Retaining Management Talent

Glossary

- Experience: Familiarity with a skill or field of knowledge acquired over months or years of actual practice and which, presumably, has resulted in superior understanding or mastery (http://www.businessdictionary.com/definition/experience.html, 2016)
- Manager is defined as "An individual who is in charge of a certain group of tasks, or a certain subset of a company". Generally these individuals have team members who report directly to them, (http://www.businessdictionary.com/definition/manager.html, 2016).
- Retention: The condition of retaining (keeping) something. (2016). (In this case management talent.) (http://www.businessdictionary.com/definition/retention.html, 2016).
- Talent is defined as; individuals who have the capability to make a significant difference to the current and future performance of the company (Morton, 2004 in Hughes and Rog, 2008).
- Turnover: Human resource management: The number of employees hired to replace those who left or were fired during a 12 month period. (http://www.businessdictionary.com/definition/turnover.html, 2016).

Teaching Objectives

The teaching objectives of this can be on two levels: graduate and undergraduate. For undergraduates, when analysis and discussion of the case study is complete, students should be able to: 1) Define retention, 2) List, understand and explain factors that can influence retention 3) Understand and discuss industry turnover, and 4) List and discuss possible HR metrics that could be used to manage a retention effort. It can be noted here that a discussion of metrics could offer an opportunity to assign the calculation of HR metrics i.e. turnover rate, etc. to students.

Graduate students would be expected to achieve all of the objectives above plus be able research and create a more complex project, working towards developing a strategic retention plan.

Target Student Audience

This case is well suited as an assignment in a human resources course or perhaps in a lodging management course that highlights labor sources and retaining employees. The case could be used in either an undergraduate or graduate course. It can also act as a catalyst for immediate or short term assignments preparing students for more complex concepts.

Teaching Strategy

The case provided can be utilized in a variety of methods as a learning tool. Some of these teaching approaches are indicated below:

- Distribute the case and, depending on the size of the class, break the class into groups or assign individually. The case can be used as an in-class discussion prompt on retention.
    - A short term discussion can be about how to retain Daniel on the management team at the Embassy Suites. This general topic, given the framework of the case, should be of interest to students that will soon be in the job hunt.
- HR topics that can be focused on from this case include:
    - Hiring and job matching
    - Talent management systems
    - Compensation systems
    - Career pathing programs and systems
    - Turnover in the hospitality industry (management and staff levels)

Human Resources Discussion Topics, Assignments and Projects

How do you define retention?

- What do you feel is the reason behind high turnover rate(s) in the hospitality industry?
- Brainstorm retention ideas and techniques for the industry in general.
- Do you feel Daniel should continue to work at the Embassy Suites in order to obtain further internal growth? If so why? Or should he concentrate on completing his degree and then searching beyond his current position? (This topic could resonate personally for some students).

SHRM (2014) stressed that the determination of which metrics to use and measure will be based on an organization's goals and objectives. An instructor could also integrate the calculation of HR decision making metrics into a lesson. A hotel human resource manager will be a member of the hotel's leadership team and will be familiar with the hotel's goals and then select HR Metrics that are connected to these goals. Each metric selected should be defined by calculation and intended use. Metrics could include retention rate, turnover rate (overall and by position) , voluntary turnover rate, average tenure of employees, average tenure of employee that have left the organization, vacancy rate and any special characteristics of employees that have left the organization. The link for Building a Recruitment and Retention Plan, http://toolkit.ahpnet.com/Building-a-Recruitment-and-Retention-Plan/Step-1-Gather-Organizational-Baseline-Information/

Gather-Organizational-Baseline-Info-Quick-Tool/How-to-Determine-Retention-Turnover-Vacancy-Rates.aspx, provides examples of how to calculate these metrics. Also, Mayhew (2016) shared, How to write a retention plan, http://work.chron.com/write-retention-plan-12119.html. Additionally, Thompson (2004), in Workforce scheduling: A guide for the hospitality industry, http://scholarship.sha.cornell.edu/cgi/viewcontent.cgi?article=1195&context=chrpubs, provides examples of labor data and staffing analysis that may be helpful to students. After discussion, a project or additional assignment can be introduced. This case can be framed by lessons focused on recruitment, retention and turnover. As noted previously, turnover has historically been an issue in the hospitality industry and can be a major factor in the efficient operation of a lodging property.

Students could identify organization data that needs to be collected and assembled. The examination of an organization's HR goals is also useful data to consider. Such things as desired or realistic turnover rates and guest satisfaction scores. A framework for this could include: the name of each position and the number of employees in each position. Additionally, in order to calculate and or create decision making metrics, students could identify specific data which could include employee salaries, salary ranges, and salary average per position. An organization would desire to do the same for hourly positions, their dollars ranges, average hourly rates etc. The calculation of turnover rates at each position would also be useful data. Students can also generate their own research results through, for example, an assignment to interview human resource managers on these diverse topics. For example, one of this author's sections required students to interview five (5) HR managers using a question and topic checklist. Students can identify industry representatives and schedule appointments etc. HR managers could be designated by industry segment, i.e. lodging, food and beverage, meetings and events, tourism or from outside hospitality. If the location of the school is remote and or this is an online course; email and or online questionnaires and or surveys could be implemented.

Other resources on related topics (employee engagement, employee value proposition etc. could include:

- http://talentsmoothie.com/ts/wp-content/uploads/2015/05/employee-value-proposition-EVP-factsheet-talentsmoothie.pdf,
- http://toolkit.ahpnet.com/Building-a-Recruitment-and-Retention-Plan.aspx,
- https://www.thebalance.com/career-pathing-1918080,
- http://work.chron.com/plan-career-path-12889.html,
- http://www.easytemplatemanager.com/search.htm?terms=compensation+plan+template
  - [Accessed 12-11-16].

The combination of scholarly article(s) and applied business articles found on-line will provide students a wealth of resources on these human resource topics. Glint (2016) shared a white paper on The Chemistry of Employee Engagement that could also be useful. There are a variety of human resource assignments and projects that could be developed as an outgrowth of this case study. Perhaps for a graduate or advanced class, a bigger project could involve the creation and development of a strategic retention plan. Within that plan, sections would be developed to address all the areas that have been linked to retention efforts for specific organizations. For example, sections focused on compensation plans, career pathing plans, recruitment and selection, talent management and others could be developed and then rolled up into a strategic retention plan.

Wrap Up

This case ties an important issue in the hospitality industry generally and more specifically lodging business. The business challenge is a short term decision but requires an organizational framework that can be adapted to individuals. Keeping Daniel Lee at the Embassy Suites is an important objective, but how can an organization prevent or help to prevent recurring scenarios like this one? Therefore, an organizational retention framework that can become operational policy will be vital. As often noted, money is the best tool for retaining employees (Anonymous, 2008). However, research has shown that for the long term, retention of management talent requires more than money.

References

Anonymous, (2008). Compensation best retention tool, IOMA's Report on Salary Surveys, June, 08, 6, ProQuest Central pg. 8. www.ioma.com/HR

Glint (2016). The Chemistry of Employee Engagement, [Accessed 12-11-16] https://info.glintinc.com/2016-08-WP-Chem-PPC-Display_Engage_LP-Reg.html?utm_source=google&utm_medium=cpc&utm_ppc-campaign-name=us-display-keyword-targeting&utm_ppc-ad-group=employee-engagement&utm_ppc-keyword=how%2520to%2520measure%2520employee%2520engagement&gclid=COOXsKHo7NACFd2Cswod0pULJg

http://www.businessdictionary.com/definition/experience.html. [Accessed December 11, 2016].

http://www.businessdictionary.com/definition/manager.html, [Accessed December 11, 2016].

http://www.businessdictionary.com/definition/retention.html. [Accessed December 11, 2016].

http://www.businessdictionary.com/definition/turnover.html, [Accessed December 10, 2016].

http://talentsmoothie.com/ts/wp-content/uploads/2015/05/employee-value-proposition-EVP-factsheet-talentsmoothie.pdf [Accessed December 10, 2016].

http://toolkit.ahpnet.com/Building-a-Recruitment-and-Retention-Plan.aspx [Accessed December 11, 2016].

https://www.thebalance.com/career-pathing-1918080 [Accessed December 10, 2016].

http://www.easytemplatemanager.com/search.htm?terms=compensation+plan+template. [Accessed December 11, 2016].

http://work.chron.com/plan-career-path-12889.html [Accessed December 10, 2016].

Hughes, J. C. and Rog, E. (2008). Talent management, International Journal of

Contemporary Hospitality Management, 20, 7, 743-757. [Accessed 11-7-16 from http;//dx.doi.org/10.1108/09596110810899086].

Mayhew, R. (2016). How to write a retention plan, [Accessed 12-11-16 http://work.chron.com/write-retention-plan-12119.html].

Morton, L. (2004). Integrated and Integrative Talent Management: A Strategic HR Framework, Research Report, R-1345-04-RR, the Conference Board, New York, New York.

SHRM (2014). Metrics: How do I determine which HR metrics to measure and report? [Accessed 12-12-2016 from https://www.shrm.org/resourcesandtools/tools-and-samples/hr-qa/pages/metricsmosthelpful.aspx.

Thompson, G. M. (2004). Workforce scheduling: A guide for the hospitality industry [Electronic article]. Cornell Hospitality Report, 4 (6), 7-55. [Accessed 1-29-17 http://scholarship.sha.cornell.edu/cgi/viewcontent.cgi?article=1195 &context=chrpubs].