

# EMPLOYMENT GENERATION THROUGH STANDARD HOTEL INDUSTRY BUSINESS: MYTHS AND REALITIES!!

\*Dr. Dayanandan

ISSN: 2455-6661

#### **Abstract**

Role of the modern service sector like standard hotel industries is an alternative stimulant to socio-economic development, poverty reduction and job creation and its increasing demand and supply gap. However, due to different constraints and factors, this may not be achieved the socio-economic advantages of the society through employment as expected from standard hotels investment in the study area. Hence the main objective of this paper is to assess the role of standard hotel industry business in employment gemeration. The study is based on both quantitative and qualitative in nature with the help of primary and secondary data. Primary data was collected through survey questionnaire, administered to employees and management members of sample standard hotels, selected by systematic sampling technique. Secondary data was obtained through review of literatures, regional investment data base and the regional culture and tourism bureau reports. Descriptive analysis was employed and argumentative explanations and narrations are provided from qualitative information.

The findings indicate that socio-economic benefits of the society through employment generation from the standard hotel business are inefficient and instability, which is in favor of the employers rather than employees. Inefficient employment characteristics are absence of transparency and accessibility, selectiveness and low qualification. Attributes for employment instability are poor working conditions and unsuitable environment, absence of motivation, incentives and unequal treatment between management members and workers that the management members benefit better than workers because a significant number of workers cannot afford for personal savings, upgrade education and personal problems. As the results indicate, standard hotel business failed to achieve the expected socio-economic gains through employment. Further both both demand and supply side constraints are responsible for identified inefficiencies. Therefore, improving the existing operation with recommendable means of intervention is appropriate to address the problems.

**Key Words:** Employment, Hotel Industry Business, Inefficiency, Challenges

<sup>\*</sup> Associate Professor, Hawassa University. E-mail: afianand@gmail.com



# 1. Background and Rationale

According to Waddell S. (2000:135), the involvement of private sector in employment strategies is critical as it has the resource, expertise and capacity to generate wealth and the capacity needed to create employment opportunities beyond all else. Other scholars and institutions like Pierre, et al (2008: 74-82) and World Bank (2009:165-168) have been forwarded that good investment climate plays a central role in economic growth and poverty reduction through employment creation for people to be employed and to improve their living standards. Different analyses have point out the role of the modern service sector like standard hotel industries as an alternative stimulant to socio-economic development, poverty reduction and job creation and its increasing demand and supply gap (Louise, et al, 2008:19-23 and IFCs, 2011:2).

The Ethiopian economic growth was mainly contributed by the service sector (42.2%), agricultural sector (47%) and industrial sector (10.8%) (CSA-USA 2016). Even though there is a relative increment in private investment in the past two decades however compared with these fertile ground for private investment it is still low, including investment in hotel and tourism in general and standard hotels (World Bank, 2009:13-14; Govena C, et al, 2013:7 and The Africa Group, 2013:153). Though the hotel industry in Ethiopia has been developing very fast but there is still a big gap between demand and supply. According to Govena, et al (2013:7), there is big room for improvement when it comes to the quality of service, shortage of accommodation, low quality supply of local market and in capable human resource arrangements.

Kellow, et al (2010:11) identified the situational analysis of the problem of unemployment in Ethiopia, as critical socio-economic issue however that could be addressed through investment. The problem of unemployment is more severe in urban than rural areas and the rate slightly declined from 17.5% in May 2012 to 16.1 in October 2014 (CSA, 2014). Therefore to reduce urban unemployment and to create job opportunity for urban youth, standard hotel business plays irreplaceable role.

Standard hotel investments are creating an average of 1.5 to 3 jobs for each hotel room and have a major multiplier effect on local economies. Because they provide better quality service and facilities than basic hotels, four and five-star hotels generally employ more people than other types of tourist accommodations and contribute more to tax revenues and foreign exchange earnings (IFCs, 2011:1). However, due to different constraints and factors, in actual condition the investment may not achieved the socio-economic advantages of the society through



employment as expected from standard hotels business in the city. Therefore, this research paper focuses on the role of standard hotel industry business in employment generation at Hawassa city, Ethiopia.

# 2. Objectives

The overall objective of the paper is to assess the role of standard hotel industry business in employment generation in the city of Hawassa. In line with this, the specific objectives are:

- (i) To examine the contribution of standard hotel business in employment generation.
- (ii) To identify the problems associated with employment generation in the standard hotel business in the study area

# 3. Research Design

This research employed both qualitative and quantitative data analyses approaches. Different types of participants were involved such as standard hotel industry owners, management members, permanent and temporary employees as well as government officials. A multi stage sampling procedure was adopted to select the sample hotels and the respondents. The study area (Hawassa city) was selected by purposive sampling due to high flow of investment commensurate with hotel and tourism sector. Based on hotels grading requirements, a hotel shall have at least 10 rooms and above are eligible for standard rating (Ethiopia Standard Agency, 2015). In the second stage, out of 25 standard rating eligible hotels in the study area, six operational standard hotels were selected by systematic sampling based on hotels lists arranged in descending order of room numbers from 114 to12. In the third stage, from the total 574 employees of six selected hotels, to have representative sample size, Yamane (1967) formula

 $n = \frac{N}{1 + N(e)^2}$  was used to arrive 187 sample employees with 94% degree of confidence. In addition, all the 47 managerial level employees were also included as sample. Thus the total sample size was 234. However, 206 questionnaires were returned and they were included for analysis purpose. The collected data was analyzed using SPSS (version 21) and descriptive analysis such as percentages, mean and standard deviation were carried out. Five point Likerts; scale was used to collect the qualityative information. The qualitative data was summarized using narrations and interpretations.



#### 4. Results and Discussion

#### 4.1 Contribution of Standard Hotel Business in Employment Generation

The basic model used for the study is a concept of inclusive social business. According to Strickland, et al (2014:4) the model explains profitability and sustainability of private investment based on the idea that it should include social affairs of a given society. The process of employment generation by undertaking the working environment and employee motivation mechanisms are the main parameters of assessments in relation to the contribution of standard hotel business in employment generation.

#### 4.1.1 Assessment of Employment Mechanism in the Standard Hotels

To identify the employment process, the indicators such as equal access to job opportunity for potential labor, recruitment criteria, and pre-requisits to be fulfilled by potential employees after selection, and awareness of duties and responsibilities at the entry point were used. Based on theses, variables such as openness, transparency, flexibility, accessibility and long term orientation of the hotel industry are examined.

As showed in the table 1, the entry point to the hotel is to be followed formal employment procedures. About 60.4% employee and 48.9% of management staff were employed through announcement in notice boards in the hotel or private notice boards in the city. 18.2% employees got employment opportunities through information from already employed friends in the hotel whereas about of 25.5% management members were employed through kinship. This shows that owners of hotels do not make accessible of managerial position for all competent and majority of managerial position occupied through kinship. This may affect employment system in the industry, 'to put the right person at the right place', which results in low productivity.

On the other hand, there is loose linkage between the training institute on hotel and tourism such as Technical and vocational Educational Training (TVET) for proper placement of new graduates in the hotel industries. Also 34.0% was employed due to their experiences in the hotels and 34.6% was employed due to both experience and education. This implies that there is a limited room for new graduates in the sector and the industry runs by least skilled man power. The motive of hotel owners is to employee already available in the market and makes profit, rather invest on new employees through training and experience sharing.



In the same way, requirements to be fulfilled by candidate after the selection, 73.6% employee and 59.6% management members provided traditional collateral including; house, vehicles, machineries, regular job and salary of someone who has letter from government and non-government organizations etc.

**Table 1: Employment mechanism in the Sample Hotels.** 

	Employment mechanism in the	Position			
Description	Mechanism	Employee	Managerial		
		Respondents	Respondents		
	Notice Board	96 (60.4%)	23(48.9%)		
	Local Media	12 (7.6%)	5(10.6%)		
	Kinship	3 (1.9%)	12(25.5%)		
Employment opportunity	Friends	29 (18.2%)	01(2.1%)		
	Labor Agency	01 (0.6%)	-		
	Training institute	04 (2.5%)	01(2.1%)		
	Personal contact	13 (8.2%)	05(10.6%)		
	Other	01 (0.6%)	_		
	Total	159 (100%)	47(100%)		
	Experience	54 (34.0%)	02(4.2%)		
	Education from Higher				
	institutions	17 (10.7%)	21(44.7%)		
Strength to get this job	<b>Education from TVET</b>	14 (8.8%)	01(2.1%)		
	Short term training	11 (6.9%)	01(2.1%)		
	Experience and education	55 (34.6%)	20(42.5%)		
	Good communication	05 (3.1%)	01(2.1%)		
	Others	03 (1.9%)	01(2.1%)		
	Total	159 (100%)	47(100%)		
Provided collateral	Yes	117 (73.6%)	28(59.6%)		
	No	42 (26.4%)	19(39.4%)		
	Total	159 (100%)	47(100%)		
Awareness of duties and	Yes	142 (89.3%)	44(93.6%)		
responsibilities	No	17 (10.7%)	03(6.4%)		
Comment Date	Total	159 (100%)	47(100%)		

Source: Survey Data

As focus group discussions show, those who were employed due to kinship did not provide collateral. From this it can easily be understood that employment procedure in the hotel industry is not flexible and favors employer than the employee. Focus group participants expressed that high turnover in hotel business has been observed due to the rigidity of rules and regulations. Regarding awareness about duties and responsibilities of employee/management members, while joining hotel industry, 89.3% employee and 93.6% management members were informed about



their duties and responsibilities. This shows better conditions in the employment recruitments procedure.

Through observation, the researcher could observe functional conditions. Employees as well as management members are performing their designated duties. However, perusal of file indicated that there are irregularities of employees. These are the absence of job description, lack of uniformity and formal procedure. In the existing job description file official seal of a given hotel is not stamped. This needs improvement to make its function efficiently such as employment transparency, follow formal procedures, and attract potential workers from labor market etc.

#### 4.1.2 Assessment of the Working Conditions of the Sampled Hotels

The working condition is one of the factors that determine the smooth function of a given industry and increase productivity and also benefit to the society. The indicators identified including employee stays in the hotel, nature of working hours, previous employment status, good relationship with the management, and confidence of work guarantee and good relationship of workers among themselves.

Work experiences of the employees' shows that the duration of stay in sample hotels is short time and many of them joined the hotel three years before. However, the duration of management members is better than employees, because many of employee respondents stayed in the hotels less than one year and it is possible to associate the prevalence of high turnover in the hotels. Moreover, key informant interview with selected human resource managers indicates that high turnover of employee is due to the weak incentives and motivation and also the attitude of employees that undermines to serve in hotel activities. The hotel owners and managers revealed that high turnover of employees including the graduates due to the lack of interest and commitment to work in hotel business. Therefore, hotel industry face challenges such as decline in the quality of work, worker loyalty, additional costs to employers in terms sunk costs in training and to deploy new employees from pre-departures, recruitment, selection, orientation and training, finally decrease productivity (ILO, 2010:17)

The above justification does not qualify personal experience of individual employee in hotel business because 50.9% of employee was employed in similar job before joining the hotels. Contrary, 48.9% of management members were fresh graduates while joining the hotels. Perception on work guarantee in the hotel industry reveals that 62.3% of sample employees and 23.4% of management employees espressed the absence of job security. This means management



members have more confidence than employee due to the violation of formal procedures in the employment. According to focus group discussion if an employee is absent for five days continuously, they will be terminated by the employer.

**Table 2: Working Conditions of the Sampled Hotels** 

		Position			
Description	Characteristics	Employee	Managerial		
		Respondents	Respondents		
	Below 1 year	78 (49.1%)	17 (36.2%)		
Service year in the hotel	1-3years	52 (32.7%)	23 (48.9%)		
	3-5years	18 (11.3%)	05 (10.6%)		
	above 5 years	11 (6.9%)	02 (4.3%)		
	Total	159 (100%)	47 (100%)		
	Shift	117 (73.6%)	09 (19.1%)		
	Fixed hour	31 (19.5%)	33 (70.2%)		
Nature of working hour	Conditional	11 (6.9%)	04 (8.5%)		
	Others	-	01 (2.1%)		
	Total	159 (100%)	47 (100%)		
	Unemployed	25 (15.7%)	05 (10.6%)		
	On the same job other place	81 (50.9%)	13 (27.6%)		
	On other job other place	26 (16.3%)	08 (17.0%)		
Previous employment	Student	12 (7.6%)	23 (48.9%)		
status	Family Business	09 (5.7%)	- V /		
	Others	06 (3.8%)	03 (6.4%)		
	Total	159 (100%)	47 (100%)		
Good relationship with	Yes	49 (30.8%)	-		
managements.	No	110 (69.2%)	-		
	Total	159 (100%)	-		
Confidence of work	Yes	60 (37.7%)	36 (76.6%)		
guarantee	No	99 (62.3%)	11 (23.4%)		
	Total	159 (100%)	47 (100%)		
Reason for lack of work	Short term employment	05 (5.1%)	-		
guarantee	Illegal procedure	92 (92.9%)	09 (81.8%)		
	Others	02 (2.0%)	03 (19.2%)		
	Total	99 (100%)	11 (100%)		

Regarding working hours, 73.6% of employees work on shifts and 19.5% works on fixed hours, while only 19.1% of management workers work on shifts and 70.2% work based on fixed hours. According to Busquets, J. (2010:19) similar to this working conditions of hotels and restaurants characterized by unsocial and irregular working hours in the form of split shifts, weekend shifts, nightshifts, or work during holidays. This leads for special treatment of employee such as: shift work regulation, Orientation for Safety and Health (OSH), job



classification, payment and wages, including tips and service charges, skills development, gender equality, youth employment, migrant labor and child labor. However, fulfilling these pre conditions are taken as the main challenges for the hotel business. As observation indicated, sample hotel industries lack these preconditions especially related to Orientation for Safety and Health (OSH), payment and wages including service charges and development of skills. Further, irregular working hours especially night shifts are vulnerable to women workers, their residences are inaccessible from public transport. Irregular working hours are not suitable for women due to sexual exploitation. This requires enforcement of national labor law and other international laws.

About 69.2% has poor relation with the management and remaining (30.8%) has good relation with the management. In relation to working time arrangement, even though the time duration was mostly based on 8 hours working day of national standard, split-shift, week end, night time and holly days, heighten stress on workers with family and other social responsibilities. To assess social dialogue related conditions within the industry, important points are gathered through five point Likert's scale and presented in the following sections.

### **4.1.3** Assessment of Employee Motivation in the Hotels

According to Govena et al, (2013:3-4) the quality of human resources are needed to the products of the enterprises to ensure the productivity of the enterprises and can only be achieved through motivation. Similarly the physical working environment and internal motivations such as award and promotion are important in a hotel business for efficiency and increase productivity. This is because internally motivated workers would stay longer in the business. The study examined, both employees and management members' level of motivation such as improvements in personal income, saving, future plan, improvement in business experience, use of information and communication technology. The data was collected through five point Likert Scale. The mean value below 3 shows the dissatisfaction level on motivation mechanisms and the mean value above 3 shows satisfaction on motivation mechanisms.

As indicated in the table 3, overall motivation level results indicate that except few variables, the mean value of most of the variables are below 3 which is the inefficiency in function of the sample hotels. Quality employment, competitive workers and descent work place procedures more profit and wealth for business owner, whereas, this business will provide more job opportunity and sustainable employment. Workers who are qualified and satisfied with their



working environment will produce better outcomes both in terms of enterprise performance and enterprise engagement in social and environmental issues as indicated by ILO (2010:50). Similar to this the primary objective of National Employment Policy and Strategy (NEPS) is "to provide guide lines for streamlining productive employment and decent working conditions in the country and thereby promote social welfare and equity through poverty reduction" (NEPS, 2003:13). However unlike the ILO justification and national policy direction, the industries lacked quality employment, conducive working environment and competitive workers. As the result the study further investigate the main problems for the inefficient and instable employment in the next section.

**Table 3: Employee Motivation in Sample Hotels** 

Particulars	Position		Highly dissatisfied	Dissatisfied	Neutral	Satisfied	Highly satisfied	Mean	Std.dev
Par	Pc	N	H diss	Diss	Ž	Sa	Bs		S
Income	Employee		24	92	20	14	09	2.331	1.028
due to	Respondents	159	(15.1)	(57.8)	(12.6)	(8.8)	(5.7)		
salary	Management	47	04	06	01	23	13	3.451	1.872
	Respondents		(8.5)	(12.8)	(2.1)	(48.9)	(27.6)		
Income	Employee		12	33	34	62	18	3.736	1.938
due to	Respondents	159	(7.5)	(20.8)	(21.4)	(39.0)	(11.3)		J.
customer	Management	47	24	14	01	05	03	1.955	1.432
tip	Respondents		(51.1)	(29.8)	(2.1)	(10.6)	(6.3)		
Income	Employee		20	55	37	29	18	2.818	1.211
due to	Respondents	159	(12.6)	(34.6)	(23.3)	(18.2)	(11.3)		
service	Management	47	04	12	05	14	12	2.127	1.325
charge	Respondents		(8.5)	(25.5)	(10.6)	(29.9)	(25.5)		
Personal	Employee		23	61	34	16	25	2.790	1.268
saving	Respondents	159	(14.4)	(38.4)	(21.4)	(10.1)	(15.7)		
	Management	47	06	07	05	21	08	3.456	1.756
	Respondents		(12.7)	(14.9)	(10.6)	(44.7)	(17.0)		
Improve	Employee		64	59	11	11	14	2.066	1.250
personal	Respondents	159	(40.3)	(37.1)	(6.9)	(6.9)	(8.8)		
plan	Management	47	07	08	04	21	07	3.596	1.652
	Respondents		(14.9)	(17.0)	(8.5)	(44.7)	(14.9)		
Business	Employee		42	56	26	17	18	2.463	1.304
experienc	Respondents	159	(26.4)	(35.2)	(16.4)	(10.7)	(11.3)		
e	Management	47	06	09	02	19	11	3.359	1.752
	Respondents		(12.7)	(19.1)	(4.2)	(40.4)	(23.4)		
Use of	Employee		68	42	10	20	19	2.231	1.413
ICT	Respondents	159	(42.8)	(26.4)	(6.3)	(12.6)	(11.9)		
	Management	47	06	09	05	14	13	2.956	1.876
	Respondents		(12.7)	(19.1)	(10.6)	(29.8)	(27.6)		

Source: Survey data, 2015.

**Note:** Figures within brakets show percentages



## 4.2 Problems Associated with Standard Hotel Business and Employment

The result of assessment for the past ten years in the city was attributed to slow investment projects implementation in job creation as well as capital formation. Those have been fully operational and existing standard level hotel investments employment was also attributed to employment instability analyzed different indicators such as in accessible for all appropriate in the market, rigid employment which lacks modernity and flexibility, backward Human Resource Management system, poor working environment, high turnover and lack of employee motivation and low benefit from employment. For the stated inefficiencies different types of demand side and supply side problems were assessed in the study. For the purpose of analysis, the respondents mean value below 3 shows disagreement and the mean value above 3 shows agreement of prevalence of challenges. On the other hand the variation of Standard Deviation (SD) from mean value above 0.5 approaches to +1 is strong relationship of all responses for mean value and the variation below 0.5 shows weak relationship. The results are presented in tables 4 and 5.

#### **4.2.1** Demand Side Constraints

According to Kellow, et.al (2010:33-36) employment creation and empowerment of youth traditionally associated with the responsibility of government and civil society. As it is known, main objective of the hotel industry business is profit maximization, even though the traditional thinking considers, involvement in the social issues like employment creation as burden for the functioning of business. Therefore, low absorption capacity, skill and experience requirements show that the private sector employers interested only in finished products from the market.

In relation to this, the study identified some of the important variables such as; low employee incentive, low management incentive, lack of transparent employment procedures, low internal capacity building and external capacity building, shortage of work place facility, low work guarantee, involuntary apparent ship and unsuitable employment conditions & employer favored laws & regulations as the demand side (private sector employer) constraints. Those variables were forwarded as question and the respondents were asked to respond their agreement in a five point Likerts' scale. As indicated in the table 4 the demand side constraints as identified by the respondents shows that the mean value is more than four and variation of standard deviation from mean value is one and above. This confirms all respondents accepted the prevalence of demand side problems.



**Table 4: Demand Side Constraints** 

Perceived Constraints	Fre que ncy	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std. Dev
Low employee incentive	47	12 (25.5)	04 (8.5)	05 (10.6)	09 (19.1)	17 (36.2)	4.681	3.643
Low management incentive	47	16 (34.0)	05 (10.6)	05 (10.6)	08 (17.0)	13 (27.6)	4.809	3.663
Absence of Transparent employment	47	06 (12.7)	10 (21.2)	06 (12.7)	13 (27.7)	12 (25.5)	4.809	3.424
In volunteer apparent ship	47	16 (34.0)	03 (6.3)	05 (10.6)	09 (19.1)	14 (29.8)	4.957	3.693
	47	19 (40.4)	=	-	14 (29.8)	14 (29.8)	4.915	3.779
Low work place facility								

**Source:** Survey data

**Note:** Figures within brakets show percentages

## **4.2.2** Supply Side Constraints

The supply side problems of labor market constitutes lack of the labor force (both skilled and unskilled) in the external market which is also termed as a push factor in the labor market; and it keeps supplying labor to the market. According to Serneels P (2007:33) some of the labor market constraints in Ethiopia such as low educational level, lack of quality skill attributes, youth perceptions on employment, lack of support towards youth entrepreneurship and low human capital development can be under taken in to consideration.

**Table 5: Supply Side Constraints** 

Perceived Constraints	N	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std. Dev
low capacity of new	47	1(2.1)	2(4.2)	6(12.8%)	17(36.2)	21(44.7)	3.830	
graduate		-()	_()	*(==:*,*)	- / ( /	(,		2.963
High turnover of	47	2(4.2)	4(8.5)	-	25(53.2)	16(34.0)	3.957	
employees								2.042
Poor attitude of employees	47	-	7(14.9)	-	30(63.8)	10(21.3)	4.085	
for hotel work								2.905
Low employees efficiency	47	2(4.2)	10(2.3)	4(8.5%)	26(55.3)	5(10.6)	4.532	3.080
Low employees creativity	47	15(31.9)	3(6.3)	-	23(48.9)	6(12.8)	4.957	3.546
Low understanding new	47	5(10.6)	3(6.3)	-	36(76.6)	3(6.4)	4.383	
phenomenon								3.074
Low quality of local	47	2(4.3)	-	12(25.5	20(42.6)	13(27.7)	4.106	
products				%)				2.961

**Source:** Survey data

**Note:** Figures within brakets show percentages



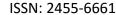


In this research, the most important supply side constraints such as availability of skilled workers in the market, capacity of new graduate, existence of modern & trained potential workers supplier, turnover of employees, interface of training centre with the hotel industry, attitude of employees for hotel work, employees efficiency, employees creativity, understanding of employees for new phenomenon and quality of local products are considered. The supply side constraints as identified by the respondents also indicate that the mean value is more than 3 and variation of standard deviation from mean value is also one and above which confirms the prevalence of all type of problems as specified above.

Generally respondents were accepted the existence of identified both the demand side and supply side problems in the hotel industry. However, as the survey result shown, supply side constraints are more intense than the demand side problems. Therefore government, hotel industry investors and other concerned bodies should give more attention to solve supply side problems for for social benefit through employment in standard hotel business.

#### 5. Conclusion and Recommendations

From the result of the study it can be concluded that employment in sampled hotel industry is in favor of the employers and management members rather than employees. Generally employment in sampled hotel industries is characterized by inefficiency and instability. Inefficient employment characteristics are sex and age selectiveness, lack of transparency and accessibility, kinship employment of management members, employment for experience rather qualification; mobilize low qualified student and migrant workers and rigid employment procedures. On the other hand employment instability is associated with poor working conditions and absence of motivation. The poor working conditions in the sampled hotel industries due to poor communication between employees and management members, low level of empowerment, lack of work place facilities and emergency treatment, lack of transparency and poor treatment of the employee. The industry also characterized by a low level of motivation of employees due to low salary and lack of incentives such as service charge sharing, over time payments, low internal and external capacity building etc. further observed by the study. Finally it is concluded that the standard level hotel investments failed to achieve the expected socio-economic gains through employment. Thus the employment inefficiency and instability raises questions about its competitiveness and sustainability as one of the investment in the city and the business lacks the





social responsibility in opposite to the theory of inclusive social business model. Based on the findings, the following recommendations are forwarded.

- Formulate strong relationship between the hotel industry and training institutions in order
  to ensure school-to-work transition of potential employees from education to work and
  skills, support and information improve mismatch between skills and opportunities
  through vocational education and training.
- 2. To improved labor market information organizing modern labor market equipped with modern data base, Information Communication Technology (ICT), short term work transitional training to develop initial human capital and deploy with full responsibility and accountability so as to create linkages between firms that hire potential employees from the labor market through recruitment information systems and job announcements in campuses
- 3. The standard hotel busines investors work aggressively to join international branded hotel chains through franchising to participate in the global competitive market.
- 4. Hotel industries should focus on long-term investments in their workforce rather than a short-term extraction of benefits which will provided to enhance productivity needed to demonstrate international level quality and competence as widely practiced by leading companies. Furthermore, those who enter to the industry should be given the opportunity to develop their rewarding career, advance their profession and job security.

## 6. References

- Busquets, J. 2010. Accommodation and consumption diversification in the sector of Tourist accommodation and restaurant industries, and its effects on labor relations, The Study commissioned by the ILO.p 19.
- Central Statistical Authority (CSA) of Ethiopia, 2014. Ethiopia's 2014 Urban Employment/Unemployment Survey, Addis Ababa.
- CIA-USA. 2016. The Ethiopian Economy 2013-14. World Fact Book and Other Sources.
- Ethiopian Standards Agency. 2015. Hotels Grading Requirements and Classifications. Working draft document, (Second edition), Ethiopian Standards Agency, Addis Ababa
- Govena C.EBISA & Gudeta H. Andualem.2013.Hotel SectorInvestment inEthiopia. *Journal of Economics and International Business Research (JEIBR)* vol.1 no 2: pp 3-54.



- International Finance Corporation, IFCs. 2011. International Financial Institutions and Development through the Private Sector. Pennsylvania Avenue, N.W. Washington, D.C., U.S.A. pp 3-20.
- International Labor Organization, ILO. 2010. Developments and Challenges in the Hospitality And Tourism sector, Issues. Paper for discussion at the Global Dialogue Forum for the Hotels, Catering, Tourism Sector, Geneva, Switzerland. Pp 11-50.
- Kellow Nebil, Gezahegn Ayele & Hayat Yusuf.2010. Enabling the Private Sector to Contribute to the Reduction of Urban Youth Unemployment in Ethiopia. Private Sector Development Hub/Addis Ababa Chamber of Commerce and Sectoral Associations. Addis Ababa, Ethiopia. Pp 11-36.
- Louise Fox and Melissa Sekkel Gaal.2008. Working Out of Poverty, Job Creation and the Quality of Growth in Africa. The International Bank for Reconstruction and Development / The World Bank, NW Washington, DC U.S.A. pp 19-23.
- Pierre-Richard Agénor and Peter J. Montiel .2008). Development Macroeconomics. 3<sup>rd</sup> edition, Princeton University Press, New Jersey, U.S.A. pp 74-82.
- Serneels, P. 2007. The Nature of Unemployment among Young Men in Urban Ethiopia: Ethiopia Urban Labor Markets in Ethiopia Challenges and Prospects, University of Oxford UK. p 33.
- Strickland, Bradford & Charito M. Kruvant. 2014. Making Positive Social Impact and Every day Part of International Business: How the Private Sector Can Use International Development Companies to Improve Their Triple Bottom Line. Council of International Development Companies (CIDC), USA. Pp 4-37.
- The Africa Group. 2013. Business Landscape, Invest in Ethiopia: The Emerging Workshop of Africa. p 153.
- Waddell, S. 2000. Youth Employment and Livelihood: The Role of the Private Sector. The International Youth Foundation, Baltimore, U.S.A. p 135.
- World Bank (2009), Doing Business 2010: Ethiopia World Bank, Washington. Pp 13-45.
- Yamane, Taro. 1967. Statistics: An Introductory Analysis. 2nd Ed., Harper and Row New York.