How hotel employee job-identity impacts the hotel industry: The uncomfortable truth

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ABSTRACT

The hotel industry admits to struggling to attract and retain well-qualified, skilled labour; this article questions if this difficulty is due to internal and external 'image' of the industry. Just over four thousand hotel employees were surveyed on their views of life working in a hotel with results advising that though hotels are not a bad place to work, they are not a good place to work. When this internal view/image merges with the external realities and image characteristics of other job and career options, remuneration (particularly compared with other industries), hours, and turnover, it potentially projects an overall 'negative industry image'. As the international hotel industry continues to grow, the challenge of attracting and retaining employees will be even greater; this article concludes that it is time for the hotel industry to undergo an 'industry-image-makeover'.

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1. Introduction

The growth of new hotels in the Asia/Pacific region is staggering; in 2014 the region saw 842 new hotels open, while 1025 were under construction (mostly upper scale), and 1365 in various planning stages (STR Global, 2014). Such figures project great confidence in the region and sector; but adding over 500,000 new rooms to the existing room inventory will require attracting a significant number of new employees into an industry that is already challenged in finding new, and keeping existing staff.

Finding and retaining skilled employees in all sectors is a global problem with PWC's 2016 Annual Global CEO Survey reporting that 77% of CEO's were concerned about securing employees and skills shortages, more than double the percentage of twenty years ago (PwC, 2016). Narrowing the field to tourism and hospitality, People1st (UK) reports that on its own, the United Kingdom tourism and hospitality industry needs 993,000 new employees by 2022, and of this 870,000 will be replacing employees who leave the industry (People1st.co.uk, 2016). Closer to the base of this research, the New Zealand tourism industry anticipates it needs 36,000 new

employees by 2025 which does not take into account employee turnover (Tourism Industry Assocation of New Zealand, 2015), while directly related to this research, hoteliers report a shortage of potential employees, mainly due to the low wages offered (Cropp, 2016).

In this article, the authors propose that the external and internal *image* of working in the hotel industry is a contributing factor of the attract-and-retain challenge, which is further impacted by other job/career opportunities available to the workforce of today and tomorrow. This proposition is supported by various factors that can also link to the industry's image, for example: the hotel industry is a low skilled workforce (Lashley, 2009), low pay (Williams, Harris, & Parker, 2008), high employee turnover (Brown, Thomas, & Bosselman, 2015; Davidson, Nils, & Ying, 2010; Denvir & McMahon, 1992; Iverson & Deery, 1997; Mohsin, Lengler, & Kumar, 2013; Riley, 1993), limited or challenging career opportunities (Lewis & Gruyère, 2010), and often considered 'a job till you find a real job' (Brien, 2004a). This industry image is not new; it spans decades and all regions of the world. However, if the industry image is part of the reason for not attracting and retaining employees, the industry will potentially struggle to staff existing and new hotels. Compounding this situation are the many other job and career options that exist today, meaning any industry, including the hotel industry, needs to compete for appropriate human capital.

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In this article, the authors present data from various interrelated sources, and pose the research question: 'Does the image of hotel-work negatively impact attracting and retaining future employees?' The findings presented in this article suggest it can; in part via factual comparison to other industries/jobs, including their career paths, hours of work, benefits, pay and employee turnover, and further, by the 'internal' image developed by hotel employees that flows to the external image.

Independently, some of the above factors such as skill-level, pay, and turnover (potential contributors to image) has been extensively researched and reported (for example see: Ahmad & Scott, 2014; Barron & Maxwell, 1993; Brien, 2004a; Chandana, Fred, Grieco, Michel, & Michael, 2013; Davidson, Guilding, & Timo, 2006; Ellis, 1981; Kusluvan & Kusluvan, 2000; Lashley, 2000; Lloyd, Warhurst, & Dutton, 2013; Manhotoma & Mahachi, 2014; Simmons & Hinkin, 2001; Warhurst, Lloyd, & Dutton, 2008; Williams, Harris, & Parker, 2009; Zopiatis, Constanti, & Theocharous, 2014). However, to date, the literature has not considered the following two questions concurrently which are interconnected: (1) how does hotel employees self-developed role/job-identity influence the external image of the industry?; and (2) how does the externally projected image of the hotel industry, as a place to work, influence people considering the hotel industry as a potential job or career? This research fills the literature gap of point 1 by considering how employees unknowingly use the theories of: role/job-identity (Fichter & Cipolla, 2010; Karadal, Ay, & Cuhadar, 2008; Loi, Chan, & Lam, 2014), social-identity (Ashforth & Mael, 1989; Baran et al., 2012; Hogg & Terry, 2000), and role-related social networks (Hoelter, 1983; Hogg, Terry, & White, 1995; Hoye, Hooft, & Lievens, 2009) to build their role/job identity, and thus the internal industry image (for example see: McNamara, Bohle, & Quinlan, 2011). The findings highlight that New Zealand hotel employees' internally developed image of the industry is 'neutral', that is it is not a bad place to work, nor a good place to work, therefore, suggesting that this internal self-image and comparative availability of other jobs may make it difficult for hotels to attract necessary employees in the future. Point 2, (Does image influence people to join an industry), is considered in relation to independent data that compares hotels with other industries in terms of remuneration and other job opportunities, a proxy for a subjective external image of an industry.

Attracting and retaining the right people is critical in any business which hotels sitting within the service-industry/experience-economy (Buera & Kaboski, 2012; McManus, 2009; Pine & Gilmore, 2011). Hotel companies often say employees are their largest and most unique asset and their largest costs (through payroll and benefits), with one way of managing the costs by using contingent labour — yet another image characteristic of the industry (Brien, 2010; Deery & Jago, 2002; Dickens, 1992; Hippel, Manhum, Greenberger, Skoglind, & Heneman, 1997; McNamara et al., 2011; Price & Mueller, 1986). Additionally, hoteliers argue that hotel work is low skilled (Lee-Ross, 2005; Lloyd et al., 2013) which justifies low pay, yet another image characteristic. The outcome of these views and modus operandi, which in summation projects an industry image, has not changed over many decades. However, the increasing number of hotels needing new employees and the competitiveness of the industry signals a need for change, which potentially needs to come from inside the hotel.

This article brings together several interrelated literature genres along with recent industry commentary and begins with a brief review of literature related to the challenges hotels face in attracting and retaining employees. It then moves to consider, as part of job/role/self-identity, the literature related to individual and social identity within organisations before reviewing the literature of Organisational Social Capital (OSC). The methods section details how data was gathered with the discussion and conclusion sections considering the presented data, with specific focus on the internal and external (job) image of the hotel industry.

Caution must be exercised when considering linkages between what could be considered disparate, but at the same time aligned literature and data, to ensure no misrepresentation is presented; every attempt has been made to avoid this.

In summary, the purpose of this article is to bring to the fore what can be considered the uncomfortable truth: the negative image of the hotel industry as a place to work and its impact on employee recruitment and retention. It re-states the relevant theory from various elements related to the hospitality and hotel industry, and in terms of industry practice pushes for pragmatic action by the industry in the quest to effectively and appropriately staff hotels. In short, the facts suggest that the hotel industry is in need of an 'image-make-over".

2. Theoretical framework

While acknowledging the reporting of new research in journals is rightfully important, it is also valid to consider the existing literature, and other, sometimes non-academic/research data sources, in different ways, including their interdependence, which at times may draw new conclusions and considerations. The authors acknowledge the vast array of literature related to the themes discussed in this section, in particular that it spans many decades. Consequently, literature, where presented, is a demonstrable example of vast array of available literature in the genre, and we begin by defining the term 'image' as it is so central to the discussion.

Image is defined as the representation (to others) of the external-form of a person or thing (industry) in some instances it can be built on fact, sometimes it is a purely subjective judgement (Oxford Dictionary, 2014). The basis for this research proposition is grounded in fact and some subjective-ness, with the following section dealing with the facts of attraction, retention and turnover, before later sections consider subjective-ness.

2.1. Existing employee attraction, retention, and turnover issues

The themes of hotel employee attraction, commitment, retention, and turnover have been thoroughly reported in the literature over several decades (for example see: Cheng & Brown, 1998; Davidson & Timo, 2006, p. 1225; Hinkin & Tracey, 2000; Hoga, 1992; Lee, Huang, & Zhao, 2012; Simmons & Hinkin, 2001; Wasmuth & Davis, 1983; Williams et al., 2009). However, we are in a changing world with changes in existing and new employees' characteristics and demands, therefore, ongoing research is necessary to understand what will attract and retain employees of the future. Bee Kim, Jauhar, and Ghani (2015) provide some guidance on this topic when they state employees, particularly of Generation Y (the majority hotel employees), find matters of work-life balance, significance of work, and salaries important in terms of retention. In particular, the most significant of the three areas was the significance of work, an important item in how an employee identifies with their job. In other research we hear that employees are looking for more than just compensation, they are looking for a challenging job that is exciting and presents long-term career growth (Brown et al., 2015). Given todays globalized and fast-paced world with increased technology employees also have the opportunity to choose from a vast array of jobs that enables employees to work anywhere and at any time (Mohanty & Mohanty, 2014), adding an additional complexity to hotel industry attraction and retention.