

# **Combating War for Talent: Staff Retention Strategy of Industry Leader to Retaliate Against Challengers to Sustain Strategic Position**

P.D.C.T. Kannangara

*chandana.thilanka@yahoo.com*

*Doctoral Student, University of Kelaniya, Sri Lanka*

## **Synopsis**

Sri Lanka Tourism industry is expected to grow by 22.3% year-on-year with the supporting external environment, according to SLDA\*\* in-order to achieve 2.2 million tourist arrivals at the end of 2016 and 4 million tourist arrivals by 2020(Asian Hotels and properties PLC -Annual Report 2016/17).In today's context hotel industry is very attractive for investors. Golden Ray Colombo is performing extremely well in terms of revenue with 31% market share and creating strong brand to be the market leader. With the increasing competitive situation, industry itself is creating lot of market opportunities for its players and for the employees. Research results indicates that, Golden Ray has introduced lot of initiatives as proactive strategy elements. Although tourism industry in its growing status, market opportunities are increasing as Sri Lanka has been recognized as the emerging hotspot to travelers. Golden Ray Colombo (GRC\*) is the market leader in Colombo city five-star hotel business and posted a profit before tax of Rs.1.591 billion and profit after tax of 1.448 billion indicating a 3% growth over the year 2016. (Asian Hotels and properties PLC -Annual Report 2016/17) profit growth is due to the fact that 6% increase in revenue and as well as management's constant efforts to save the operational cost. Golden Ray Colombo accounted for 65% of Group Revenue and recorded year on year revenue growth for group leisure sector. The Average Room Rate displayed a growth of 3% with GRC\* averaging Rs.18,885, while occupancy averaged at 76%, with totaling 138,460 room nights during the year 2016. There is a 5% growth of GRC\* room revenue. F&B at Golden Ray added Rs.2.37 billion to total revenue compared to year 2015 , Rs.2.2 billion. However Cost of Sales was increased by 2%. This can further increase due to increase in marketing activities (Advertising & Promotions) in the future.

Last year, relatively flat year for this strategic group. This is due to the fact that majority of travelers are from business visitor segment who pay frequent visits to mega projects in the country.