







# NEED OF HIRING RATHER BUYING

WHEN AN ORGANIZATION IS IN URGENT NEED  
OF RECRUITING TALENT, MOST ORGANIZATIONS  
OPT FOR THE STRATEGY OF BUYING TALENT

BY: **SONAVI KAICKER**

THE VARIOUS market studies may have pointed out the higher attrition rates in the hospitality sector in India, we, being a Company in the same sector are not victims of this. Attrition has been a never-ending problem for every organization especially in developing countries like India where every few

days a new company is being formed and thus the hospitality sector too is affected. But it is the level of concern and human contact that keeps the locals workforce with us.

In a recent internal analysis, we have discovered that the voluntary attrition factor is only at the entry level. Sometimes





new employees do not last for more than a couple of months or a year maximum as they join to get the Neemrana stamp. The main reason behind this is that they seek quick growth in their career and their responsibilities towards their families. At Neemrana, we are much better off than other hotel chains as we focus on hiring locals, which also has other benefits.

As far as technology is concerned, it has increased the productivity and efficiency of the hospitality business, but the right technology for the right skill set and the business is very important; a poor choice will tend to cause difficulties and impact results. Opting for career portals, skype interviews, learning through audio-video presentations, and online development platforms by companies increase efficiency and fulfill the potential of the talent which in turn makes them easily learn more about their career development and the Company's culture. Technology has also helped HR professionals to provide insight and useful information by analyzing performance information/data from time to time which helps identify high potential talent, who when properly motivated are less likely to move elsewhere.

When an organization is in urgent need of recruiting talent, most organizations opt for the strategy of buying talent.

This practice is being generally followed by the new players in the industry where they don't have enough internal resources or don't have time to wait for the existing team members to develop and hone their skills. Hiring the right talent with the right skill set and competencies is necessary rather than buying a talent just for the sake of filling the position up. Buying talent is not a good practice when the work is specialised and the organization's design drives internal mobility. Here, training and growing talent is probably a better strategy to consider. By opting for a talent building strategy an organization can reduce attrition but building talent requires time and discipline.

As far as turnover for senior personnel is concerned, several studies have shown that non-financial reasons are very important to retain talent, such as being able to work freely and being valued by one's employer. At Neemrana, we have a strong focus on the heritage aspect of hospitality, which inherently is a local characteristic. We make our local team members proud of their heritage. Thus, focusing on the hiring of locals helps us not only improve and differentiate our product but also helps our team relate to our core values and identify themselves with the company, reducing attrition.

As the market is getting competitive, because of the



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addition of supply and a slowdown in demand, Companies are not building talent and instead they are buying talent. A deep understanding of the organization's values, service standard and product knowledge are the essential requirements for employees and this can only be developed over time, and not by buying talent. There are several examples of hastily executed projects, rolled out by blindly buying talent. Over the medium-to-long term, while we do believe in the concept of efficient markets, with demand and supply finding the right balance, new entrants to the industry would do well to consider the damage to the hospitality ecosystem from such poorly evaluated projects, some of which shut down two years after launch, causing unnecessary and unproductive disruption.

Focusing on organic growth, both at the macro and micro level has always been our credo for manageable growth. An approach where talent is built from within, an organizational structure that rewards talent, and a management that executes a responsible growth strategy, keeps Neemrana on a solid footing!

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