity, potential customer dissatisfaction, reduced or lost business, administrative costs, and lost expertise. This area may require further study as most establishment have gone through the recruitment process to fill vacancies in several departments. As attracting and retaining talented employees is vital for an organization's success, hotels needs to invest in recruitment and retention strategies if they want to effectively compete and offer quality service to their customer.

What should be of concern on the employee turnover occasioned by the pandemic is the financial costs of recruiting and training new employees to replace the ones lost. While the exact cost of turnover will vary from hotel to another those that will survive the pandemic are those that will marry different strategies of motivating the existing staffs and reducing their operation costs and not affect customer services.

Most organization will be forced to back to the drawing board and audit the skills and talents that may have been lost with the aim of training the existing staff to perform duties left by those who never come back. Internal recruitment has less performance management issues and grievances among the existing staff and ensures that the top talent within the organization stays longer. There was a significant relationship between employees' position and their terms of employment. As most of those recalled were those on full-time employment.

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