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Developing In-House Careers and Retaining Management Talent: What Hospitality Professionals Want from Their Jobs

Kate Walsh
Cornell University, kmw33@cornell.edu

Masako S. Taylor
Kansai Gaidai University

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Developing In-House Careers and Retaining Management Talent: What Hospitality Professionals Want from Their Jobs

Abstract

One of the primary challenges the hospitality industry faces continues to be high levels of turnover. In this study, the authors examine turnover intentions of one of the most critical groups of employees: management staff. Using a sample of Cornell University School of Hotel Administration graduates from 1987 through 2002, the authors identify the job features that enhance managers' commitment levels to their organizations and to the overall industry, as well as reduce their likelihood of leaving both. Results suggest that hospitality managers are taking charge of their careers. They are looking for challenging jobs that offer growth opportunities, as well as competent leadership and fair compensation. To the degree these job features are in place, hospitality managers' commitment levels will rise. Managers' commitment to performing challenging work especially reduces their likelihood of leaving their companies and the industry.

Keywords

hospitality industry turnover, managerial retention, self-directed careers

Disciplines

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Comments

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Developing In-House Careers and Retaining Management Talent

What Hospitality Professionals Want from Their Jobs

by KATE WALSH and MASAKO S. TAYLOR

One of the primary challenges the hospitality industry faces continues to be high levels of turnover. In this study, the authors examine turnover intentions of one of the most critical groups of employees: management staff. Using a sample of Cornell University School of Hotel Administration graduates from 1987 through 2002, the authors identify the job features that enhance managers' commitment levels to their organizations and to the overall industry, as well as reduce their likelihood of leaving both. Results suggest that hospitality managers are taking charge of their careers. They are looking for challenging jobs that offer growth opportunities, as well as competent leadership and fair compensation. To the degree these job features are in place, hospitality managers' commitment levels will rise. Managers' commitment to performing challenging work especially reduces their likelihood of leaving their companies and the industry.

Keywords: hospitality industry turnover; managerial retention; self-directed careers

There are several things I believe to be important in my career, such as contact with other people, growth opportunities, constant learning opportunities, and a good salary. My current job does not provide me most of these items. . . . I'm currently looking for another job.

I need something challenging, and I need to work for people that recognize my effort. I don't necessarily need to be compensated monetarily. But I do need people to say "good job" a lot.

These two comments characterize the turnover challenge that faces the hospitality industry. Money alone does not motivate young managers, and top executives seek ways to motivate and retain their best managers. Along that line, the lament of participants in the 2001 Human Resource and Organizational Behavior Industry Roundtable, held at the Cornell University School of Hotel Administration on April 20, extended beyond the industry's overall turnover challenge to issues relating to college-educated prospective managers and leaders. Specifically, the participants noted that many Cornell graduates were unwilling to wait the requisite number of years to attain a top-level position that would allow them to put the full measure of their management training and financial skills to use in high-level positions. Without a clear career ladder in sight, these employees were leaving their organizations within a year or two of their graduation—and many were bailing out of the industry entirely.

The panel's observation highlighted the need to study the attitudes of the industry's best and brightest—college graduates who aspire to become industry leaders. In this article, we examine the challenge of retaining managerial talent. Applying ideas from career and commitment theories to a survey of recent graduates of the Cornell School of Hotel Administration, we consider the job features that keep young managers from leaving their organizations. Specifically, we examined (1) what job features are important to these employees and (2) how these features are related to their commitment to the company where they work and to the hospitality industry. In addition, we examined the relationship of these respondents'

commitment to their intentions to leave their organizations and to leave the industry entirely. Our goal is to suggest steps that hospitality companies can take to retain their management talent.

After a brief review of existing studies on enhancing employees' commitment and turnover levels, we discuss our research and its results. We conclude with a discussion of the implications of our findings for leaders wishing to hold onto their best managerial talent.

Turnover in the Hospitality Industry

Despite the common view that a certain volume of management-level turnover is inevitable and even helpful, most observers and practitioners would agree that the amount of turnover that afflicts the hospitality industry is a continuous drain on productivity and profits. Chief among the expenses caused by high turnover is the loss of productivity that occurs when a seasoned employee leaves and a new employee is still learning the job. A great deal of an organization's implicit service-based knowledge resides in its employees; when they walk out the door, so does some of the company's valuable knowledge base (Coff 1997). Indeed, an analysis by Hinkin and Tracey (2000; see also Hinkin and Tracey 2006) found that lost productivity accounts for as much as 75 percent of the expense of turnover for some positions, with an average of just over 50 percent for all positions. Looking at turnover costs at thirty-three hotels, Tracey and Hinkin (2006) found an average cost of $10,000 for the most complex jobs in that sample.

While the greatest volume of turnover occurs for a hotel's front-line employees, our focus here is on management talent, because the people who leave these jobs represent a considerable level of investment and company-specific job knowledge. Researchers

Exhibit 1:
Model of Organizational and Industry Turnover
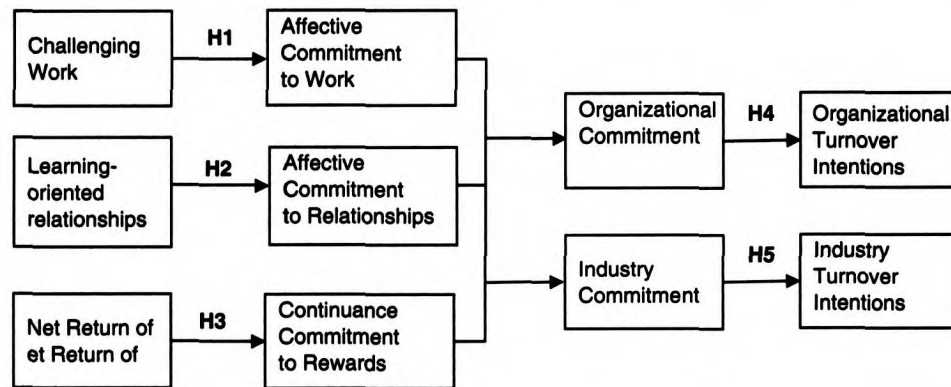
believe that managerial turnover occurs for different reasons than that of line-level workers. One particular development of recent years is that individuals no longer put their careers in the hands of one employer (Hall and Mirvis 1996; Hall and Moss 1998; Roehling et al. 2000; Sullivan 1999; Tansky and Cohen 2001). Instead, managerial-level employees proactively manage their careers and control their professional development by seeking out jobs and organizations that meet specific criteria important to them (Hall 2002). Several studies have confirmed that managers move among hospitality companies to develop their careers. Hartman and Yrie (1996) labeled this itinerancy the "hobo effect," whereby employees who seem satisfied with their jobs nevertheless leave their employer to join another company.

Even more damaging to the lodging industry is the considerable percentage of talented managers who find work in other businesses. Stalcup and Pearson (2001) found that 86 percent of employees who left their companies remained in the industry. We infer that the remainder left the business entirely. To offset this loss of talent (whether from a specific company or from the industry), we suggest that retention may be linked to specific job features that enable professionals to develop their careers. Our ideas are depicted in Exhibit 1 and discussed next.

Organizational Commitment

Our inquiry focuses on the idea that commitment to an organization encourages employees to stay in their jobs. Organizational commitment refers to a psychological attachment that employees develop toward membership in their organizations (Allen and Meyer 1990; Mowday, Steers, and Porter 1979; O'Reilly and Chatman 1986). Individuals can become either emotionally or economically committed to their companies. Those who are emotionally committed are loyal to their organizations and identify with its goals and mission, while those who are economically committed engage in a resource exchange with their organizations (i.e., they trade a job well done for compensation). These individuals remain with their organizations as long as it is too costly for them to leave.[1] The context of an employees' commitment might be to a company as a

whole or to some part of it. That is, employees may be committed to specific features of their work (Becker 1992; Becker et al. 1996; Hunt and Morgan 1994; Siders, George, and Dhawadkar 2001). Along that line, managers might be committed to their executive team, their job title, or their career track, rather than to their hospitality company.

Self-Directed Careers

One factor that we wanted to examine in this study is the notion of self-directed careers in which professionals review and reinvent their careers as they move from job to job (and company to company) (Mirvis and Hall 1994). Ideas rooted in self-directed careers suggest that rather than job security, individuals seek to develop portable skills that they can apply to numerous jobs and organizations. They will likely search for companies that allow them to do develop this skill set (Hall 2000; Sullivan, Carden, and Martin 1998; Altman and Post 1996). Indeed, for those who self-direct their careers, the opportunity to enhance their skills is a chief reason that apparently satisfied employees abruptly switch to another company or even another industry (Cappelli 1999).

Research in self-directed careers has found that employees look for their companies to offer three job features: (1) meaningful work, which is intrinsically challenging and provides individuals opportunities to learn and grow (Hall 2002); (2) learning-oriented relationships with colleagues, supervisors, and clients (Hall 2002; Kram and Hall 1996); and (3) valued extrinsic rewards in exchange for the work performed (Cavanaugh and Noe 1999; Roehling et al. 2000). Intrinsically challenging work enables individuals to acquire and apply new knowl-

edge and skills. Learning-oriented relationships refer to the development of meaningful connections with others at work, such that individuals capitalize on acquiring new knowledge and skills (Fletcher 1996; Hall 2002; Kram and Hall 1996). Such connections are characterized by their reciprocity, meaning that both parties in the relationship contribute to the other's learning, as well as remain willing to examine their own ways in which they can change and grow (Fletcher 1996). Finally, valued extrinsic rewards refer to the exchange of employees' skills for salaries and benefits that are important to them (Cavanaugh and Noe 1999; Sullivan 1999). This mindset can cause employees to view themselves almost as contingent "in-house temporary workers" who will remain committed to the company and the industry because they are committed to receiving the specific rewards that are valuable to them (McClean Parks, Kidder, and Gallagher 1998; Sullivan et al. 1998). We hypothesized that the presence of these features would drive individuals' organizational and industry commitment, which would, in turn, influence their turnover intentions for both.

Studying Hospitality Professionals

Data for this study were collected in two waves using a web-based survey instrument. We sent the first survey in October 2003 to 2,951 people who graduated from the Cornell University School of Hotel Administration between 1987 and 2003 (holding either undergraduate or graduate degrees). Within two weeks, we received 718 replies, reflecting a response rate of 24.3 percent. Four months after the original survey date, in January 2004, we sent a follow-up survey to the 718 alumni who

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1. In the literature, emotional commitment is referred to as affective commitment, and economic commitment is referred to as continuance commitment. We chose to apply terms more in keeping with the practical meaning behind the original constructs.

responded to the first survey. Of these 718 alumni, 401 responded, representing a 13.6 percent response from the original sample. Our idea in gathering data in two waves was to capture what we thought might be a cause-and-effect relationship between the importance of specific job features to respondents and their turnover intentions.

Using Likert-type scales, we asked the degree to which respondents believed that eight aspects of their jobs were challenging to them, as well as to what degree these features were important to them.[2] We included similar measures examining the extent and importance of respondents' work relationships with their managers, subordinates, and clients.[3] Finally, to capture the value of extrinsic rewards, we presented respondents with a list of thirteen different types of possible monetary and nonmonetary rewards and asked them to rate the importance of the items, in addition to their satisfaction levels in receiving them.[4] We also asked questions designed to elicit respondents' position on the question of who is responsible for their career development, as well as to indicate what is important to them about their careers. We also asked what they are looking for from their jobs, employer, and the industry in general.

In the second survey we measured respondents' commitment levels to their jobs, work relationships (with their managers, subordinates, and clients), and the rewards they were currently receiving. We also measured respondents' overall commitment to their organizations and the industry, as well as their turnover intentions for both their companies and the industry.[5]

We analyzed the data using the SPSS statistical software program. First, we determined the reliability of the scale measures. Once scale items were checked, we calculated an overall mean for each variable and tested our hypotheses using multiple regression. Finally, we content-analyzed our open-ended questions, looking for specific common categories of answers that emerged from the data. These categories were used to create overarching themes.[6]

Results: Respondents

Of the 401 respondents, 341 (84 percent) live in the United States or Canada, 29 (7.2 percent) live in Asia or the South Pacific, 26 (6.5 percent) live in Europe, and 5 (1.2 percent) live in South America or Mexico. The average age of respondents is 31.6

2. These scales were adaptations of one used and validated by Kickul (2001) measuring the degree organizations offer challenging work. Scale reliabilities are .88 for currently providing and .76 for importance.

3. These scales were adaptations of one used and validated by de Meuse, Bergmann, and Lester (2001) measuring the degree organizations offer opportunities to develop meaningful work relationships. Scale reliabilities are .94, .91, and .89 for currently receiving from relationships with managers, subordinates, and clients, respectively; and .84, .89, and .84 for importance of relationships with managers, subordinates, and clients, respectively.

4. Scale reliabilities for extrinsic rewards are .83 for currently receiving and .74 for importance.

5. Affective commitment to the job and work relationships was measured adapting Meyer and Allen's (1997) affective commitment scale (reliability is .76 for job, .90 for manager, .97 for subordinates, and .96 for clients). Commitment to rewards was measured adapting Meyer and Allen's (1997) continuance commitment scale (reliability is .83). Overall organizational commitment was measured using the modified version of Mowday, Steers, and Porter's (1979) scale (reliability is .93), and industry commitment was measured using a modified version of Blau's (1989) scale (reliability is .81). Finally, organization and industry turnover intentions were measured using Becker's (1992) scale (reliabilities are .89 for organization turnover intentions and .88 for industry turnover intentions).

6. Content analysis was performed using the approach outlined in Miles and Huberman (1984).

Exhibit 2:
Distribution of Respondents' Earnings
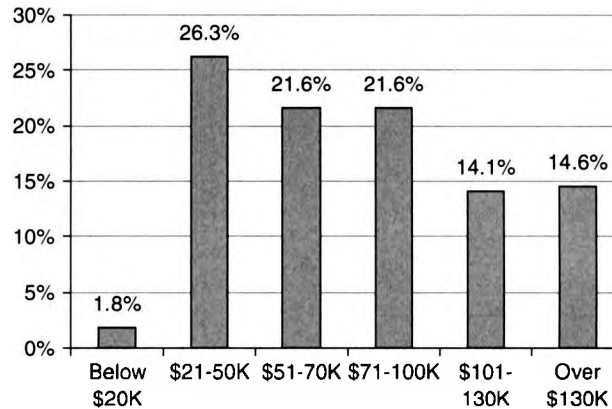
years, and the sample was evenly split between men and women. The mean year of graduation is 1994 and the median is 1997. Although the distribution of earnings is wide, 43 percent reported earning between $51,000 and $100,000, 14 percent reported earning between $100,000 and $130,000, and another 14 percent reported earning over $130,000 (see Exhibit 2). Two-thirds of the respondents hold a bachelor's degree, while 125 (31 percent) hold a master's or J.D. degree, and 10 (2.5 percent) hold a Ph.D. Close to 54 percent of the respondents work directly in the hospitality industry, while an additional 31 percent work in support and ancillary industries such as real estate, consulting, financial services, information technology, and law. Fifteen percent identified their industry as "other" (see Exhibit 3). Just over 200 (51 percent) are employed by an organization; 34 (8.5 percent) are self-employed, 11 (3 percent) work on a contractual basis for their company, and 6 (1.5 percent) reported being unemployed. On average, respondents have been working for their current employer for 3.8 years, have held two or three different jobs within that company, and have been in

their current job for 2.6 years. Since graduation, they have worked an average of four jobs for three different companies. However, there are some respondents who skewed the data with a high number of jobs since graduation.

The Importance of Continued Learning

Our respondents said that the intrinsic aspects of their jobs are more important than the extrinsic rewards. Exhibit 4 shows that respondents value challenging work (mean score 4.5 out of 5) and learning-oriented relationships with managers (4.6 out of 5) and subordinates (also 4.6). Although learning-oriented relationships with clients (4.2) and rewards (4.0) are slightly less important to these respondents, those factors are still highly ranked.

Focusing on the most important features of challenging work (see Exhibit 5), our respondents said that their jobs must be interesting (mean score 4.8 out of 5), and provide them with the opportunities to develop new skills and to participate in decision making (both 4.7 out of 5). On the

Exhibit 3:
Industry in Which Respondents Work
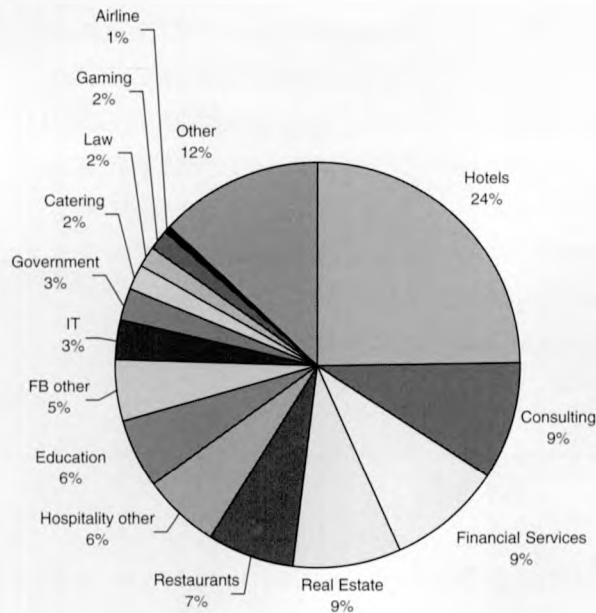
Exhibit 4:
Which Job Features Are Important?
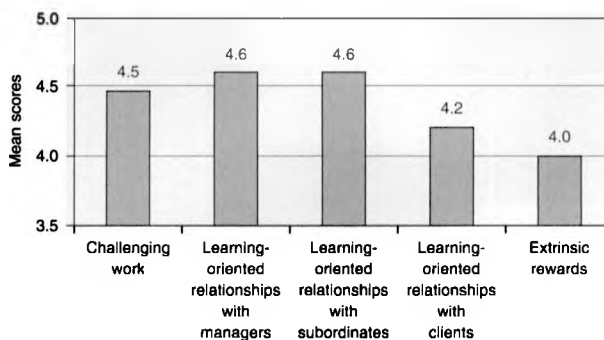
other hand, the respondents rated formal job training (4.1) and professional training (4.2 out of 5) lower on their challenging-work scale. Corporate trainers might take note here that the type of learning our respondents sought occurs through actual work experience rather than formal, isolated training and development activities.

Exhibit 5:

Which Aspects of Challenging Work Are Important?
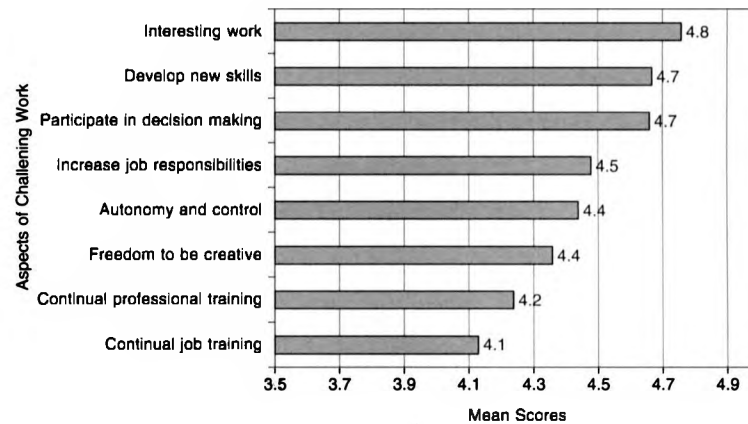
Exhibit 6:

Which Aspects of Learning-Oriented Relationships Are Important?
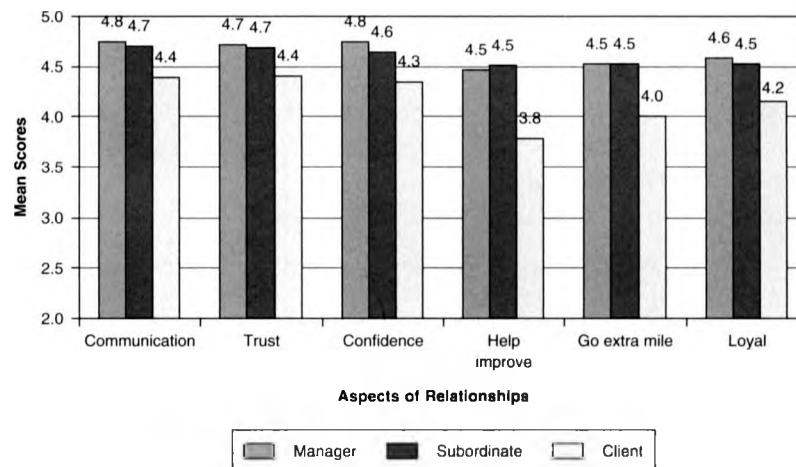
When asked about learning-oriented relationships, respondents rated communicating openly (4.6 out of 5), trusting one another (also 4.6), and having confidence in the other's ability (4.6) as most important to their work relationships (see Exhibit 6). Interestingly, helping one another improve was rated the lowest in terms of overall importance (4.3). Not surprisingly, respondents cited the most critical relationships as being those with their managers or superiors. With regard to those upward relationships, communicating openly (4.8), having confidence in these relationships (4.8), and trusting one another (4.7) were rated as most important. Scores were fractionally

Exhibit 7:
Which Aspects of Extrinsic Rewards Are Important?

Horizontal bar chart. Y-axis labeled "Aspects of Rewards", X-axis labeled "Mean Scores" ranging from 1 to 5.

- Competitive salary: 4.7
- Promotion opportunities: 4.6
- Medical coverage: 4.5
- Vacation days: 4.4
- Retirement saving plan: 4.2
- Flexible work hours: 4.1
- Annual bonus: 4.1
- Insurance coverage: 3.8
- Company status: 3.8
- Occupational status: 3.7
- Job status: 3.7
- Perks: 3.4
- Ability to work from home: 3.3

lower for the importance of relationships with their subordinates and slightly lower still for the importance of relationships with their clients.

When asked about rewards, the most important feature for respondents was compensation (4.7 out of 5), but that was followed closely by promotion opportunities (4.6). Other aspects of the benefit package, such as health insurance (4.5) and retirement savings plans (4.4) came after those in close succession. As Exhibit 7 indicates, status and perks were not viewed as important.

We compared the degree to which respondents viewed these job features as present in their current jobs, as well as the degree to which each feature was important to them. The idea behind this type of analysis is to ensure that employers are not loading up their workplaces with features that are not important to their employees. Thus, we looked for similar ratings for the degree and importance of each job feature and instead found a fair volume of disconnect.

The largest difference (0.76) was between the importance of having challenging job responsibilities (4.5 out of 5) and the degree to which their current job offers this type of work (3.7). A similar disconnect occurred between the importance of learning-oriented relationships (4.4) and the degree they exist (3.7, representing a 0.73 difference). Interestingly, the difference between the degree to which rewards were important to respondents and the level of those rewards was somewhat smaller (4.0 versus 3.6). From these observations, we surmise that our respondents find the intrinsic aspects of their jobs (such as challenging jobs and learning-oriented work relationships) to be lacking much more than the extrinsic value (such as rewards).

Commitment Levels

Next, we examined the nature of commitment among our respondents, starting with their commitment to specific job features. We compared commitment results for

Exhibit 8:
Commitment to Job Features, Organization, and Industry
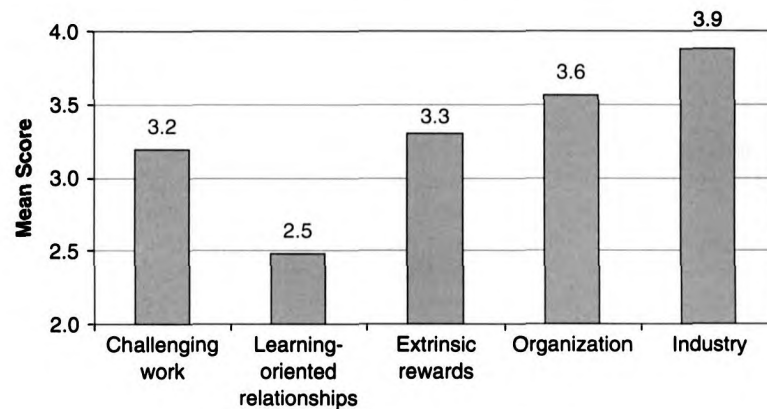
challenging work, learning-oriented relationships, and rewards. Extrinsic reward levels (3.3 out of 5) and being challenged with job responsibilities (3.2) were essentially tied. Commitment to learning-oriented relationships was significantly lower than the other two, at 2.5. Thus, although our respondents claimed that rewards are not as important to them as being challenged in their work and experiencing learning-oriented relationships (especially with their managers), these employees are, in fact, committed to receiving their rewards package. Comparing respondents' commitment levels to the company with those toward the industry, we found that our respondents generally were slightly more committed to the industry (3.9 out of 5) than to their organizations (3.6). Along that line, their turnover intentions were slightly higher for their organizations (2.4) than for the industry (2.1 out of 5, where 5 equals strong agreement with statements about intentions to leave).

Confirming the above findings, which indeed support the idea that hospitality professionals are actively managing their careers, we found only lukewarm agreement with the idea that their employers or managers were responsible for respondents' career development. The mean score for agreement that employers are responsible was 3.0 out of 5, while the mean score that their managers are responsible was 2.7. These results suggest that our respondents are looking for their employers to provide the opportunities to expand their careers and the means for them to do so. Yet final responsibility for managing their careers remains with the respondents.

Comments from Respondents

Comments offered by 555 respondents confirmed our quantitative results. Just under one-fourth (130) stated that obtaining growth opportunities was the most important aspect of their careers, and another eighty six respondents (15.5 percent) reported continually needing to learn and be challenged in the work they do.

Along those lines, respondents wrote the following:

Exhibit 9:
What Respondents Are Looking for from Their Careers, Jobs, Companies, and the Hospitality Industry

Career	Job	Company	Industry
Growth opportunities: 23.4%	Growth opportunities: 16.4%	Growth opportunities: 16.0%	Growth opportunities: 12.8%
To learn and be challenged: 15.5%	Challenging job: 13.2%	Support: 11.0%	Continued improvement: 6.3%
To make a difference: 9.2%	Fair compensation: 11.5%	Compensation: 10%	Fair compensation: 6.0%
Financial success: 7.0%	Learning opportunities and experience: 10.0%	Security and stability: 6.8%	Improve life for others: 5.8%
Personal satisfaction: 7.0%	Satisfaction: 7.6%	Good working conditions: 4.7%	Industry growth and stability: 5.4%
Joy in the work: 7.0%	Work and life balance: 7.3%	Recognition: 4.8%	Innovation: 4.5%
Work and life balance: 3.8%	Joy in the work: 6.9%	Training and development: 3.4%	Raise profile of industry: 3.6%
Independence: 3.8%	To accomplish something: 3.1%	Respect: 2.3%	Act ethically: 3.1%

Note: We report themes represented by 2 percent or more of the sample. Totals do not equal 100 percent due to the varied responses.

- [It is important that I am] doing interesting work in an industry I care about ... building the foundation for continued growth and development for any of a number of career paths I may choose.
- The most important thing to me about my career is that I continually learn and improve. I like to be challenged, and I like to be surrounded by smart, experienced people from whom I can learn.

Other themes that were common included making a difference (55 responses, representing 9.2 percent), obtaining financial success (43, 7.7 percent) obtaining personal satisfaction from their careers (40, 7.2 percent), and finding joy in their work (also 40). On the lower end of the scale were achieving a satisfying balance between life and work and maintaining independence (both of which were mentioned by 21 respondents, representing 3.8 percent). Exhibit 9 summarizes the themes from all four questions. A sample of quotes is provided in Exhibit 10.

When asked what they were looking for from their job, respondents' most prominent answer again was having opportunities for growth and development (86 out of 523 who answered, representing 16.4 percent). One respondent wrote, "A job must be a specific and concrete work role, for a temporary phase in your career: the fundamental expectation is that each job contributes to the personal and social growth of an individual engaged in a career." Another said, "It should be the stepping stone for bigger and better opportunities." An additional 52 (representing 10 percent) discussed seeking learning opportunities and experience from their jobs. As one respondent stated, "[I am looking to] to learn as much as I can so I can move onto a better job with more responsibility." A second, related theme was finding jobs that are challenging (69 responses, 13.2 percent). As one respondent stated, "I am looking for challenge and change all the time. I never want to have a job that requires repetition of the same tasks day after day." A second respondent wrote, "[I am looking for] the opportunity to be constantly challenged while being supported by a manager who believes in constant growth for employees and the business."

Exhibit 10:
Sample Quotes

What Is Important to Managers about Their Careers	*What Managers Want from Their Job*
Continuous opportunities for advancement, ability to retire at a reasonable time in my life, always learning something. That I am doing something challenging and making a significant contribution. Currently, being out of college for two years, the most important aspect of my career is the opportunity to have exposure to numerous industries, variety of deals, clients, markets. Any and all exposure assists me in developing my career path. Working in a growing, challenging, and dynamic industry where you can continually make interesting changes and see continued improvement in your company's sales, staff, service. Doing interesting work in an industry I care about. Building the foundation for continued growth and development for any of a number of career paths I may choose. The following are some of the aspects I consider important: fulfilling and challenging tasks, having goals with a stretch, adequate rewards for due completion on tasks and the opportunity to constantly develop new skills and enhance current skills. The most important thing to me about my career is that I continually learn and improve. I like to be challenged, and I like to be surrounded by smart, experienced people from whom I can learn. Being able to trust my coworkers and work well together as a team is very important to me.	The opportunity to be constantly challenged while being supported by a manager who believes in constant growth for employees and the business. Challenging work and an opportunity to expand my current knowledge and skills. To be in a job where I can learn a lot and improve my skills. I am the type of person who likes to be challenged. Working in a team with a good team spirit is also very important to me. It should be the stepping stone for bigger and better opportunities. I expect to be challenged and given the right support to succeed. To be challenged; to learn and progress; increased responsibility and with that increased compensation. To have a strong foundation in what I do and always take that with me going forward. Freedom for creativity, trust, and friendly environment. Salary is important too, but if the opportunity is good, it's not the top thing on my list. To continue to add to my track record of success. To give me more and more rounded food-service experience that makes me more marketable.

What Managers Want from Their Companies	*What Managers Want from the Industry*
An environment that fosters growth, teamwork, and an emphasis on staff retention and training rather than staff burnout and rehiring. Appropriate compensation. Strong policies and support for difficult decisions made in accordance with those policies. Recognition, opportunities to learn and improve my skills, good leadership.	To challenge me to continue learning, be more creative, find new solutions, and present growth opportunities along the way. I want for the hospitality industry to continue to be seen in a favorable light, and hope to always be valued member. An environment in which I can contribute and make a difference.

Exhibit 10:
(continued)

What Managers Want from Their Companies	What Managers Want from the Industry
Acknowledgment for a job well done, decent compensation, understanding of family demands and commitments, assistance with career development and direction.	I wish that the understanding of working in the industry was a little different. It is currently highly accepted for hotel managers to work twelve hours day and not have or neglect their families. I wish there could be a refocused effort to make careers and personal lives balanced in this industry.
The opportunity to develop personally and professionally, a competitive salary, guidance, and recognition for my work.	[Opportunity] to concentrate broader aspects of my career and talents into a smaller niche, thus making me even more valuable.
Recognition when I do a good job; career advancement as well.	Fair hours and compensation. Overall, the hospitality industry is at a far lower salary than comparable jobs, with typically longer hours. This industry is going to continually lose good people because they are better compensated in other industries.
I need an employer who will provide the training to increase my skills and guide me on my career path. My employer needs to trust in my abilities and give me the freedom to work with my own ideas.	To have the chance to keep evolving and getting to the point where I am able to contribute to that evolution. Hospitality is an everyday changing industry where people involved have to have the capability to keep up to date and changing for the good of clients and guests.
Stability in hours. An employer willing to recognize the worth of hard-working individuals and who views promotion as a means to greater responsibility and delegation not as a means to make that person do more work. Employers should never be allowed to hire persons with multiple skills so that this one person is capable and delegated the work normally assigned to three or four positions. People should never be worked like cattle simply to meet the employer's profit goals.	More quality leadership. Much higher levels of intelligence at all levels. Willingness to move from past operating patterns to consider new tools and methods. More diversity!!!!!!

The drive for challenge and opportunity did not exclude compensation. Sixty respondents (11.5 percent) reported that they are looking for recognition in terms of a fair salary for their work or enough compensation to provide for their families and "make a decent living." Other themes that emerged include finding satisfaction from the work itself (40, or 7.6 percent), achieving a work–life balance (38, 7.3 percent), finding joy in the work (36, 6.9 percent), and having jobs where respondents can accomplish something important to

them (16, representing 3.1 percent). The following quote summarizes the high expectations respondents have for their jobs: "To be appreciated, to learn from it, to enjoy it, to feel that it matters."

In addition, the issue of what respondents want from their employers drives directly at the issue of turnover. Prominent themes that emerged were that employers should provide opportunities (90 out of 562 who answered, representing 16 percent), support (62, or 11 percent), and compensation (59, 10.5 percent). As one respondent said, "[I am

looking for] support and assistance in moving me to the places and positions I need or want to go so I can achieve my ultimate career goals." A second respondent wrote, "I am looking for my company to help nurture all of my needs through their own vision. In other words, I should not have to leave my company to get what I want out of my career." A third stated, "I *was* looking for growth potential and the ability to learn within a highly motivated company . . . but now I'm looking for nothing from them." Other representative comments from respondents include, "I am looking for a company that understands that employees are the number-one asset, and this is reflected in their salary, benefits, perks, and vacation and sick time"; and "My company needs to support me and my fellow employees. They need to take care of employees with good benefits and competitive compensation." Many respondents' viewpoints are reflected in the following comment: "[I am looking for] an employer willing to recognize the worth of hard-working individuals and who views promotion as a means to greater responsibility and delegation, not as a means to make that person do more work." Other themes that emerged from the data include providing security and stability (38, 6.8 percent), a good working and learning environment (28, 5 percent), recognition (27, 4.8 percent), training and development (19, 3.4 percent), and respect (13, 2.3 percent).

Finally, when asked what they are looking for from their industry, the overall themes were that the industry provide personal growth opportunities (57 out of 447, representing 12.8 percent), continued improvement (28, 6.3 percent) and, in a related manner, industry growth and stability (24, 5.4 percent). In addition, respondents are looking for the hospitality industry to offer fair compensation (27, representing 6 percent), serve a higher purpose, such as improve life for others (26, 5.8 percent), and be innovative (20, 4.5 percent). Raising the profile

of the industry (16, 3.6 percent) and acting with integrity and strong ethics were also mentioned (14, 3.1 percent).

Some of our respondents touched on the factors they see causing turnover. One respondent commented, "Due to the less-competitive salary base, as well as the long required hours of work, I do not believe the system retains talented individuals for a long period of time. Many have left the industry because it simply 'pays better' outside the hotel industry." Another wrote, "I wish that the understanding of working in the industry was a little different. It is currently highly accepted for hotel managers to work 12 hours a day and not have or neglect their families. I wish there could be a refocused effort to make careers and personal lives balanced in this industry." Others focused on improving the image of the industry and the way it works. One respondent said, "[I am looking for the industry to be] raising the profile of those who work in it . . . changing the perception that what we do is not real business." Other respondents commented that, "I am looking for an industry that continues to make advances and changes"; and "[The industry should] always be open to new ideas—the hotel industry is an old one—and most hotel operations are not always open to new ways of doing things."

How do these views play out in respondents' commitment levels to their organizations and industry? More important, how do they influence turnover intentions? We examine these questions next through our data analysis.

Promoting Organizational and Industry Commitment

We examined the effects of the presence of a challenging job, learning-oriented work relationships, and rewards (compensation) on respondents' commitment to these job features, as well as to the organization and

industry. We found that, indeed, the more that individuals perceive their jobs to include challenging work, the more they are committed to their organizations and to the industry. (However, the effect of challenging work on industry commitment carried less predictive power.) Commitment to the organization is also affected in a statistically significant manner by the presence of learning-oriented work relationships, but only for relationships with bosses or managers. So, too, the presence of learning-oriented relationships with managers directly affected industry commitment levels but, again, with low predictive power. We found similar effects when examining the effects of rewards on organizational and industry commitment. Interestingly, the effect of receiving valued extrinsic rewards is much stronger for industry commitment than for organizational commitment. Details of the statistical tests for these findings and those in the connection between commitment and turnover (below) are shown in the appendix.

Taken together, results suggest that all three job features influence employees' organizational-commitment and industry-commitment levels, both directly and indirectly, through commitment to the job's features. The job feature that most strongly influences commitment to the organization is performing challenging work, while the feature that has the strongest effect on commitment to the industry is obtaining valued extrinsic rewards. Having managers from whom individuals can learn also strongly influences organizational commitment.

The Connection between Commitment and Turnover Intentions

Using regression analysis to test the effect of commitment on turnover intentions, we found that commitment to challenging work is the strongest significant, negative predictor

of turnover intentions. The relationship is partially a result of organizational commitment levels. Thus, the greater the extent to which respondents find that their jobs include work that challenges them, the less likely they are to want to leave their organizations. Interestingly, commitment to receiving valued extrinsic rewards is a weak, but positive, predictor of turnover intentions. That is, the more committed respondents are to receiving their package of extrinsic rewards, the more likely they are to make plans to leave the company for better offers. In addition, contrary to our expectations, employees' commitment to learning-oriented relationships does not have a strong influence over their willingness to leave the employer.

Commitment and Industry Turnover Intentions

Finally, we found that the presence of challenging work significantly decreased our respondents' plans to leave the hospitality industry. To the degree that individuals find their jobs to include challenging work, they are more likely to develop a sense of commitment to the industry and be less inclined to want to leave it to pursue other opportunities. However, commitment to work relationships was not a significant predictor of turnover intentions, and commitment to rewards was a weak, positive predictor (Beta = .079, $p < .10$).

Accounting for the lost. When we asked respondents why they left the industry or never took a hospitality job after graduating, 83 of the 401 respondents offered a reply. Twenty-seven indicated that they were interested in other types of work. Nineteen respondents indicated they left the industry because of the long, inflexible hours, and another 17 reported they left because of the poor compensation. Finally, an additional 17 left to pursue better opportunities that companies in other industries were offering them.

The Importance of Career Management

Our findings reveal that, as research in self-directed careers would suggest, the hospitality managers whom we surveyed are actively managing their careers. Whether they remain with their companies and with the industry depends, in large part, on the degree to which their employers respond to their career needs, particularly their need for professional growth. Yet a large fallacy held by at least some industry decision makers is that the chief factor that drives professional turnover is poor compensation and burnout. We did not find that to be the case, although it was important for our respondents to obtain a good salary and benefit package and to have a reasonable balance between work and their personal life.

Another tempting explanation for turnover involves factors outside the decision maker's control, as summarized by the argument that "hospitality is a low-margin business that offers lower compensation and requires long, inflexible hours." Those who believe that assertion try to find employees who "love" service-based work despite marginal working conditions. This line of thinking can lead many employers to lament "the lack of passion" that current hospitality management graduates show, and this concept may even encourage some employers to adopt a burnout strategy in which they decide to "get as much work as possible out of newer managers before they quit."

To the contrary, although compensation and work-life balance are important, it is the absence of opportunity and not the presence of hard work that causes young managers to leave. Respondents want opportunities to continue to learn as they perform their jobs and, in particular, to participate in decision making. Indeed, when asked about what they want from their careers, jobs, companies, and the industry, the number one response was growth opportunities through challenging jobs. At the same time, we found a disconnect in the degree to which their current jobs actually offer that challenge.

In the hospitality industry, managers are often asked to perform work that can be perceived as being mundane, and not every managerial job can be challenging all the time. Even in the midst of repetition, however, one key aspect of challenging work is that it presents opportunities for managers to learn and develop their "tool kit" of conceptual and leadership skills. Thus, one suggestion we have for decision makers is to ensure that executive-team leaders are adequately training and developing their managers for future executive-level positions. To do so, executive-team leaders need to have the appropriate skills to develop their managers to take on increasingly challenging tasks and the wherewithal to let those managers assume appropriate responsibility. In addition, our findings also suggest that if executive-team members can communicate well and act as trustworthy leaders to the managers they supervise, their managers will be more committed to the organization and industry.

Although the professionals whom we surveyed are not expecting their companies to take responsibility for their careers, hospitality leaders should nevertheless be explicit about the career paths and learning opportunities their managers can find within their organizations. One strategy would be to outline a potential path with new managers and commit to revisit their progress on a regular basis. This path could indicate possible jobs, the learning and growth opportunities available in each job, and the expected duration for each position. In addition, leaders should be ready to show how initial jobs represent learning opportunities that will prepare managers for greater challenges. Some of

the respondents reported feeling forgotten in their job as assistant housekeeper or assistant banquet manager, commenting that they have been in these positions far longer than promised. This lack of attention has prompted them to begin to search for opportunities at other organizations. We argue that if these managers can see a career path ahead of them, with a succession plan that companies commit to implementing, they will be more willing to wait for the next opportunity in-house, rather than look for it elsewhere. Indeed, as our qualitative findings point out, some managers reported being ready to relocate and even make lateral moves within their organizations so that their careers could progress. Our results suggest that managers do not expect their companies to take responsibility for their career and career management—only to provide the support and opportunity for managers themselves to develop their careers.

Without doubt, compensation is important, but most of our respondents seemed clear that no amount of money or benefits will hold them in what they conclude to be a dead-end job. Our findings indicated that extrinsic rewards drive organizational and industry commitment to a lesser degree than does the opportunity to perform challenging work. Moreover, respondents reported little disconnect between the importance of extrinsic rewards and their perceptions of what they were currently receiving. Rather than try to earn as much money as possible, these respondents are looking to earn enough to provide for their families and live a comfortable life. They also want to be equitably compensated and fairly treated. To encourage this perception of fairness, we suggest that executives be explicit about both external and internal salary levels and explain how their managers' compensation compares to the industry's averages (for the hospitality and other service and manufacturing industries) for the areas in which they live. In addition, employees should be made aware of the range of performance increases within their organizations as well as made to understand why their increase represents a fair reward for their performance, relative to the mean for managers at their level within the organization. If this information is not made explicit, leaders run the risk of their managers' drawing their own erroneous conclusions in ways that will affect their turnover intentions. Finally, it is important to note that respondents in this study were also open to other forms of extrinsic rewards, such as a flexible schedule, reduced time commitments, and increased opportunities for time to devote to their family and nonwork interests. The presence of these types of reward may more than compensate for the opportunity to earn a higher salary working for other companies, possibly in other industries.

As a closing note, our findings indicate that hospitality managers are actively managing their careers and shifting jobs and companies to do so. While we found that those managers who are most committed to receiving a net return of extrinsic rewards are those most likely to leave their companies for better opportunities, we also found that the strongest driver by far of commitment and turnover intentions is the intrinsic nature of the job. That is, those employees most committed to performing challenging work are the ones most likely to remain with their companies and with the industry. Because they intrinsically identify with their work, their performance is also likely to be higher. Thus, our advice for leaders is to reconnect with those high potential managers to ensure that the company is addressing their career and development needs and provides opportunities to develop in-house careers. Managers who see the potential for growing will be most likely to stay with their companies—not because they *have* to, but because they *want* to.

Appendix

Statistical Test Information

The equation yielded significant ($p < .001$) beta coefficients of .65 and .15 for *organizational* commitment regressed on affective commitment to challenging work and degree the current job has challenging work, respectively. The R^2 for the equation was .52 and the F-statistic was 204.64 ($p < .001$). Using the Baron and Kenney (1986) method, we tested for and found that affective commitment to challenging work partially mediates the relationship between challenging work and organizational commitment. When the mediator variable was included, the beta coefficient dropped from .40 to .15 but the significance level did not change.

The equation also yielded significant ($p < .001$) beta coefficients of .28 and .20 for *industry* commitment regressed on affective commitment to challenging work and degree the current job has challenging work, respectively. The R^2 for the equation was .16 and the F-statistic was 36.42 ($p < .001$). Again using the Baron and Kenney (1986) method, we tested for and found that affective commitment to challenging work partially mediates the relationship between challenging work and organizational commitment. When the mediator variable was included, the beta coefficient dropped from .31 to .20 but the significance level did not change.

The equation yielded significant beta coefficients of .42 ($p < .001$) and .18 ($p < .05$) for *organizational* commitment regressed on affective commitment to learning-oriented relationships and degree current job has learning-oriented relationships with managers, respectively. The R^2 for the equation was .25 and the F-statistic was 25.51 ($p < .001$). Again applying the Baron and Kenney (1986) method, we tested for and found that affective commitment to work relationships partially mediates the relationship between current level of learning-oriented relationships with managers and organizational commitment. When the mediator variable was included, the beta coefficient dropped from .30 to .18 and the significance level dropped from $p < .001$ to $p < .05$.

The equation yielded a significant beta coefficient of .16 ($p < .01$) for *industry* commitment regressed on degree current job has learning-oriented relationships with managers. The R^2 for the equation was .03 and the F-statistic was 9.0 ($p < .01$). Using the Baron and Kenney (1986) method, we tested for and found that affective commitment to work relationships does not mediate the relationship.

The equation yielded a significant beta coefficient of .20 ($p < .01$) for *organizational* commitment regressed on net return of current rewards. The R^2 for the equation was .04 and the F-statistic was 3.74 ($p < .05$). Using the Baron and Kenney (1986) method, we tested for and found that continuance commitment to rewards does not mediate the relationship between current level of rewards and organizational commitment.

The equation yielded a significant beta coefficient of .32 ($p < .001$) for *industry* commitment regressed on net return of current rewards. The R^2 for the equation was .10 and the F-statistic was 19.68 ($p < .001$). Using the Baron and Kenney (1986) method, we tested for and found that continuance commitment to rewards does not mediate the relationship.

The equation yielded significant beta coefficients of −.36 ($p < .001$), .18 ($p < .001$) and −.34 ($p < .001$) for *organizational* turnover intentions regressed on affective commitment to challenging work, continuance commitment to net return of rewards, and organizational commitment, respectively. Affective commitment to learning-oriented relationships was not a significant predictor. The R^2 for the equation was .36 and

the F-statistic was 52.01 ($p < .001$). Using the Baron and Kenney (1986) test, we found that organizational commitment partially mediates the relationship between commitment to meaningful work and organizational turnover intentions. When the mediator variable was included, the beta coefficient dropped from $-.58$ to $-.36$ but the significance level did not change.

The equation yielded significant beta coefficients of $-.28$ ($p < .001$) and $-.46$ ($p < .001$) for *industry* turnover intentions regressed on affective commitment to challenging work and industry commitment, respectively. Affective commitment to learning-oriented relationships and continuance commitment to net return of rewards were not significant predictors. The R^2 for the equation was .36 and the F-statistic was 50.53 ($p < .001$). Using the Baron and Kenney (1986) test, we found that industry commitment partially mediates the relationship between commitment to challenging work and industry turnover intentions. When the mediator variable was included, the beta coefficient dropped from $-.45$ to $-.28$ but the significance level did not change.

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Kate Walsh, Ph.D., is an assistant professor at the Cornell University School of Hotel Administration (kmw33@cornell.edu). **Masako S. Taylor**, Ph.D., is an associate professor at the Center for International Education of Kansai Gaidai University in Japan (mstaylor@kansaigaidai.ac.jp). The authors thank the School of Hotel Administration's Center for Hospitality Research for sponsoring and funding this study, as well as Nancy Wilson, of the school's alumni office, for her assistance and Amy Beltaine for her help in administering Websurveyor.