PERSONNEL TURNOVER AND ITS IMPACT ON THE RESTAURANT INDUSTRY IN VERACRUZ, MEXICO

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Abstract: In the restaurant industry of Veracruz, Mexico; There is a problem related to human capital, this is staff turnover, this situation is commonly observed in all types of restaurants and food sales places, so it is necessary to identify the problem and see the causes that originate it and at the same time. At the same time, propose alternative possible solutions to reduce this situation and ensure that it is a moderate rotation since at the same time it is healthy, however, since there is an excess it causes many economic losses in the company, so cases will be analyzed in detail. to have a clearer perspective of this situation.

Keywords: Personnel turnover, human capital, restaurant industry

INTRODUCTION

Human capital has been the point of reference for activities in a company for decades, since without personnel the daily tasks of a company cannot be carried out. The analysis of this study will be based on the analysis of personnel rotation, on what motivates the worker to leave a company, in the past slavery even existed, they did not have any pay other than food and they even received mistreatment, later it was the change through the industrial revolution that the workers fought for their rights and social security,(Camarena et. al., 2016) It was then that they began to change in favor of the workers, even so a few decades ago there were many restrictions regarding hiring a worker, they had to reject any candidate who could present contagious diseases, physical defects, traumas and that could affect their co-workers, even of a woman if she was pregnant; The approval of the medical examination gave the organization a perspective about the future worker regarding absenteeism, disabilities, decrease in work performance, since they used to choose people who strictly had physical and mental health that can comply with the training programs of productivity.

Human capital and how personnel turnover affects this line of business will be analyzed in the restaurant industry. Although today workers are often in better conditions than in the past, it is necessary to analyze what makes them take the decision. decision to leave the company, whether formally resigning or simply stopping attending, the cost that excessive staff turnover can entail will also be seen, including analyzing whether staff turnover is healthy to a certain extent, this will be developed through interviews and application of a questionnaire to employees of the restaurant sector.

THE HUMAN RESOURCES DEPARTMENT, THE FILTER FOR HUMAN CAPITAL MANAGEMENT

Human resources are the main factor for organizations to function in the best way, thanks to the fact that in most companies there is a department that is dedicated exclusively to managing human resources, this is how you can be sure that The people who arrive at the company will be the most suitable after the series of processes carried out.

Human resources management (HRM) is a very sensitive field for the predominant mentality in organizations. It depends on the situations due to various aspects, such as the culture that exists in each organization, the organizational structure adopted, the characteristics of the environmental context, the organization's business, the technology it uses, the internal processes, the management style used. and countless other important variables.(Benavides et. al., 2006)

HUMAN RESOURCES PLANNING

The importance of human resource planning is that it allows us to foresee the human resource needs of the organization in the coming years and identify the steps necessary to meet these needs. This process involves developing and executing plans
and programs to ensure that the appropriate number and type of personnel are available at all times to meet the needs of the organization.

Human resource planning allows you to visualize how many people with certain skills the organization needs in a certain period of time, how many of these people are working today and how many will remain, in order to have expert and capable personnel in a timely manner, it is based on the forecast that attempts evaluate possible staff needs in the future, predicting the number and profile of staff you will need, responsibilities.

The management of human resources is based on justice, equity, clarity, discipline, recognition and respect for dignity, this is how personnel management is related to the circumstances and characteristics of the managers; It must be taken into account that each company is a microworld that differs from the others (Álvarez et. al., 1999, page 68)

This way, human resource planning is integrated, on the one hand, taking into account the hired personnel currently working and, on the other, the short and long-term needs, how many vacancies will have to be filled and the job profiles, in order to resort to internal and external recruitment sources.

**DESIGN JOB DESCRIPTION AND ANALYSIS**

Job analysis is the process of obtaining progress and recording information related to positions. It is a process of investigating work activities and workers’ demands. Whatever the type or level of employment.

A position is the unit of organization that carries a group of duties and responsibilities that make it separate and distinct from other positions.

The job analysis process consists of determining the elements or facts that make up the nature of a job and that make it different from all others existing in the organization.

Job analysis is made up of two parts: job description and job specification:

The job description is the detailed list of the powers or tasks of the position (what the occupant does), the methods used to execute those powers or tasks (how they do it) and the objectives of the position (what they do it for).

The job specification is what determines the requirements necessary to fill the position. Includes: knowledge, skills, attitudes, responsibilities, etc.

Organizations are the means for the production of goods or services, for them the most important challenge is human resources and many times this does not receive the remuneration that indicates the value it must have, the fact that people remain in an organization is synonymous with that appropriate processes are being applied in the human resources department.

**RECRUITMENT AND STAFF SELECTION**

Organizations try to attract individuals and obtain information about them to decide on the need to admit them or not.

The recruitment and selection of human resources must be considered as two phases of the same process.

Recruitment: It is a set of procedures that have to attract candidates potentially capable of holding positions within an organization.

It is a fundamental activity of an organization's human resource management program. Once the HR needs and job requirements have been finalized, a recruitment program can be launched to generate a pool of potentially qualified candidates. These candidates may be obtained through internal or external sources.

Selection: The selection process includes both gathering information about job candidates and determining who must be hired.
The selection task is to choose among the candidates that have been recruited, the one who has the greatest chance of fitting the vacancy.

The selection of personnel must be based on objective techniques that allow evaluating the skills and aptitudes of the personnel for the position, determining gaps and needs. The selection process may vary depending on each organization, below is a general process:

The next step is the interview, which is an interpersonal communication that allows us to assess factors such as oral expression, studies, experience, discarding those candidates who do not cover the profile of the position, or if it is covered, providing information on the activities that will be carried out. they perform, hours and remuneration so that the candidate can decide if they are interested or not.

The interview allows us to know the job stability that the candidate has had, what the reasons for separation were and whether they were caused by him (labor conflict, disagreement, resentment, absenteeism, delays in contract termination, voluntary resignation). The study of these reasons allows us to rule out those candidates who plan to leave the organization in the near future.

Some tests are also used to measure the extent and breadth of knowledge.

Finally, psychometric tests are applied to assess the mental development of the person, their aptitudes, and abilities. In general, it is used to know the person better, they constitute an objective and standardized measure of samples of people's behavior, examines them and compares them with statistical patterns.

Once the knowledge and skills tests have been completed, if the candidate was not accepted, orientation must be provided to allow him or her to be employed in another organization. If, on the other hand, the candidate has covered the position profile. The medical examination will be carried out.

The medical examination is a requirement of the organization. It must be carried out by a doctor, preferably specialized in occupational medicine, in order to detect harmful agents that could affect the health of the staff, or the physical conditions of the candidate that prevent them from efficiently carrying out the activities of the position.

When all steps of the process have been satisfactorily covered, the applicant can be hired.

A relevant aspect of contracting is detailed by the LFT in its article 35. “Employment relationships may be for a specific work or period, for a season or for an indefinite period of time and, where appropriate, may be subject to testing or initial training. In the absence of express stipulations, the relationship will be for an indefinite period.” (LFT, 2022); Therefore, it is suggested that this article be taken into account when hiring and analyzing the company's business to choose the most appropriate type of hiring.

**THE INDUCTION**

The induction process pursues the following objectives:

Create a good impression: A good onboarding process creates a good impression of the company and the job.

Integration: It is the process of welcoming and familiarizing new members of the organization.

Motivation: The first day at a company leaves a very strong impression on a new employee. They largely determine how integrated and identified a person is with the company. They demonstrate the organization's interest in its members. They must inspire employees to feel passionate about the company.

Reduce stress: Getting to know the organization and understanding what is expected of new employees can go a long way toward reducing anxiety.
Reduce turnover: When new members feel welcome and accepted, they are less likely to leave the organization. Most people leave before their first year on the job. Studies conducted by several companies concluded that employees with good onboarding processes have lower turnover rates.

Other benefits of joining: greater loyalty and commitment to the organization’s values and objectives, and greater job satisfaction.

**TRAINING AND DEVELOPMENT OF HUMAN RESOURCES**

Training must be provided in the company when a worker is newly hired, during the stay of the company if necessary or if he changes category or position. According to the LFT in Mexico, training for the worker is mandatory:

Employers have the obligation to provide all workers with training or training in their work that allows them to raise their standard of living, their work competence and their productivity... the training or training courses and programs, as well as the programs to raise the productivity of the company, may be formulated with respect to each establishment or specific activity... it must be taught to the worker during the hours of their work day.(Federal Labor Law, 2023)Art. 153 A

Through training, people have the opportunity to improve their knowledge, which results in personal growth and greater efficiency. This, in turn, allows organizations to remain globally competitive and ultimately contribute to the overall social well-being of society.

**PERSONNEL ROTATION, CONCEPT AND ITS FORMULA**

As previously analyzed, the steps for hiring appropriate staff can be successful in staff development, what companies really want is for staff to feel comfortable, appreciated and in the best conditions that can be offered to them, without However, not everything usually has a positive result, many times the worker never returns.

According to what some authors describe it as follows:

Personnel turnover according to (Chiavenato) is the fluctuation of personnel between an organization and its environment, … that the exchange of people between an organization and the environment is defined by the volume of people entering and leaving an organization. (2011, p. 116).

Therefore, we can determine that personnel turnover is the people who enter and leave the company, it can occur in two ways, being transferred to other positions, it may be that they retire, permanent disabilities due to an accident, they become ill, they die, They get fired, or they simply leave the company.

The turnover rate is determined by the number of workers who join and leave in relation to the average total number of staff in the organization, over a period of time. This data can be used as a management indicator, and based on this, retention decisions can be made.(Castillo, 1993, page 66).

That is why it cannot be categorically assured that turnover is really something that is wrong, many times it is healthy, but it must be within normal parameters, in addition to this the turnover of the company must be seen, since sometimes the A company usually makes contracts for short periods, either seasonal or indefinite, and that is part of what could appear to be personnel rotation, so each situation must be analyzed in particular.
Personnel turnover is measured to know if the amount leaving the company is alarming or within normal parameters. According to (Arias) in Mexico, staff turnover as a non-alarming measure or healthy staff turnover is between 5 and 15% (2006, p. 696).

Therefore, the formula to calculate personnel turnover is as follows:

\[ \text{IRP} = \frac{E - S}{PE} \]

The staff turnover rate formula is as follows:

- E: Tickets
- S: Outputs
- PE: Average number of people employed in a period of time

### THE RESTAURANT INDUSTRY AND THE ECONOMIC IMPACT CAUSED BY STAFF TURNOVER

The resignation or dismissal of an employee can have consequences that can negatively impact the service and results of a restaurant. Most restaurants hire young workers to give them their first job opportunity, without sufficient experience, training costs are even higher. Furthermore, the process of searching, selecting and hiring new employees can cause enormous financial losses to companies.

Here are three main costs and consequences of employee turnover:

1. Productivity in and around the kitchen is low due to lack of staff.
2. Increase in errors made by coaches.
3. Payments corresponding to settlement and compensation.

The most common reasons for this are a poor work environment, lack of communication, competition for tips, low wages, lack of legal benefits, and unethical work shifts.

### METHODOLOGY

The methodology used in this study is quantitative, through the application of data collection tools, in this case the objectives were through a survey to collect the opinions and experiences of different employees in the restaurant sector.

The objective of this research was to analyze personnel turnover in the restaurant sector. This work is justified given the characteristics of the data obtained by the survey, based on the quantitative paradigm, whose objective is to provide information from which it is intended to glimpse the topic from a general perspective. The survey where the questions were presented to restaurant employees was through the online platform Google Forms, a tool that allows you to send and collect information via email in a massive and widely distributed manner.

Therefore, it applies non-experimentally since it only seeks to know the perception of employees in the restaurant sector.

The purpose of this research was to analyze the aspects if some factors cause the worker to leave their workplace, this through quantitative research.

In accordance with (Babativa Novoa) Quantitative research applied to the social field assumes a conception of reality that is constant and adaptable over time. On the other hand, it contributes to establishing an objective position of the researcher, demonstrating relationships between causes-effects between variables, guiding their activity from the particular to the generally around the statement of the problem and the formulated hypothesis.

(Quantitative Research, 2017, page 14)

The instrument used to collect the information consisted of a questionnaire designed through a 5-grade Likert scale. The design of this study is in line with non-experimental research that consists of quantitative methodology in this sense, the
The present work of the research is based on a non-probabilistic random sampling study, that is, convenience sampling was used in order to know the opinions of restaurant workers in the central area of the port of Veracruz.

Data collection was carried out by visiting the main restaurants in the downtown area of the port of Veracruz, Mexico, and the restaurant employees were chosen at random, obtaining 93 responses and with this it is considered to carry out a study on rotation of personnel in companies in the restaurant sector.

**CHART RESULTS**

Graphs 1 to 4 show generalities of the population to be studied, according to the following: age, gender, education, marital status, these data serve as a reference in demographic and statistical studies, among others.

A total of 76.3% of those surveyed are between 18 and 30 years old, while 21.5% are between 31 and 45 years old, leaving 2.2% of people over 46 years old, which can be seen that the majority of staff is young.

A total of 60.2% of those surveyed maintain a high school degree, followed by 25.8% who maintain a high school degree and 8.6% who maintain a bachelor’s degree, leaving 5.4% with primary, post-graduation and technical studies.

**Graph 1**

Indicate your age
93 Replies

- Under 18: 21.9%
- From 18 to 30 years old: 78.3%
- Over 46 years old: 21.5%

**Graph 2**

Education Degree
93 Replies

- Primary: 60.2%
- Secondary: 25.8%
- Bachelor's degree: 8.0%
- Graduation: 7.5%
- Postgrade: 12.9%

**Graph 3**

Gender
92 Replies

- Male: 71.7%
- Female: 27.2%
- Other: 1.1%

**Graph 4**

Marital status
93 Replies

- Single: 38.1%
- Married: 61.3%

**Graph 5**

- Chef: 17.2%
- Waiter: 17.2%
- ATM: 7.5%
- Bartender: 12.9%
- Waitress: 38.7%

A total of 71.7% are male and 27.2% are female, identifying the remaining 1.1% as others.

In this graph you can see that 61.3% are married and 38.7% identify as single.
This graph shows that 38.7% of the staff are waiters, followed by 17.2% of cooks, and 17.2% of slab washers, the others are already a minority, but they are still a representative part of the study.

Regarding the payment of overtime, 60.2% indicated that they are not paid and 39.8% do obtain said payment.

It can be seen in the graph that 77.4% have regular communication with their superiors, 15.1% have good communication and 7.5% have bad communication.

Of the staff interviewed, 77.4% indicated that the work environment is fair, 12.9 indicated that it was good, and 9.7 indicated that it was a bad environment.

Regarding promotions, 88.2% respond that they have not had promotion opportunities, while 11.8% have responded that they have been promoted to some other position.

Regarding the way in which they are hired, 69.9% indicated that their contract is only for a fixed period, 19.4% have an indefinite contract, 9.7% have a temporary contract, only 1% are in a trial period.
A total of 32.4% mention that they do receive training, while 37.6% do not receive training to carry out their activities.

Regarding the decision to change jobs, 80.6% mention that they have considered it and 19.4% do not plan to change their job.

Regarding salaries, 80.6% of those interviewed stated that they do not agree with their salaries, and only 19.4% agree.

**GENERAL INTERPRETATION OF GRAPHS**

Regarding the study carried out, it can be observed that the majority, first of all, are young people between 18 and 30 years old, men, single who may not have as much family responsibility, the majority with high school studies, the reason for this analysis is derived from these results. They show that it is easy for these people to leave a job if it does not meet the expectations they seek, among which they may be good treatment, having good communication with their superiors, receiving training, having opportunities for promotions and development within the company, as well as the way of hiring, is often the reason why they do not feel part of the company, just as with low salaries, many employees become demotivated and what they think about is only being in the company for a while and look for another job later.

**CONCLUSIONS**

Rotation is the result of situations that occur in organizations, which determine the attitudes and behavior of individuals, among them some disagreements between both parties can affect the employment relationship, however it must be highlighted that today the best internal client must be the worker since he is the one who will face the external client, a worker satisfied with the company expresses this, has the enthusiasm to cooperate with the company at all times and demonstrates the kindness of dealing with the external client.

Human resources are the most important element of the organization since they are the means to interact between the client and the company, they are the face of the company, so it is good to reconsider the needs they have as expressed in the interviews.

Although staff turnover has always existed and many times a moderate and healthy turnover that is sometimes also beneficial, it is necessary for companies in the restaurant industry to choose to apply some recommendations that are suggested from the study carried out.

- Hire for a specific period only during the trial period, preferably avoiding short contracts.
- Establish coexistence programs to improve relationships between bosses and subordinates and create a better work environment.
• Promote promotions
• Constantly train staff
• Fair payment of wages and overtime
• Take into consideration, the suggestions of the staff.

REFERENCES


