Human Resource Management Practices and Organizational Outcomes in the Accommodation Facilities in Central Philippines

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*Abstract: HRM practices are management tools that contribute to the success of an organization. This study investigates the HRM practices and organizational outcomes in the accommodation facilities in Central Philippines using correlational research. 805 total participants answered the survey questionnaires were 123 are supervisors/managers and 682 are from the personnel of the accommodation facilities. The results showed that the respondents were satisfied with the HRM practices in the accommodation facilities where they are working. All provinces in Central Philippines, the type of accommodation facilities, and participants by generation moderately agreed that the accommodation facilities they are working in have excellent HRM practices. In terms of organizational outcomes, the accommodation facilities experience minor turn-over and absenteeism rates of their employees, a good level of productivity, substantially above average goals, and higher profit/surplus on their financial performance. The researcher concluded that there is a relationship between HRM practices and organizational outcomes that accommodation facilities that implement favorable HRM practices are more likely to have positive organizational outcomes. Higher levels of HRM practices are associated with higher organizational outcomes.*

*Keywords: Hospitality management, HRM practices, organizational outcomes, correlational research, Central Philippines*

**1.0 Introduction**

Human resource management (HRM) is the term commonly used to describe all those organizational activities related to recruiting and selecting, training and developing, directing, motivating, controlling workers, appraising and rewarding (Wilton, 2016) and HRM is the framework of strategies, policies, procedures, and practices for managing the relationship between employers and employees (Du Plessis, 2015). Armstrong and Taylor (2014) describe that HRM refers to how people are employed and managed in an organization. The concept of HRM emerged in the early 1980s and continued to evolve as a separate field of study (McGuire & Jorgensen, 2012). Over the last three decades, HRM has attracted attention across many areas due to its contribution to the effectiveness and efficiency of employee management (Nickson, 2013). Thus, HRM practices are an essential component of the process of HRM and are significant to investigate the adoption of HRM practices in the accommodation facilities, since the accommodation facilities are mostly determined by the efficiency and effectiveness of employees in organizations. Hence, this study tries to investigate the human resource management practices and organizational outcomes in the accommodation facilities in Central Philippines.

Laursen and Foss (2014) point out that new HRM practices have arisen in the last few years in response to new challenges for firms that are being adopted in a system-like manner rather than as individual components. HRM practices have been identified as a major element for firms (Baum, 2015), especially hotels, in achieving sustainable success in competitive and dynamic markets (Du Plessis, Douangphichit, & Dodd, 2015). The accommodation facilities have unique characteristics, particularly the personal interaction between employees and customers; thus, best HRM practices help to develop employee performance (Armstrong and Taylor, 2014). Ashton (2018) believed that HRM practices are management tools that contribute to the success of an organization and are considered to be important for the hospitality industry (Boella and Goss-Turner, 2013).

The importance of HRM to any business success in any context has been widely recognized and deserves continued research. Research shows that many HRM practices have the potential to improve and sustain organizational performance (Albrecht et al. 2015; Alfes, Shantz, & Truss, 2013). The strategic HRM literature shows that human and social capital is knowledge constructs that could be developed or modified via HRM practices (Shaw, Park & Kim, 2013). In this regard, a significant task for managers is to develop HRM initiatives to generate and refine their intellectual capital assets and, in turn, improve their innovation capacity and organizational performance (Swart & Kinnie, 2010).

 HRM practices are considered to be vital for the hospitality industry (Boella & Goss-Turner, 2013). In the hotel industry, HRM practices are important for large hotels, likewise too small and medium-sized hotels (Cetinel, Yolal, & Emeksiz, 2008). The hotel industry is a labor-intensive sector, that's why HRM practices are an important factor in the hotel industry, and there is a need for the organization to develop effective HR practices and policies to achieve competitive success (Alleyne, Doherty, & Greenidge, 2006). Since the purpose of HRM practices is to manage people more effectively, it is important that the impact of effective HRM would be felt first at the employee level. Collins, Ericksen, & Allen (2005) suggest that HR practices should directly impact the employees of the organizations where they practiced, and it will result in some positive employee outcomes if done effectively.

The organizational outcome comprises the actual output or results of an organization as measured against its intended outputs. Organizational outcomes included human capital, motivation, voluntary turnover, operational outcomes, and financial outcomes (Jiang et al., 2012). According to Richard et al. (2009), organizational performance encompasses three specific areas of firm outcomes: financial performance; product market performance; and shareholder return. In this study, employee turn-over; employee absenteeism; employee productivity; goal attainment; and financial performance will measure.

The lack of current study in this area attracted the researcher's attention to undertake this research study. This study used correlational research covering a larger sample size and a wider range of establishments. It is more focused on the HRM practices and their outcomes in the accommodation facilities in Central Philippines.

The hotel industry in Central Philippines continuously growing; however, there are still some challenges faced in the tourism industry, including the accommodation sector. Such challenges would include lack of knowledge and skills in performing their task, poor communication skills, poor retention policy, and lack of adequate training that often resulted in low performance and commitment in the hotel business. On the other hand, some HR practitioners observed that regular staff training and development is an important factor of HRM which has to be formally well-established in the procedure in an organization although very few organization pays due attention to this fact.

 Hence, this paper aims to determine the best practices of the accommodation facilities in Central Philippines in managing their human resources in their organization. It would show how far these facilities have gone in achieving their organizational goals and objectives. The main objective of this research is to investigate the HRM practices of the accommodation facilities in Central Philippines; specifically in recruitment & selection, training & development, rewards & recognition, compensation & benefits, performance appraisal, and organizational outcomes.

This study aims:

1. To assess the human resource management practices of the accommodation facilities in Central Philippines.

2. To assess the organizational outcomes of the accommodation facilities in Central Philippines.

3. To show relationships between HRM practices and organizational outcomes.

**2.0 Methodology**

This is correlational research, in which the researcher measures at least two variables that seem to interact with each other so that when you can see one change, you have an idea of how the other will change. This method was used to determine the degree of the relationship between HRM practices and organizational outcomes. Correlational research can be used to determine prevalence and relationships among variables, and to forecast events from current data and knowledge (Curtis, Comiskey, & Dempsey, 2016). Descriptive statistics were also used to describe the basic features of the data in a study. Mean were used to help illustrate and understand the characteristics of a specific data set by giving short summaries about the sample and measures of the data.

Spearman Rho correlation coefficient analysis, on the other hand, was also used to show the association between the two (2) variables, one dependent variable, and two or more independent variables. A Spearman rho correlation describes the monotonic relationship between two (2) variables. It is useful for non-normally distributed continuous data, it is used for ordinal data, and it is relatively robust to outliers (Schober, Boer, & Schwarte, 2018).

The main instrument for data gathering is a survey questionnaire. Part I provide background information through personal and institutional profiles. The data were indicating some HRM practices faced by the accommodation facilities based on the characteristics of their workforce and the institutions in general. Part II focuses on the extent of HRM practices on recruitment & selection, training & development, compensation & benefits, rewards & recognition, and performance appraisal. The data determine the extent of HRM practices of the respondents of the existing HRM practices in their respective institutions. Part III shows the organizational outcomes. This was assessed adapted from Langford (2009). Slight modifications were made to reflect the exact situation of the study.

All items in the instrument asked the respondents to indicate their level of agreement by choosing from a 6-point Likert scale. The scales of the responses are: 6 - Strongly Agree (STA), 5 - Moderately Agree (MA), 4 - Slightly Agree (SLA), 3 - Slightly Disagree (SLD), 2 - Moderately Disagree (MD), and 1 - Strongly Disagree (STD).

Two groups of respondents are identified to provide the necessary data on the study. One group was comprised of personnel, and the other was of managers/supervisors of the accommodation facilities. The integration of the views of all levels of personnel would provide a better range of responses and give a more balanced analysis.

A panel of two experts in the field of HRM has examined the two sets of the questionnaire; the employee survey and manager survey to establish validity.

Reliability analysis was conducted on all items using Cronbach's α coefficient. Cronbach's α coefficient is a measure of internal consistency; it indicates how well the set of items on a questionnaire measured a single latent construct. The acceptable range of Cronbach's α coefficient is between 0.7- 1.0. As a result, the instrument, on which the questionnaire was based, was shown to have sufficient internal consistency (Creswell, 2005). The Cronbach’s alpha of the scales in the study ranged from 0.721 (work life/balance) to 0.935 (eHRM practices), thereby indicating a strong level of individual item reliability. Likewise, the values for Cronbach’s alpha for all items were higher than .721, thus exceeding the minimum of .70 (Hair et al., 2016) suggesting internal reliability and consistency of the data.

Data in Table 1 present the profile of the respondents of this study. Most of the participants are young, female, single, college graduates, with several ranks and file employees of the accommodation facilities and managers/supervisors. The majority of the participants are holding permanent and regular positions; and on average, they have been serving such accommodation facilities about the average length of service is four and a half years.

*Table 1. Socio-demographic profile of the respondents.*

|  |  |  |
| --- | --- | --- |
| **Variable** | ***n/Mean*** | **Percent/Standard Deviation** |
| The average age in years (Mean & SD) | **31.01** | **8.65** |
| Sex |  |  |
| Male | 332 | 41.9 |
| Female | 460 | 58.1 |
| Marital Status |  |  |
|  Single | 503 | 63.8 |
|  Married | 282 | 35.8 |
|  Widow | 3 | .4 |
| Educational Attainment |  |  |
|  College Graduate | 513 | 69.8 |
|  College Undergraduate | 164 | 22.3 |
|  High School Graduate | 56 | 7.6 |
|  Vocational Course | 2 | .3 |
| Position |  |  |
|  Manager/Supervisor | 123 | 15.3 |
|  Employee | 682 | 84.7 |
| Employment Status |  |  |
|  Regular | 591 | 82.3 |
|  Contractual | 79 | 11.0 |
|  Part-time | 13 | 1.8 |
|  Probationary | 14 | 1.9 |
|  Owner | 21 | 2.9 |
| The average length of service in years (Mean & SD) | **4.52** | **4.08** |

*N = 805*

Table 2 reveals that most of the participants in the study are affiliated with resorts and hotels with standard class accommodation facility classification. Most of these facilities are a corporation or sole proprietorship owned. It is also revealed that the majority of the accommodation facilities in Central Philippines have a large number of employees and have been in operation for quite some time.

*Table 2. Institutional Profile of the hotel industry where the respondents were working.*

|  |  |  |
| --- | --- | --- |
| **Variable** | ***n/Mean*** | **Percent/ Standard Deviation** |
| **Type of accommodation facility** |  |  |
| Hotel | 345 | 42.9 |
| Resort | 378 | 47.0 |
| Pension House | 36 | 4.5 |
| Lodging House | 0 | 0 |
| Tourist Inn | 46 | 5.7 |
| **Classification of the accommodation facility**  |  |  |
| Deluxe (5 star) | 90 | 11.2 |
| First Class (4 star) | 68 | 8.4 |
| Standard Class (3 star) | 465 | 57.8 |
| Economy Class (2 star) | 137 | 17.0 |
| Budget Class (1 star) | 45 | 5.6 |
| **Type of Ownership** |  |  |
| Sole Proprietorship | 370 | 46.0 |
| Partnership | 42 | 5.2 |
| Corporation | 372 | 46.3 |
| Government Owned | 20 | 2.5 |
| The average number of employees (Mean & SD) | 92.76 | 126.95 |
| The average age of business (Mean & SD) | 10.84 | 8.184 |

 *N = 805*

**3.0 Results and Discussion**

Below are the findings of the study after data were treated with the appropriate statistical tools.

**The Extent of HRM practices**

Table 3 shows the human resource management practices of the hotel industry in Central Philippines. Recruitment & selection and rewards & recognitions have the highest weighted mean of 4.75. This implies that most of the participants moderately agree that the hotel industries they are working in have excellent HRM practices on recruitment & selection and rewards & recognition. This is supported by the study of Demerouti, Bakker, & Leiterb (2014) which explains that recruitment & selection processes affect individual work engagement and that employee empowerment has a direct effect on the organization's performance. As emphasized by Fernandez and Moldogaziev (2013), effective recruitment & selection practices influence a positive behavioral outcome from its employees. With this, Ro and Chen (2011) suggest that organizations should hire customer-oriented people, guide them with service training, and provide an effective reward and appraisal system. Rewards & recognitions when properly and effectively given motivate employees to put in extra effort and work harder (Presbitero, 2017).

 Moreover, most of the participants moderately agree that the HRM practices on training & development are excellent. This conforms with the study of Presbitero (2017) that organizations with excellent training and development practices demonstrated high levels of employee engagement and that talent development practices serve as drivers of commitment and engagement (Chami-Malaeb & Garaban, 2013).

As for compensation & benefits, participants moderately agree that they have outstanding practices. This is validated by Hong et al. (2014) when they concluded that compensation is an important consideration of employees’ retention decisions. Employees tend to remain in the organization if they receive a good salary (Lai, 2011).

Whilst for performance appraisal, participants moderately agree that they had excellent practices. In line with the findings of Schlechter, Thompson, & Bussin (2015) that employees’ behavior and attitude are influenced not only the monetary pay they receive but also non-financial rewards and performance appraisal fairness and promotion opportunity persuades employees to stay in an organization (Rubel and Kee, 2015).

However, the participants slightly agree on the last two items per HRM area that represent eHRM practices of the hotel industry. The results reveal that most of the hotel industries in the Central Philippines are not practicing the integration of eHRM in improving the performance of their hotel industries. In the study of De La Santa, & Agatep, (2005), the reasons for non-adoption cover cost and IT illiteracy. Also, the ownership structure and size of the organization positively affect the adoption of technology. As noted by Marler and Parry (2016), the decision to adopt or use eHRM is not only dependent on internal factors but is also influenced by external demands of government institutions and other stakeholders. A recommended by Ruel and Bondarouk (2013) there is still a need for a closer analysis of the impact of the use and sophistication of e-HRM in the organization.

***Table 3. The extent of HRM practices of the hotel industry***

|  |  |  |
| --- | --- | --- |
| **Variables** | **Mean** | **Standard deviation** |
| **Recruitment and selection**  | **4.75** | **.67** |
| The organization places the right person in the right job | 5.31 | .70 |
| The organization knows the benefits of employing the right people | 5.24 | .75 |
| The organization is clear about the type of people it needs to employ | 5.02 | .77 |
| The organization has an efficient and effective web-based recruitment and selection process | 4.18 | 1.14 |
| The organization’s recruitment and selection process training include an electronic-based platform that attracts diverse applicants for specific job demands/function. | 4.01 | 1.21 |
| **Training & Development**  | **4.68** | **.82** |
| The organization provides adequate training to new hires employee | 5.09 | .92 |
| The organization is committed to the ongoing training and development of their employees | 5.07 | .88 |
| The organization provides many opportunities to learn and grow professionally and personally | 4.96 | .90 |
| The organization has an e-learning/e-training program that enhances the knowledge, skills, and abilities of the employees | 4.21 | 1.21 |
| The organization’s training and development strategies include electronic-based platforms for greater flexibility, efficiency, and convenience for the employees. | 4.07 | 1.27 |
| **Compensation & Benefits**  | **4.68** | **.81** |
| The organization pay increment policy is satisfactory | 5.10 | .86 |
| The organization offers flexible benefits that are tailored to fit the diverse need of the employees | 5.00 | .91 |
| The organization compensation and benefits are competitive compared to other organization | 4.94 | .93 |
| The organization uses a compensation software application that facilitates the efficient and timely processing of payroll.  | 4.40 | 1.16 |
| The organization has an efficient and effective human resource self-service system (HRESS)  | 3.96 | 1.41 |
| **Rewards & Recognition**  | **4.75** | **.81** |
| The organization reward management practice is fair | 4.89 | .95 |
| The organization pays adequately its employees for the work they do | 5.09 | .88 |
| The organization has incentive practices that recognize people who contribute the most to the organization | 4.79 | 1.11 |
| The organization uses technology with formal selection mechanics to effectively identify employees for recognition | 4.60 | 1.05 |
| The organization types of awards and criteria are communicated to all employees efficiently and effectively using all forms of platforms/media as communication tools | 4.40 | 1.15 |
| **Performance Appraisal**  | **4.49** | **.84** |
| The organization appraises the performance of the employees at regular intervals | 4.99 | .89 |
| The organization performance appraisal has been fair and objective | 4.91 | .88 |
| The organization performance appraisal undertakes to identify the development needs of its employees to help them attain their career goals | 4.84 | .91 |
| The organization has an effective e-Performance Management system in place. | 3.89 | 1.34 |
| The organization used e-PM that improves employees communication for an opportunity to clarify the nature of performance feedbacking | 3.80 | 1.39 |

*Note: The last two items per HRM area represent the eHRM practices of the hotels.*

**The Extent of Organizational Outcomes**

As shown in Table 4, the managers/supervisors of the hotel industry share that they experience 21-40% turnover and absenteeism rate of their employees, that the level of productivity of their employees are good, that their goals were substantially above average, that there was a higher profit/surplus on their financial performance in the previous 12 months and as compared to the previous year. Briefly, the hotel industry in Central Philippines is emergent. The results are consistent with the findings of Ashton (2018) that explains that HRM practices of the hotel industry are management tools that contribute to the success of the organization and it is associated with positive organizational outcomes like lower turnover intentions (Allen, Shore & Griffeth, 2003), higher level of productivity and quality (MacDuffie, 1995), better service performance (Chuang & Liao, 2010), better safety performance (Zacharatos, Barling, & Iverson, 2005), enhanced financial performance (Huselid, 1995), and higher organizational performance (Whitman et al., 2012). The result is also agreed by Combs et al. (2006), that HRM influences organizational performance and that employee perceptions and attitudes mediate this relation, and HRM has a direct relationship with voluntary turnover, operational outcomes, and financial outcomes (Jiang et al., 2012).

***Table 4. The extent of organizational outcomes***

|  |  |  |
| --- | --- | --- |
| **Variables** | **Mean** | **Standard deviation** |
| **Employee Turn-over** | 3.67 | .887 |
| **Employee Absenteeism** | 3.70 | .880 |
| **Employee Productivity** | 3.89 | .698 |
| **Goal Attainment** | 3.90 | .689 |
| **Financial Performance** **1**(organization’s financial performance in the previous 12 months) | 4.04 | .640 |
| **Financial Performance** **2**(organization’s financial performance, compared to the current financial performance) | 4.20 | .635 |

**Spearman's rho correlation between HRM practices and organizational outcomes.**

Table 5 shows Spearson’s rho correlation between HRM practices and organizational outcomes. As shown, HRM practices are positively correlated with organizational outcomes. This correlation is significant at the 0.01 and 0.05 levels. This means that higher levels of HRM practices are associated with higher organizational outcomes. In other words, accommodation facilities that implement favorable HRM practices are more likely to have positive organizational outcomes. These accommodation facilities have experienced low turn-over and absenteeism rate of their employees, that the level of productivity of their employees is good, that their goals were substantially above average, that there was a higher profit/surplus on their financial performance in the previous 12 months and as compared to the previous year. Thus, the null hypothesis of no relationship is rejected.

Cohen’s (2001) standard was used to evaluate the correlation coefficients to determine the strength of the relationship or the effect size, indicating correlation coefficients between .10 and .29 represent a small effect, coefficients between .30 and .49 represent a medium effect, and coefficients of .50 and above represent a large effect or relationship. HRM practices like training & development and performance appraisal have a medium effect on the organizational outcomes, while recruitment & selection, compensation & benefits, and rewards & recognition have a large effect on the organizational outcomes. Furthermore, eHRM practices have a medium effect on the organizational outcomes, except on the turn-over and absenteeism rate where a low effect was recorded. Most of the average correlation coefficient represents approximately a medium effect or relationship. This suggests that HRM practices have a positive influence on the accommodation facilities' organizational outcomes.

These findings are in line with the social exchange theory which states that mutual benefits are a result of positive social and economic exchanges, for both the employer and the employees (Gould-Williams & Davies, 2005; Shore et al. 2006). As reported by Baum (2015), HRM practices have been identified as a significant element for the organizations and are considered being important for the hotel industry especially in achieving continuous success in a competitive and dynamic environment (Boella and Goss-Turner, 2013). Organizational outcomes are vital for the success of the organization (Kennedy and Daim, 2010). Hence, based on the findings of Veth et al., (2017), the hotel industry can indeed enhance organization outcomes by offering targeted HRM practices.

The results of the study are consistent with the findings of the study of different HRM scholars on the relationship between HRM practices and organizational outcomes, specifically on turn-over, absenteeism, productivity, goal attainment, and financial performance. The results are consistent with the findings of Ashton (2018) that explains that HRM practices of the hotel industry are management tools that contribute to the success of the organization and it is associated with positive organizational outcomes. The result is also agreed by Combs et al. (2006), that HRM influences organizational performance and that employee perceptions and attitudes mediate this relation, and HRM has a direct relationship with voluntary turnover, operational outcomes, and financial outcomes (Jiang et al., 2012).

The results show that eHRM practices have a significant relationship with organizational outcomes on turn-over, absenteeism, productivity, goal attainment, and financial performance. Stone et al. (2015) suggest that employees prefer more interactive, interpersonal, information-rich approaches to all of the areas of HR management. These technologies have enabled new means of employer branding (Martin & Cerdin, 2014). Due to various technological advancements, organizations can offer their personnel new ways of working by removing physical and time barriers and relying on such organizational forms as HRM shared services, telework, and virtual teams (Bondarouk & Brewster, 2016). Thus, the presence of technologies is to improve company performance

Recruitment and selection also have a significant relationship with organizational outcomes specifically on turn-over, productivity, goal attainment, and financial performance. Recruitment and selection are vital functions of human resource management for any business organization. These are terms that refer to the process of attracting and choosing candidates for employment. The quality of the human resource the firm has slowly depended on the effectiveness of these two functions (Gamage, 2014). Selase (2018) describe that recruitment and selection are tools used in picking the best candidates for a vacuum position in an organization or getting the best candidates for catapulting an organizational performance and effectiveness.

Training and development also have a significant relationship with organizational outcomes on productivity, goal attainment, and financial performance. Employees training and development is one of the tools organizations use to develop the skill, knowledge, and attitude of employees. Amanuel (2018) describes that the influence of training and development on employees‟ performance at the workplace is very essential in an organization. Sung & Choi (2014) justify the importance of the organization on the investment in human capital for continuous organizational innovation because this can ensure the long-term survival and growth of an organization. Employees who are allowed to gain new skills as part of their job often perceive this as organizational support. Hence, they have a stronger attachment, commitment, and loyalty to their organizations (Kyriakidou & Maroudas, 2010).

Compensation and benefits show a significant relationship with organizational outcomes particularly on turn-over, absenteeism, productivity, goal attainment, and financial performance. Gomez-Mejia, Berrone, & Franco-Santos (2014) explains that compensation is the largest single cost in most organizations. Hence, the extent to which these resources are allocated effectively is likely to have a major beneficial impact on organizational performance. Compensation and benefit have been revealed to dispose of a strong influence on organizational outcomes, and compensation & benefits act as vital factors in affecting the employee’s intention to stay (Tnay et al., 2013). Lai (2011) explained that employees tend to remain in the organization if they feel appreciated by the organization for their performance and contributions and if they receive a good salary. Compensation influence the behavior of employees and decision-makers, and the implications this has for firm performance. Gomez-Mejia, Berrone, & Franco-Santos (2014). Thus, compensation and benefits tend to increase employee productivity. Employees tend to stay in the hotel if the latter provides favorable compensation and benefits because it is important to employees.

 Rewards and recognitions demonstrate a significant relationship with organizational outcomes such specifically with turn-over, absenteeism, productivity, goal attainment, and financial performance. Generally, the rewards and recognition system compensates the performance of subjects and incentivizes their motivation within organizations (Benati & Coccia, 2018). And Presslee, Vance, & Webb (2013) explain that cash rewards lead to better performance through their effects on the difficulty of the goals employees selected. Rewards and recognition are significantly related to organizational outcomes. It appears that rewards and recognition seem to increase the organizational outcomes of the hotels particularly on turn-over, absenteeism, productivity, goal attainment, and financial performance. Latham and Locke (2006) explained that employee performance improves when money is tied to its attainment and that tangible rewards will have positive effects on goal commitment and performance (Presslee, Vance & Webb, 2013). This is also consistent with the study of Ashton (2018) that showed that HRM practices of the hotel industry are management tools that contribute to the success of the organization and have been identified as a major element for firms (Baum, 2015). This means that hotel industries that have outstanding rewards & recognition practices also have excellent organizational outcomes.

Lastly, performance appraisal also shows a significant relationship with organization outcomes especially on turn-over, productivity, goal attainment, and financial performance. Performance appraisal is a systematic way of evaluating the employee in how they perform the given task. Performance appraisal helps the organization to identify employees who are completing their assigned duties and those who are not performing well and the reasons for such performance.

 The performance appraisal is positively related to organizational outcomes. The result is consistent with the study of Quresh et al., (2010) that if there is a clear performance evaluation practice in the organization, the financial performance of the organization moves in a positive direction. Al-Zahrani and Almazari (2014) also found out that there is a significant relationship between performance appraisal and financial performance. Cravens et al. (2015) describe that workplace culture mediates the relationship between the effectiveness of the performance appraisal process and job satisfaction, employee retention, and self-reported performance. This explains that accommodation facilities that practice effective performance appraisal have an outstanding organizational outcome in their organization

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| --- |
| *Table 5. Spearman's rho correlation between HRM practices and organizational outcomes.* |
| Items | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 1eHRM Practices | correlation coefficient | 1.000 | .398\*\* | .492\*\* | .515\*\* | .479\*\* | .496\*\* | .283\*\* | .281\*\* | .457\*\* | .452\*\* | .374\*\* | .437\*\* |
| N | 804 | 804 | 804 | 804 | 804 | 804 | 125 | 125 | 125 | 125 | 125 | 125 |
| 2Recruitment & Selection | correlation coefficient | .398\*\* | 1.000 | .588\*\* | .556\*\* | .540\*\* | .527\*\* | .229\* | .114 | .333\*\* | .209\* | .303\*\* | .281\*\* |
| N | 804 | 805 | 805 | 805 | 805 | 805 | 125 | 125 | 125 | 125 | 125 | 125 |
| 3Training& Development | correlation coefficient | .492\*\* | .588\*\* | 1.000 | .583\*\* | .576\*\* | .613\*\* | .112 | .036 | .324\*\* | .294\*\* | .351\*\* | .318\*\* |
| N | 804 | 805 | 805 | 805 | 805 | 805 | 125 | 125 | 125 | 125 | 125 | 125 |
| 4Compensation & Benefits | correlation coefficient | .515\*\* | .556\*\* | .583\*\* | 1.000 | .751\*\* | .658\*\* | .256\*\* | .227\* | .282\*\* | .336\*\* | .337\*\* | .280\*\* |
| N | 804 | 805 | 805 | 805 | 805 | 805 | 125 | 125 | 125 | 125 | 125 | 125 |
| 5Rewards & Recognition | correlation coefficient | .479\*\* | .540\*\* | .576\*\* | .751\*\* | 1.000 | .710\*\* | .319\*\* | .249\*\* | .296\*\* | .359\*\* | .228\* | .255\*\* |
| N | 804 | 805 | 805 | 805 | 805 | 805 | 125 | 125 | 125 | 125 | 125 | 125 |
| 6Performance & Appraisal | correlation coefficient | .496\*\* | .527\*\* | .613\*\* | .658\*\* | .710\*\* | 1.000 | .249\*\* | .172 | .331\*\* | .400\*\* | .323\*\* | .360\*\* |
| N | 804 | 805 | 805 | 805 | 805 | 805 | 125 | 125 | 125 | 125 | 125 | 125 |
| 7Turnover | correlation coefficient | .283\*\* | .229\* | .112 | .256\*\* | .319\*\* | .249\*\* | 1.000 | .592\*\* | .477\*\* | .465\*\* | .219\* | .346\*\* |
| N | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| 8Absent | correlation coefficient | .281\*\* | .114 | .036 | .227\* | .249\*\* | .172 | .592\*\* | 1.000 | .390\*\* | .468\*\* | .121 | .212\* |
| N | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| 9Productivity | correlation coefficient | .457\*\* | .333\*\* | .324\*\* | .282\*\* | .296\*\* | .331\*\* | .477\*\* | .390\*\* | 1.000 | .457\*\* | .387\*\* | .490\*\* |
| N | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| 10Goal Attainment | correlation coefficient | .452\*\* | .209\* | .294\*\* | .336\*\* | .359\*\* | .400\*\* | .465\*\* | .468\*\* | .457\*\* | 1.000 | .338\*\* | .360\*\* |
| N | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| 11Financial Performance for the past 12months | correlation coefficient | .374\*\* | .303\*\* | .351\*\* | .337\*\* | .228\* | .323\*\* | .219\* | .121 | .387\*\* | .338\*\* | 1.000 | .745\*\* |
| N | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| 12Financial Performance current year vs past year | correlation coefficient | .437\*\* | .281\*\* | .318\*\* | .280\*\* | .255\*\* | .360\*\* | .346\*\* | .212\* | .490\*\* | .360\*\* | .745\*\* | 1.000 |
| N | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| **\*\*** Correlation is significant at the **0.01 level** (2-tailed). |
| **\*** Correlation is significant at the **0.05 level** (2-tailed). |

**4.0 Conclusion**

Overall the respondents are satisfied with the HRM practices in the hotel industries where they are working. It shows that the organizational outcomes in the hotel industry are excellent, and the respondents concur that the support they receive from the organization is outstanding. The managers/supervisors of the hotel industry share that they experience low turn-over and absenteeism rate of their employees, that the level of productivity of their employees are good, that their goals were substantially above average, that there was a higher profit/surplus on their financial performance in the previous 12 months and as compared to the previous year. Briefly, the hotel industry in Central Philippines is emergent.

It is noticeable in the result on Spearson’s rho correlation between HRM practices and organizational outcomes that show that accommodation facilities that implement favorable HRM practices are more likely to have positive organizational outcomes. Higher levels of HRM practices are associated with higher organizational outcomes. In other words, accommodation facilities that implement favorable HRM practices are more likely to have positive organizational outcomes

So as the business moves into economic development, along with other thrusts of the company, business operators should not forget to value employees. The business itself should not be the only main concern, but also the welfare of employees; there is so much that companies can do to elevate the personal, professional, and economic situation of their employees. The best HRM practices of the accommodation are important to maintain a good relationship between the company and its employees. Whatever is done today would greatly affect the future of the company.

**Limitation of the Study**

While the study offers significant results, some limitations can be improved to guide future research. As for further research, future researchers may conduct similar research in a different setting to further confirm the results of this study. The study did not compare results across different accommodation facility locations due to the uneven distribution of the respondents. Future research work may look into how accommodation facilities from varied locations show different results on their HRM practices.

There is a need to study more on the adoption of eHRM practices because the results of the study show that the use of technology tends to create distance between the employees and the management.

**Declarations of competing interest**

The author of the correspondence declares that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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