

## The role of HR in organizations In Uzbekistan

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**Abstract-** Human resource management is one of the most important aspects in any organisation. In hospitality industry, if we talk about hotels within the same categories of stars, nowadays, they would be adhering to more or less similar standards i.e. room and bed size, interior design, bathroom, lighting and breakfast and have almost similar facilities which they offer.

**Keywords:** Human resource, HR system, Manager, services, HRM practices, reputation, Companies.

### 1. INTRODUCTION

In Uzbekistan, HR managers in hotels, should focus on strategies avoiding labour shortage so as to maintain high level of hotel service. Recruitment & Selection After HR Manager has developed Job Descriptions and Job Specifications; has designed the jobs through implementation of the job enlargement, job enrichment and flexibility; and has developed strategy based on HR planning aspects, it is right time to start the recruitment and selection process. Through recruitment, HR Manager's goal is to attract and identify potential candidates to fill in job vacancies. It is common practice that HR Manager can recruit internally from the hotel, and/or externally; for local hotels in Uzbekistan, it is suggested to focus on external hires and more importantly on analysis of the recruitment sources, because once HR Manager is able to understand the various sources of recruitment and identify the most effective ones, then it would be possible to be able to become better at recruiting candidates that are suitable for specific jobs who are less likely to leave in a short run.

### 2. MAIN PART

Among various sources of external recruitment are employee referrals, corporate website (hotel website), universities & colleges, social media, print ads, third-party recruiters & headhunters, and online job ad platforms (e.g. hh.uz, rabota.uz, olx.uz, uzzobs.uz, hh.uz etc.). The most important element in analysis of recruitment sources is to compare them through calculation of the cumulative yield ratio, ad

cost, and cost per hired employee. The Table 1 below, shows hypothetical example of analysis of the two recruitment sources such as university and online job ad. Comparison of the sources allows for evaluation of the best sources of the recruitment for the future planning as well as the costs of recruitment, because for an HR Manager recruitment costs also must be considered. Evaluation of employee performance and identifying and rewarding the top performers is very important in any organisation, especially in the hotel, because it is service based industry and success of the hotel evolves around how customers are treated by hotel employees. Therefore, there are key ingredients to creation of the effective performance management system which consists of several steps: step 1 is to have hotel goals which are to be set together and preferably by the senior management; step 2 is to develop department and individual employee goals that are linked to the hotel goals; step 3 is to provide support and ongoing performance discussions; step 4 is to evaluate the performance; step 5 is to identify improvements needed; step 6 is to provide action for achieving (or not achieving) performance outcomes (which include bonuses, pay increase, etc.) (Dessler, 2014). Traditionally, there are several reasons for implementing and maintaining performance management (PM) system in hotels, namely, PM is used for pay, promotion and retention decisions; good PM system is linked to hotel goals, PM is used as a basis for reviewing the career plans; and through PM, training needs can be identified. There are various methods for evaluating the performance of employees such as graphic rating scale, alternation ranking, paired comparison, forced distribution, critical incident methods, narrative forms, behaviorally anchored rating scale, mixed standards scale, and management by objective (Dessler, 2014). This paper is not going to discuss these methods in-depth. Compensation is a powerful tool to retain best employees. One and most important factor, for all companies is to create a market competitive pay plan. The secret ingredient which is practiced in international organisations and should be implemented in local hotels is job evaluation which entails to pay more for the jobs that require greater qualifications,

skills, more responsibilities and involve complex duties and decision making. There are several methods of job evaluation such as ranking, grading and point method; out of which, point method is highly suggested to be implemented in the local hotels (Milkovich & Newman (2007)). Point method is very popular in the U.S.A. where generic compensable factors such as skill, effort, responsibility and working conditions are used (refer to Table In a hotel, Front Office Manager's Job Description and Job specification can be taken as an example, and evaluated against the compensable factors, with the points allocated from the degree definitions table (which must be defined separately by HR); after which, total points can be allocated for the position of Front Office Manager, and converted into the salary. Last step, is to compare the salary with what market pays for similar positions in the country by using salary survey (formal and informal); where the salary can be adjusted in accordance with what market pays (higher or lower pay). Sources of data are collected through the help of focus group discussions with three HR managers who have provided consulting services previously, in several of the hotels located in Tashkent. Names of the HR managers who provided consulting services along with the hotels they provided consulting services for shall remain confidential due to ethics considerations and concluded agreement. Based on the focus group discussion, the following issues have been highlighted in the local hotels, namely; conformance to the service quality standards/ overall service level; employee compensation, working environment, employee overtime, and work safety. Also, it has been highlighted that management lacks professional skills and may behave as if they are 'royalty' where they command what their employee should do, with leaving minimum space for independent decision making. In addition, it has been highlighted about the high turnover rates in few of the hotels which mainly was due to the change of the senior management; reduction in the employee compensation; and inefficient organisational restructuring. When asked about the existing HR roles and practices in the consulted hotels, it was highlighted that the main role of HR was fast recruitment after massive employee downsizing/resignation, as well as induction training for the new employees. According to the finding from focus group discussion, there are serious problems with the existing HR system within many local hotels of the country which need to be addressed and resolved. The aim of this article was to identify the HR related issues as well as to identify the main HR roles and functions practiced in the local hotels of Uzbekistan. Factors such as level of service, employee compensation, overtime, working environment and work

safety have been reported among the most common. These factors, are mostly related to HR function of a hotel which is not working properly, and as it has been revealed during the focus group discussion, this could be caused by the management's attitude towards employee and overall hotel management, therefore, it is important to have qualified HR Manager who can convince senior management in the importance of implementing the HRM practices. Although, considering that there is a relatively high turnover rate not only in hotels of Uzbekistan but worldwide in the hospitality industry as a whole, HR Managers in local hotels have to consider focusing on strategies avoiding labour shortage through reduction of turnover rates by building solid HR system, and expanding HR function from 'recruitment quickly' to HR practices, discussed in this article such as planning, selection, job analysis and job evaluation, performance management, compensation, employee development, training and development, employee relations and retention. It is also important to implement HR practices effectively, so that benefits of it are visible to hotel's senior management in a short run. Factors, such as, improved quality services, happy, independent and committed employees, positive customer feedback, increased hotel booking capacity can be seen right after the successful implementation of the HRM practices within the hotel, thus, possibly, affecting the change of the senior management towards employees and their wellbeing. Once local hotels start to compensate their employees based on employee qualification, tasks, duties, responsibilities and degree of decision making, they would be able to increase overall hotel service quality which in long run will lead to higher profits and improved reputation in the market. During the last 5-7 years in our country we are observing that the perception about role of Human Resources is started to change. However there are areas for development and improvement. There is a tendency to effective HRM but still not many Companies or HR teams understand that their responsibilities beyond hiring and firing and, unfortunately the real tendency to increase HR role in organization is rather slow.

### 3. CONCLUSION

That's why Uzbekistan AmCham Human Resources Committee has been created. The goal is to set up an HR Committee within AmCham Uzbekistan to help its members to get acquainted with the latest Human Resources trends and news. We want members to be part of the conversation.

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