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Recruitment and Retention Insights for the Hotel Industry

Abstract

Recruiting talented managerial employees for the hotel industry is a constant challenge. Identifying and training supervisors and junior level managers for senior positions seems to be one solution. The authors explore the career influences confronting these individuals and make recommendations for recruitment and retention.

Keywords

Peter W. Williams, Michael Hunter, Recruitment and Retention Insights for the Hotel Industry, Hiring, Managerial/Supervisory, Employment, Motivation

Recruitment and Retention Insights For The Hotel Industry

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Recruiting talented managerial employees for the hotel industry is a constant challenge. Identifying and training supervisors and junior level managers for senior positions seems to be one solution. The authors explore the career influences confronting these individuals and make recommendations for recruitment and retention.

In today's competitive environment, retention and turnover of labor have taken on added significance. Human resource managers recognize all too clearly the challenges of recruiting talented managerial employees, but also the time, energy, and expense of this process. Consequently, it is not surprising that many companies are now beginning to focus more administrative resources on management approaches and career development programs designed to retain the very best employees.¹ They recognize that at a time when guest-driven service has become the competitive edge in drawing customers to their doors, it is also imperative to nurture the commitment of employees to that type of philosophy of service and the organization.²

Hotel companies in particular need continual infusions of new, enthusiastic leaders. It makes sense for these organizations to recruit and retain knowledgeable top performing supervisors and junior managers for senior management positions whenever possible, rather than have them leave for other competing companies or industry sectors. Unfortunately, the approaches for assisting hotel organizations to identify and develop the talents of aspiring employees for long-term management careers are limited. With these concerns in mind it is important to explore the key challenges and career influences confronting supervisory and junior management employees in the hotel industry in order to gain better insight into what it takes to attract, develop, and retain future managers for the hotel industry.

Concurrent surveys were conducted between January and March 1989 with supervisory and new junior management hotel employees. The standardized survey instruments used in the study

were developed based on focus group information gained from a panel of leading hotel industry human resource administrators. The questionnaires were created to probe a range of management recruitment, development, and retention issues and were distributed to all junior management employees and a representative cross-section of supervisory employees associated with eight large hotels (300+ rooms) in the metropolitan Toronto region. In total, 95 of a possible 131 junior management surveys, and 298 of a potential 400 supervisory employee questionnaires were completed. These data were analyzed by researchers from Ryerson Polytechnical Institute's School of Hospitality and Tourism Management and Simon Fraser University's Centre for Tourism Policy and Research. Despite being only representative of the viewpoints of the employees at the eight hotel locations surveyed, it is felt that the findings may provide insights indicative of potential patterns existing in the broader hotel industry.

Management Career Dispositions Must Be Encouraged

While not everyone is suited to a management career in the hotel industry, those who are should be encouraged in their efforts. Recognizing their aspirations in this regard is an integral first step in any retention program. The potential for drawing talented hotel personnel into managerial positions in hotel companies appears to be great from an employee disposition perspective.

Fewer than 12 percent of the employees surveyed in this study indicated a preference for never taking a management position in this industry. Furthermore, more than 70 percent actively sought or were seeking opportunities for such employment. More than 72 percent of them had assumed supervisory positions at some point in their careers with the hope that it might lead them into a management position with the company.

On a more disturbing note, it was apparent that career loyalty to the industry was limited. Almost half (46 percent) of the respondents indicated that they did not intend to spend their entire career in this industry. Furthermore, almost twice the proportion of existing junior managers as compared to existing supervisors indicated a preference for supervisory rather than managerial positions, if pay scales were equivalent.

One of the most serious failings in business is the underutilization, underdevelopment, and inadequate management of new employees. From a management recruitment and retention perspective, these findings suggest a need for hotel organizations to gain a more thorough appreciation of the aspirations of their staff from a career advancement perspective, and to work closely with them in the achievement of those goals.

Typically, motivations behind career advancement are linked to theories of personal growth and achievement. Hotel organizations can gain a competitive advantage by understanding those job characteristics needed to trigger the best employees to enter managerial ranks on a long-term basis.

Table 1
Factors Motivating Entry into Junior Management

	% agreeing or strongly agreeing	
	Junior Managers	Supervisory Personnel
The work's satisfaction	98.2	97.2
The job's challenge	97.2	97.5
Advancement possibilities	97.2	96.1
Authority	93.5	88.3
Responsibility	92.6	94.2
Fairness of pay	92.6	87.8
Managerial skills as opposed to technical skills	89.8	80.4
Hours worked	81.4	74.1
Manager's pay	78.9	67.6
Amount of guest contact	78.0	83.7
Workload of managers	75.9	75.6
Amount of paperwork	53.2	65.3
Necessity to move from location to location	52.8	55.2
Politics of the job	43.9	50.4

In this survey, perceived satisfaction, challenge, authority, responsibility, and remuneration factors associated with the job played overriding roles in motivating employees to consider management positions. However, significant differences existed between supervisors and junior managers with respect to what factors would influence their decisions about pursuing a managerial career. Supervisory personnel were significantly more convinced than junior management staff that factors such as job politics, paperwork, and guest contact would influence their career decisions. Conversely, factors such as job authority, technical versus managerial skill use, hours of work, and fairness of pay were significantly greater concerns for junior managers (See Table 1).

Recognizing these differences in motivations provides insights into what makes managerial recruitment programs successful or disastrous. The task of the hotel organization is to develop a recruitment system which provides accurate information on career opportunities from a motivational perspective.

Management Career Perceptions Affected by Rewards

Qualitative rather than simply quantitative changes typically characterize the nature of managerial work as opposed to supervisory tasks in the hotel industry. Subtle yet key differences in the nature of

the work and the way the organization rewards individual performance are what seem to make the difference. The perceptions of supervisory and junior managers concerning these critical areas are crucial to know if a hotel organization wishes to retain budding managers.

When asked to provide their views on the nature of managerial positions in the hotel industry, more than three-fourths of the junior managers and supervisors indicated that such jobs offered particularly favorable opportunities for career advancement and challenging work. They were also adamant that pay levels were not comparable with those of managers in other industries. Nearly two-thirds (61 percent) were also strongly convinced that such positions involved too many hours of work and not enough pay for that work when compared with other hotel positions. Junior managers were significantly more convinced that this situation existed. Despite this feeling of pay inequity, more than half of them claimed that managerial work was more satisfying than supervisory work in the industry and provided sufficient levels of responsibility. Opinions were far more mixed with respect to such work dimensions as authority distribution, stress, workload, and paperwork requirements in hotel managerial positions (See Table 2).

These ambiguities represent challenges for employees considering long-term management careers. If the scope of their work and the limits of their authority are not clearly defined, their ability to manage successfully in the workplace can be seriously undermined. Junior management and supervisory personnel take a giant leap of faith psychologically and interpersonally when they move into management. Clarifying to them the nature of the job position in both functional and interpersonal terms may help them deal with the realities of managerial work. In this study it was apparent that almost 40 percent of the junior managers interviewed felt that their responsibilities were not laid out clearly to them when they took on their positions.

Management Development Support Systems Are Lacking

While management development programs are recognized as valuable tools in enhancing managerial performance in the hotel industry, few formal strategies of this nature exist. Concerns over the costs, generality, and applicability of such endeavors are perceived to be deterrents to their implementation.³ At the same time, it is recognized that management development training can boost self-esteem, foster a sense of professionalism, and increase job satisfaction.⁴ As a consequence, it is not unusual for hotel companies to focus managerial development on more informal guidance systems primarily associated with networking, sponsoring, and mentoring.

This study explored the perceptions of managerial personnel concerning hotel industry management development practices. Specifically, job requirement awareness, job opportunity, and career planning support dimensions of the management development issue were examined.

Table 2
Perceptions of Management Positions in the Hotel Industry

	% agreeing or strongly agreeing	
	Junior Managers	Supervisory Personnel
More challenging than non-management positions	85.4	75.3
Good chances of advancement	83.8	78.3
Not fairly paid compared to other managers in other industries	83.8	85.8
Better control over amount of guest contact	78.7	65.3
Not fairly paid compared to other hotel positions	75.2	64.0
Too many hours of work	76.4	61.9
Enough responsibility	71.7	64.0
More satisfying than non-management positions	67.3	53.5
Too much politics	65.4	54.3
Clearly laid out responsibilities	61.2	65.4
Enough use of technical skills	65.4	57.7
Too much stress in the job	56.7	56.3
Proper amount of authority	55.4	61.2
Too much paperwork	52.8	47.4
Too much work to do	40.9	37.5
Need to move from city to city to get ahead	38.4	50.7
Treated better than non-management employees	38.4	50.3

Nearly three-fourths of the respondents claimed that they were well aware of the demands and responsibilities associated with being a hotel management employee. However, it was less apparent how they had attained that understanding. Two-thirds of them claimed that the performance reviews they received provided an awareness of their managerial strengths and weaknesses. At the same time, it was apparent that only about half of them felt that they had received adequate guidelines concerning "what was required" for them to reach management level ranks. Another third of those surveyed felt that recruiters tended to underestimate what it takes to be a good manager in the hotel industry.

Advancement Expectations Do Exist

The lion's share of all employees surveyed (86 percent) believed that opportunities were available to them to develop their managerial careers within either their current organization or a competing hotel company. They did not express any partic-

ular loyalty to their current organization in this regard. Most of them (84 percent) expected to become full-fledged management personnel. Furthermore, most of them (74 percent) felt that their current position allowed them to develop the managerial proficiencies required to further their advancement. Overall, it was apparent that a considerable expectation of advancement existed with supervisory and junior management employees, and they believed that they would receive such opportunities somewhere in the hotel industry. However, on a comparative basis, supervisory personnel were significantly more convinced that opportunities for their advancement were linked with their hotel company than with the broader hotel industry. Ironically, significantly more of them felt that their current position was not allowing them to develop the skills and qualities needed to be a good manager.

Troublesome perceptions existed with respect to the distribution of management opportunities. "Glass ceiling syndrome" images of being close to senior management, but not necessarily accessible to those ranks prevailed. About a third of all those surveyed felt that the hotel industry unfairly discriminated when promoting people into management. Approximately another two-fifths of them were not convinced that those who deserved to get ahead necessarily received that opportunity. This feeling was further emphasized when significantly more junior managers than supervisors indicated that they were not made aware of advancement opportunities in time to apply for them.

Career planning support is an essential element of any employee retention initiative. In this study, such assistance for supervisors and junior managers appeared to be very informal in nature. More than three-quarters of respondents from these groups felt that they could count on someone else above them in their organization to provide helpful advice and mentoring concerning management career issues. Conversely, more than two-thirds of those surveyed claimed to have had no exposure to any kind of formal buddy system for such career mentoring purposes. Without such formalities, important matters of concern to employees can fall through the cracks. Consequently, it was not surprising that about 30 percent of all the employees interviewed claimed that their supervisors had not been particularly well trained in this regard. More than half of them also indicated that their position in the organization had not been determined on a joint basis with their managers.

Such deficiencies in the management development process must be addressed if hotel companies are to increase their ability to retain good managerial prospects. Well-managed hotel companies recognize the significant role senior management must play in helping employees meet their emotional and motivational needs. They seek to develop strong mentoring linkages which help to develop a clearer understanding of the organization's culture as well as the employee's existing and potential role in it.

Table 3
Perceived Professional Development Training Needs

	% stating need for a fair or great amount of training	
	Junior Managers	Supervisory Personnel
Human Relations Training		
Negotiating	64.5	67.8
Disciplining of employees	61.6	72.4
Selection of employees	60.8	68.7
Training of employees	56.1	70.1
Coaching and counselling	55.1	64.6
Appraising other's performance	50.5	66.3
Leadership	50.5	65.7
Handling difficult customers	42.4	64.0
Administrative Training		
Budgeting and finance	56.1	80.7
Scheduling and payroll	46.7	66.1
Priority setting	44.9	59.9
Report writing	43.0	64.3
Decision making	41.1	65.4

Perceived Training Needs Are Specific

Management research clearly reveals an important and positive relationship between sound people-oriented skills and job satisfaction.⁵ Hotel supervisory and junior management employees support this view. In most cases, human relations management skills topped their list of weak managerial capabilities. Training programs related to negotiating, as well as selecting and disciplining employees, were key training needs they stated that they particularly required (See Table 3).

Traditional administrative training programs were less of a priority. Junior managers to a significantly greater extent than supervisory staff were particularly strong in this perspective. Only administrative skills associated with budgeting and finance had at least 50 percent of junior managers claiming they required more professional development in this field.

The qualitative rather than the quantitative dimensions of management were the focus of training needs expressed by all employees. From an employee retention perspective, such training serves to improve morale and job pride and enhance a willingness to stay with the organization. It tends to facilitate a better under-

standing of the people that they supervise and creates better working conditions.

Turnover is a substantial concern for the hotel industry. While an issue at all levels of employment, it is particularly serious when it involves key management level employees. In a shrinking labor market such as that currently occurring in several parts of North America, it makes sense for hotel companies to develop and implement strategies relating to turnover and its counterpart, retention. Opportunities do exist to address this issue in effective ways. In particular, hotel companies should consider the implementation of strategies and programs which respond to employee needs for the following:

- motivational stimuli such as challenge, authority, responsibility, and fairness of pay in the workplace
- on-going counseling and mentoring concerning managerial job requirements, performance appraisal, and short and long-term career advancement opportunities
- managerial level training opportunities, particularly related to enhancing human relations skills

In composite, these strategies reflect a stronger focus on the ultimate value of supervisory and junior hotel management employees and their ability to contribute to organizational goals. While most hotel organizations probably agree with the important role of such programs, there appears to be a significant gap between belief and practice. Without a stronger commitment to implementation, it is entirely likely turnover issues will continue to plague the hotel industry for years to come.

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