

**MASTER HOTEL MANAGEMENT**

**SEMESTER: 3**

**SUBJECT: MASTER THESIS**

**TITLE OF ASSIGNMENT: ENGAGEMENT OF CASUAL LABOR  
TO HOTEL ARTS' STANDARDS AND CULTURE**

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## 1 INTRODUCTION

The hotel industry is characterized by a people-oriented business environment and a highly competitive market (Yang, 2010). A way to create competitive advantage is to improve service quality (Min & Min, 1997). Service is one of the most important components to gain long-term competitive advantage and to maintain customers' confidence in the company (Markovic & Raspor, 2010). A hotel can only survive in this severely competitive market when it provides its customers with good quality service (Narangajavana & Hu, 2008). Therefore, service quality is considered the core part of the hotel and defines its organizational success (Min & Min, 1997; Naseem et al, 2011). The service quality of a hotel is the way of managing any hotel in order to satisfy its internal customers and external customers with high quality service but also to survive in the competitive marketplace (Gržinic, 2007). Here, frontline employees embody one of the most important factors in providing the required level of service (Yang, 2010). Furthermore, they are major factors that affect most of the hotel's daily operations performance and it is in their ability to provide excellent services that generate a sense of importance to the customers (Al-Ababneh et al., 2018). The ability of employees to demonstrate sincere respect and concern for customers at every touch point goes a long way in building an organization's brand equity (Bharwani & Butt, 2012). However, the existence of a multitude of touch points or "moments of truth" (Grönroos, 1990) which influence customers' perception of service makes consistency even more difficult to achieve in the context of hospitality services. Consequently, in the context of hospitality organizations, brand attributes origins in service delivery and other intangibles within the organization (Lashley, 1995). Engaged and committed employees who understand and accept brand attributes can become brand evangelists and deliver on the brand promise in a consistent and a better manner across global hospitality portfolios (Bharwani & Butt, 2012).

Employee engagement has become a widely used and popular term (Robinson, Perryman, & Hayday, 2004). This construct is a relatively new notion in the literature, but it has been heavily promoted by HR consulting companies that offer advice on how to create and leverage it (Macey & Schneider, 2008). The general consensus is that the fundamental concept of engagement may explain behavior at work, but inconsistent interpretations still exist. Academic researchers and consulting firms are still competing and saddling with the meaning of the construct (Macey and Schneider, 2008). Thus, employee engagement seems to be a powerful concept, but the concept is still lacking a clear definition.

According to Gibbons (2006:5) “employee engagement is a heightened emotional and intellectual connection that an employee has for his/her job, organization, manager, or co-workers that in turn influences him/her to apply additional discretionary effort to his/her work”. Another definition comes from Hewitt & Associates (2004:12). According to their research, engagement is:

“A measure of the energy and passion that employees have for their organizations. Engaged employees are individuals who take action to improve business results for their organizations. They “stay, say, and strive-stay with and are committed to the organization, say positive things about their workplace, and strive to go above and beyond to deliver extraordinary work”.

In other words, the more highly engaged the employee, the more likely he or she will be to share positive things about the organization, thereby contributing to the development of a positive employer brand; want to remain within the organization, thereby minimizing turnover; and regularly exert a superior level of effort, thereby potentially influencing such variables as service quality, customer satisfaction, productivity, sales, profitability (Christensen, Hughes & Rog, 2008).

Early research shows a negative direct relationship between job satisfaction and employee turnover intentions. Lam et al. (2001a, b) showed that high levels of job satisfaction result in low employee turnover. In the literature, individual factors in the hospitality industry can be identified as salary, benefits, marital status as contributors to employee turnover. The immediate result of employee turnover is operational disruption, which in again leads to a limitation of organizational performance (Yang, 2010). However, these causes are general and not suitable for every company. Each company must find out what are the drivers behind the outflow of employees.

Hotel Arts is also affected by employee turnover. A Ritz-Carlton Hotel with high service standards that is set on the shore of the Mediterranean Sea and also tied with Torre Mapfre for the tallest building of Barcelona. The hotel is the only one in town with a 2-star Michelin restaurant. Hotel Arts is a Ritz-Carlton property which is worldwide known for its extraordinary, personalized service and one of the most famous hospitality brands. This highlights the importance of service quality for this company. Thus, for Hotel Arts to maintain these high quality and service values, it cannot afford a constant lack of engagement of its employees.

This problem is encountered in the banqueting department of the hotel. Hotel Arts organizes a lot of banqueting events, both offside and in the hotel, for which it regularly needs so-called casual or

external labor. These are employees coming from ETT's (Empresas de Trabajo Temporal). In this thesis they will be named as ETT's or ETT employees. These employees work at an event for one time, maybe twice. As a consequence, the hotel reaches the problem of very high turnover in this department. The issue that arises is how this external labor could adapt more to the hotel's standards and culture in order to get more engaged with the company's service values and thereby reducing the level of turnover.

One can question what the impact is on the quality of service delivered when at every event there are new employees. Besides, the company has to invest a lot of time and money if every time for a new event they have to hire new casual labor and organize an orientation for them. The Human Resources department organizes this orientation and maybe they could spend this time differently when turnover is low. A possible explanation for the low engagement is that the training is not sufficient, the recruitment is not strict enough or the employees do not match the profiles that the company looks for.

As mentioned above, service is one of the most important components to gain long-term competitive advantage and to maintain customers' confidence in the company. Frontline employees embody one of the most important factors in providing the required level of service (Markovic & Raspor, 2010). Relating this to my experience in Hotel Arts, this is also what I notice from my experience in the hotel. The management focuses highly on the service and the hotel reputation. For example, during the introduction days as well as during the internship we were often told that the management wants to increase the score that the hotel receives on Guest Voice (survey about guest satisfaction). This shows the importance of the high quality of service for Hotel Arts. To conclude, this highlights the relevance for the hotel that all employees are engaged and can adapt to the hotel's standards and culture in order to be able to provide the required level of service.

In the next chapter the company information will be discussed. This analysis is about Ritz-Carlton as well as Hotel Arts. Chapter 3 explains the subject and the research question. The theoretical background can be found in chapter 4. Existing theories and research findings related to employee engagement will be addressed. As well, a definition of engagement can be found here. Chapter 5 explains the data collection, the respondents, and the research methods. In chapter 6 the results are described, in other words the answer to the research question is found here. Chapter 7 explains the

policy advice to improve possible bottlenecks regarding employee engagement. Chapter 8 the strong and weak points of this research can be found. As well, recommendations for further research are described here.

## 2 ENVIRONMENTAL SCANNING

### 2.1 COMPANY INFORMATION

#### More than 100 years of history

The history of Ritz-Carlton brings us back to 1898. Cesar Ritz moved from Switzerland to Paris where he started to work in some of the finest hotels and restaurants. Eventually, he opened his own hotel that bears his name. In 1899 he opened London's Carlton hotel, what ultimately would become the steppingstone for the Ritz-Carlton Hotel Company (Sucher & McManus, 2001).

The Ritz-Carlton enlarged in North America, by putting trust into the vision of the famous hotelier based on providing excellent service to satisfy the most discerning guests. During the 20th century, many hotels had opened, but none of them were operating anymore, due to the Great Depression and two world wars, except The Ritz-Carlton Boston. The Ritz-Carlton Boston was a revolution in the industry and set the standard for all future Ritz-Carlton hotels and resorts worldwide, regarding standards of service, dining and facilities (The Ritz-Carlton Hotel Company, L.L.C.). In 1983, Johnson Company acquired the rights of the name The Ritz-Carlton and hereby The Ritz-Carlton brand was established. The company was led by president and founding father, Colgate Holmes. Until 1997, The Ritz-Carlton expanded domestically and internationally under the roof of Johnson's Company (Sucher & McManus, 2001).

In 1998, Marriott International purchased The Ritz-Carlton. The main strategy of The Ritz-Carlton was to continue to grow by providing excellent service as well as obtaining management contracts for new international hotels and resorts (Sucher & McManus, 2001). Nowadays, The Ritz-Carlton Hotel Company is an independently operated division of Marriott International. Marriott international has more than 6,700 properties in 130 countries including 30 leading brands such as The Ritz-Carlton, Bulgari Hotels, Edition and W Hotels. Nowadays, The Ritz-Carlton operates in 30 countries worldwide with 97 hotels and resorts. The Ritz Carlton Hotel Company stands for luxury, elegance and glamour.

The history of Ritz-Carlton is embedded in its logo. The lion and crown of The Ritz-Carlton logo is a combination of the British royal seal (the crown) and the logo of a financial backer (the lion). Cesar Ritz created the logo.

## 2.2 THE GOLD STANDARDS

The organizational philosophy of Ritz-Carlton can be found in its so-called “The Gold Standards”. This consists of “three steps of service, motto, employee service, and the Credo”. It is embedded in the corporate strategy of the firm and shows its core purpose.

The vision of The Ritz-Carlton Hotel Company forms the foundation of the company’s values, and mission. The Ritz-Carlton Hotel Company has elaborated this with its well-known so-called service values. The vision of The Ritz-Carlton Hotel Company is to inspire life’s most meaningful journeys. They want to be the premier worldwide provider of luxury experience.

### 2.2.1 THE CREDO

The Credo explains the promise by each employee to embody and deliver the excellent service and unique experiences of the brand.

“The Ritz-Carlton is a place where the genuine care and comfort of our guests is our highest mission “

“We pledge to provide the finest personal service and facilities for our guests who will always enjoy a warm, relaxed, yet refined ambience “.

“The Ritz-Carlton experience enlivens the sense, instills well-being, and fulfills even the unexpressed wishes and needs of our guests”.

### 2.2.2 MOTTO

The motto recognizes the fact that the unique experiences are co-created by all the employees and guests alike. This Motto speaks the expression that both guests and employees should be treated equally, which is in line with the theory of “Customer Centricity Company”. That states that a company needs to satisfy the needs of both internal clients (employees) and external clients (customers). The Ritz-Carlton Hotel Company, L.L.C., “We are ladies and gentlemen serving Ladies and Gentlemen”. This motto exemplifies the anticipatory service provided by all staff members.

## 2.3 HOTEL ARTS

Hotel Arts is a luxury 5-star hotel located at the seafront in Barcelona. It is an iconic high-tech architecture building that was opened in 1994 by Ritz-Carlton. The Hotel has 44 floors and 483 rooms which were completely renovated in 2006. New technologies were installed, and the rooms got a more luxurious upgrade making the hotel more eligible for its standards.

Every part of the hotel is designed for luxury, such as the luxury spa treatments, the two outdoor swimming pools, the garden and terrace, the exclusive club lounge on the 33rd floor as well as the Duplex Penthouse with outdoor spaces. Hotel Arts includes five restaurants. They work with two Michelin-Star chefs that occasionally treats the guests with award winning local seafood and wine. Besides, Hotel Arts offers offsite catering.

The guest segmentation is divided between business and leisure guests. Hotel Arts is targeting the luxury clientele with rooms ranging from one hundred euros a night to ten thousand euros. The hotel has big meeting rooms that can offer MICE events.

The main competitors for Hotel Arts in Barcelona are the W-Hotel, Mandarin Oriental, Hotel Majestic, Hotel Sofia, Pullman Hotel and some other luxury hotels in the city. However, only few of them are located at the beachfront and have an all-round view over both the city and the sea.

### 2.3.1 FACTS IN THE COUNTRY AND CITY OF DESTINATION

The capital city of Catalonia, Barcelona, has a population of approximately 1.6 million (2017) and is the second largest city in Spain. Barcelona is located on the Mediterranean coast and is the third-largest port in the Mediterranean region and the country's principal seaport.

Starting with the organization of the Olympic Games in 1992, Barcelona has become a more and attractive destination for tourists around the world. It is the destination for short-break leisure trips, similar to Paris, London and Amsterdam. Nowadays the city is an established center for MICE (meeting, incentive, conference and exhibition) business. To demonstrate the demand, the ICCA (International Congress and Convention Association) nominated Barcelona for the 3rd place with 181 meetings in

2016.

### 2.3.2 TOURISM DEMAND

Since 2009, after the financial crisis, the total number of overnight stays and visitors in Barcelona has been increasing respectively, from 2010 to 2016, 5% in annual growth average of numbers of tourists and 6% in overnight stays. Based on historical data it can be seen that 2017 was the best year for Destination Barcelona with the highest number of tourists as well as overnight stays (Ajuntament Barcelona, 2018). Although domestic demand decreased for the first time (-1%), overseas visitors (80% of arrivals) continued to drive tourism growth (+4%). Despite the recent instability, in a total of 9.3 million visitors and almost 20 million overnight stays were counted in 2017, which represents an increase of around 3% on the previous year. Overall, Spain had a record of a total of 82 million foreign tourists in 2017 (Ajuntament Barcelona, 2017).

### 2.3.3 HOTEL SUPPLY

In line with the increasing demand over the past few years, the number of hotels and rooms in Barcelona has been growing steadily. In 2017, the overall offer of hotels grew by 3.3 %. Nevertheless, the July 2015 placed tourism moratorium had a major effect on the hotel supply. The strategy of the government has led to a paralysis of at least 38 hotel developments in the city and created expected losses of approximately €3 billion and thousands of jobs. Only the projects that got permission before the new law were able to continue and enter the market. Only six new hotels are expected to open in the next two years or have recently opened. In total, this makes 2.5% of the current supply or 1000 new rooms to the market. A result of the increasing demand over the past years and the smaller rise in offers is that the average occupation in 2017 increased in Destination Barcelona to 81.3 % (Ajuntament Barcelona, 2017).

## 2.4 MACRO/MICROENVIRONMENT

### 2.4.1 SWOT ANALYSIS

This SWOT analyzes the country as well as the city of destination, taking into account principal macro-environmental indicators, focusing on opportunities and threats. Also, principal micro-environmental indicators are analyzed, focusing on strengths and weaknesses of Hotel Arts.

As it can be seen from the environmental opportunities and threats and the firm's strengths and weaknesses, Hotel Arts has a substantial number of significant advantages. A strength of Hotel Arts is that 45% of the Ladies & Gentlemen working there start their career as a trainee (Ritz Carlton L.L.C., 2018). Thereby employees become a strong asset for the firm. Ritz-Carlton is part of Marriott International which is its parent company. This brings extra brand value and better brand recognition. Ritz-Carlton is well-known all over the world for its notch top service and thereby Ritz-Carlton differentiates itself from its competitors. Another strength of Hotel Arts is that a great number of positions are filled by interns, which results in high cost savings. Hotel Arts does not only receive revenue from its lodging service, but also from its gastronomy offers and on-location catering services. A strength of Hotel Arts is that it is one of the leading hotels in Barcelona and as a result, it has a strong negotiation position regarding its suppliers and booking websites.

A SWOT analysis does not only check on strengths, and although Hotel Arts has a lot of them, they also have some weaknesses. Ritz-Carlton is highly associated with being expensive which makes it upfront less attractive for potential customers. As already mentioned, Hotel Arts works with a high number of interns. As a consequence, it can be that the desired level of service is not reached because interns are by definition in training and may therefore not know how to work at or not be yet familiar with working at a company with high standards of service. Therefore, the perceived level of service by customers may not be very high sometimes. Another consequence of working with a high number of interns is the high turnover of employees. This is a weakness of the hotel, because every year or every season they have to invest time and money in training these employees or interns, while knowing that they will work there for a short period of time. Because Hotel Arts is a luxury 5-star hotel, costs are high in terms of maintenance, electricity but also the replacement of experts and managers of the hotel.

The second part of a SWOT analysis consists of the opportunities and threats. An opportunity for Hotel Arts is the expansion of the global tourism market. Tourism in Barcelona has been increasing due to the fact that it is becoming a popular destination among Asian tourists as well as Arabic tourists.

Another opportunity for Hotel Arts is the increasing governmental regulation in Barcelona. As since 2015 the local government has prohibited the openings of new hotels in Barcelona, Hotel Arts has the opportunity to strengthen its competitive position in the market.

The latter part of the SWOT analysis regards the threats associated with Hotel Arts. The external factors Hotel Arts has to deal with focus mainly on competition and politics. Hotel Arts is facing a high threat of competition, not only from its direct competitors but also from other type of lodging services such as Airbnb. Furthermore, due to the political disturbance in Catalonia there can be a decline in tourism. Another consequence of the political disturbance is economic instability that as well leads to a decrease in tourism. As Barcelona was quite recently shocked by a terrorist attack, tourists can be frightened to choose this destination and decide to go somewhere else instead.

Table 1. SWOT Analysis

<p><b><u>Strengths</u></b></p> <ul style="list-style-type: none"> <li>• Career development: 45% of Ladies &amp; Gentlemen start their career as trainees</li> <li>• Ritz-Carlton is part of Marriott International which is their Parent Company that brings extra brand value</li> <li>• Excellent service</li> <li>• High brand loyalty and strong brand recognition</li> <li>• Big part of employees of Hotel Arts work as interns, which results in high cost savings</li> <li>• International environment?</li> <li>• Different revenue sources (lodging, restaurants, catering)</li> <li>• One of the market leaders in Barcelona</li> <li>• Strong negotiation position with OTA's as well as suppliers</li> </ul>	<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"> <li>• The name Ritz-Carlton is usually associated with being expensive</li> <li>• Hotel Arts is known for working with a lot of interns, a possible consequence is a lower level of desired service</li> <li>• High cost of electricity and maintenance</li> <li>• High cost of replacing managers &amp; experts within hotel</li> <li>• High turnover of employees</li> </ul>
<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>• Expansion of global tourism market</li> <li>• Architecture, Culture &amp; Gastronomy</li> <li>• Increasing government regulation such as prohibition of new hotel openings in Barcelona</li> </ul>	<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"> <li>• Decline in tourism due to (possible) terrorist attacks</li> <li>• Decline in tourism due to political disturbance regarding Catalanian independence</li> <li>• Increasing competition from other lodging services such as competitors as well as Airbnb</li> <li>• Economic instability due to political disturbance</li> </ul>

Source: Researcher's creation

## 2.5 ANALYSIS OF THE COMPANY

### 2.5.1 VRIO ANALYSIS

The VRIO-model is used to identify the four main attributes of Hotel Arts that create a competitive advantage for the hotel. This theory suggests that resources of a firm must be Valuable, Rare, Inimitable and perfectly organized to capture value. Hotel Arts has several advantages that fulfill every requirement. The employees are empowered and engaged but as well very well-trained. The hotel has a strong organizational philosophy and strategy as well as a strong service delivery culture.

Table 2. VRIO Analysis

Resources of Hotel Arts	Valuable	Rare	Inimitable	Organized to capture value
2000\$ to spend every day to make up for problems	✓			
Emotional association with the brand	✓	✓		
Two-star Michelin restaurant	✓	✓	✓	
Ability to provide consequently excellent service in every location of the brand	✓	✓	✓	
Very well-trained employees and management team	✓	✓	✓	
Employee empowerment	✓	✓	✓	✓
Hotel set up (interior, artwork, location)	✓	✓	✓	✓
Strong service delivery culture	✓	✓	✓	✓
Strong organizational philosophy and strategy	✓	✓	✓	✓

Source: Researcher's creation

## 2.5.2 PORTER'S FIVE FORCES ANALYSIS

Porter's Five Forces Model is used to analyze the competition of Hotel Arts as well as why this hotel is able to determine its corporate strategy and to understand why it can sustain its level of profitability.

Hotel Arts operates in a broad and inclusive lodging industry, but they offer a highly differentiated service within this industry which narrows down their competitors. However, the rivalry among existing competitors is high as there are also other players that are already operating in the market as well that have a similar offer as Hotel Arts. In addition, high costs are involved with exiting the industry. Therefore, Hotel Arts has to innovate and improve continuously to stay ahead of the competition.

On the other side, this means that the threat of new entrants is low because of barriers to entry and to exit. High amount of capital is required as well as economies of scale in order to be able to open a hotel that can compete against Hotel Arts. Besides, as explained in Section 1 the current moratorium of hotels won't bring any new, dangerous competitors for Hotel Arts. As well, Hotel Arts has been operating for 25 years in a row and has big access and longtime relations with its suppliers.

Bargaining power of suppliers is moderate, because there are two companies on the equation that want to make a profit. Hotel Arts can choose different suppliers for different type of inputs and make orders in large amounts which is beneficial both for Hotel Arts and the supplier. As Hotel Arts gets to choose from different suppliers, they have a lot of bargaining power. But suppliers can also have a lot of power due to (in-)availability of substitute inputs, i.e. when a supplier has an input that is critical for the operations of Hotel Arts and is not offered by other companies or when a supplier has products of very high quality, these companies also have high bargaining power against Hotel Arts. As a consequence, they have the ability to charge a higher price to Hotel Arts.

Threats of substitutes are increasing every day in every industry, so also in the hospitality industry. But as Hotel Arts is a luxury 5-star hotel with differentiations such as a luxe spa at the 42nd floor and several high-quality restaurants, there are not many places that can substitute this offer without reducing in quality or giving the same (or higher) price valuation.

Customers are the users of the end-product or service and are vital to an organization's survival in a competitive market. An organization that has unsatisfied customers cannot grow effectively.

Therefore, customer satisfaction is important especially because customers have a very high bargaining power. The reason for this is that they are able to choose among many options from which they can book a hotel and satisfy their needs. As Hotel Arts has a perfect brand recognition and a big customer base, partly because they belong to Marriott, they should always pay the most attention to their customers as it is one of the main ingredients for future growth and success.

Table 3. Porter's Five Forces Analysis

<b>Force</b>	<b>Level</b>	<b>Factors</b>
Threat of New Entrants	Low	Barriers to enter, governmental regulation, access to suppliers/ease in distribution, economies of scale
Threat of Substitutes	Low	Price valuation of substitutes, reduction of quality
Bargaining Power of Customers	High	Buyer's price sensitivity
Bargaining power of Suppliers	Moderate	Input differentiation, Impact on costs, availability of substitute inputs
Rivalry among Existing Competitors	High	Competitive structure, level of exit barriers, continuous innovation, demand conditions, presence of global customers, growth rate of industry

Source: Researcher's creation

### 3 DESCRIPTION OF RESEARCH QUESTION AND PROBLEM

In this chapter I will explain the problem, the research question and the main objectives to improve the situation.

During the internship in Hotel Arts I have spoken with several managers that explained the following situation. The hotel works with fixed staff, interns and casual labor, the so-called ETT. The general consensus between different departments is that the adaptation of the casual labor to the hotel standards and culture is low. In other words, the problem defined is that the engagement of casual labor to the firm is low. As a consequence, the problem of high turnover arises. The hotel would like to see the casual labor be more loyal to the hotel. In that way, the problem of turnover can be reduced. Because every time there is a new employee, they have to be trained for four hours about The Ritz-Carlton standards and service. So, the main consequence for Hotel Arts regarding the employee engagement, is that these employees that do not return have to be replaced by new ones. Moreover, the hotel has to incorporate new workers and give them the adequate training to achieve work results at the same level as the former employees. The high turnover costs the hotel a lot of time and money. Because every time they have to give them a new training of four hours that the hotel has to pay for and not the ETT company. The analysis will also focus on improving the provided training.

The research question of this thesis is: Which strategies should Hotel Arts implement to have casual labor comply with the hotel's standards and culture?

The objectives will focus on which strategies Hotel Arts should implement and are related to:

Objective 1: Selection and recruitment

The first issue is the selection recruitment of new casual labor. The recruitment process to find casual labor that fits with the company's standards, sometimes might take a lot of time.

Objective 2: Training

Is the hotel offering a proper training? The second objective is related to the training of the ETT employees. The analysis of this situation will propose measures to improve and suggest a more effective training. An analysis of which are the perceptions that the employees have about their

training and their capacity to fulfill the job adequately. The recommendation will focus on how to improve the training, so it targets better the needs of the ETT employees. As a result, they are better prepared for on the job tasks. The objective will be to ensure the quality of the service, and a good training of the new employees in order to maintain the high-level standards required in a 5\* hotel.

### Objective 3: Making Hotel Arts a more attractive workplace

The second objective is to make Hotel Arts an attractive workplace. For example, in order to keep employees and their talent within an organization it is important to be able to provide career progress for them, so the organization will fit well with the employees' future plans. Employees are important for the company and whenever one leaves the company it creates a loss of time and money for the company.

All these strategies combined lead to the ultimate goal, which is to improve the current situation by focusing on the reduction of ETT's turnover in the hotel. These recommendations will be based on studies that give conclusions of which measures can be taken to improve the employee productivity and to reinforce the employee engagement with the organization. With a comparison between how Hotel Arts is performing and the theoretical analysis from scientific papers, several recommendations will be provided.

## 4 THEORETICAL BACKGROUND

### 4.1 INTRODUCTION

In recent years, there has been a sharp increase in the interest in employee engagement and its relation to competitive advantage and work performance. Even so, part of the literature still lacks the empirical research that provides a solid foundation of the engagement theory.

Researchers have stated that employee engagement predicts employee outcomes, organizational success, and financial performance (Bates, 2004). However, at the same time it has been reported that there is a decrease in employee engagement and that there is a deepening disengagement among employees nowadays (Bates, 2004). On top of that, it has been reported that the majority of US workers today are not fully engaged or disengaged, which, as a consequence, has led to the so-called 'engagement gap' that is costing the US firms \$300 billion a year in lost productivity (Bates, 2004). Demonstrating a causal relationship between engagement and financial outcomes, in a five-year longitudinal study of multiple companies, Hewitt & Associates (2004) found that as levels of employee engagement increased, so too did indicators of financial performance.

In recent years, employee engagement has been a popular topic to write about among practitioner literature, business press and consulting firms (Saks, 2006). Despite, the lack of academic literature and research on employee engagement shows that this field has rarely been studied in the academic community. Few studies exist stating that some employee attitudes called engagement are related to organizational outcomes like turnover and productivity (Harter, Schmidt, & Hayes, 2002). This shows that further research and development of its measurements on the topic is required.

Nowadays, employees should be proactive, show initiative, take responsibility for their own professional development, and be committed to high-quality performance standards to conform to the company's expectations (Bakker & Oerlemans, 2011). This implies that firms need employees that are energetic and dedicated. In other words, companies need engaged workers (Bakker & Schaufeli, 2008). Ulrich (1997:125) already wrote it in his seminal book *Human Resources Champions*: "Employee contribution becomes a critical business issue because in trying to produce more output with less employee input, companies have no choice but to try to engage not only the body but the mind and soul of every employee".

This chapter begins by providing a conceptual definition of ‘employee engagement’. The Job-Demand-Resources model has been widely viewed as the basis for the psychological perspective on employee engagement. The Triangle of Responsibility will be explained in section 4. Previous research has focused primarily on engagement in one’s job. However, there is evidence that one’s degree of engagement depends on the role in question (Rothbard, 2001). Thus, it is possible that the antecedents and consequences of engagement depend on the type of engagement. This is explained in section 5 and 6 of this chapter.

## 4.2 CONCEPTUAL DEFINITION OF EMPLOYEE ENGAGEMENT

Employee engagement has become a widely used and popular term (Robinson, Perryman, & Hayday, 2004). This construct is a relatively new notion in the literature, but it has been heavily promoted by HR consulting companies that offer advice on how to create and leverage it (Macey & Schneider, 2008). The general consensus is that the fundamental concept of engagement may explain behavior at work, but inconsistent interpretations still exist. Academic researchers and consulting firms are still competing and saddling with the meaning of the construct (Macey & Schneider, 2008). Thus, employee engagement seems to be a powerful concept, but the concept is still lacking a clear definition. It has been defined in many different ways and the definitions often sound like other better known and more established constructs such as organizational commitment and organizational citizenship behavior (Robinson et al., 2004). The aim of this section is to clarify the conceptual disparities among different ideas and interpretations about the definition of employee engagement in order to have a clear foundation for the study.

### 4.2.1 KAHN’S EXPLORATION OF ENGAGEMENT

Kahn’s (1990) work is an early exploration of the concept of engagement. He suggested that “People can use varying degrees of themselves, physically, cognitively, and emotionally, in the roles they perform . . . the more people draw on themselves to perform their roles . . . the more stirring are their performances” (p. 692). Kahn (1990) defines ‘job engagement’ as ‘the harnessing of organizational members’ selves to their work roles. Engagement is a binding force, as well as for commitment (Meyer et al., 2004). However, Kahn (1990) also refers to the expression of that self in task behavior. Thus, the experience of personal engagement includes elements of both involvement and commitment as psychological states and also a sense of personal identity in role behavior. Later on, Kahn elaborated

on the subject by differentiating between the notion of simply being present at work, the so-called psychological presence, and engagement behavior. He identified that an actual psychological presence at and identity with work go beyond the simple task motivation. Instead, an employee should be able to truly identify with work and to reflect an authenticity to, as a result, connect with work and address difficult issues, i.e. the engagement behavior. From the starting point of being psychologically present in the work, that is the work is a part of one's identity, to employee development and productivity. Such behavioral engagement follows, because when psychologically present, employees are attentive, focused, connected and integrated. Being present at work requires a certain mental state. Because in order to be engaged, one has to listen, think, feel, and act on the job. Thus, this mental state establishes the driving forces which require physical, cognitive and emotional resources. Kahn (1990) divided these resources in three different psychological conditions: meaningfulness (feeling that one is receiving a return on the investment of the self in the work role performance), safety (a sense of being able to show and employ oneself without fear of negative consequences to one's self-image or status at work) and availability (a sense of possessing the physical, emotional and psychological resources needed for investing oneself in the work role). These psychological conditions serve as the mechanism by which individuals connect to their role performance. In contrast, disengagement refers to withdrawal from the work role. The contribution by Kahn is the identification of the conditions in which engagement would be likely to exist. Rothbard (2001, p. 656) also defines engagement as psychological presence but goes further to state that it involves two critical components: attention and absorption. Attention refers to "cognitive availability and the amount of time one spends thinking about a role" while absorption "means being engrossed in a role and refers to the intensity of one's focus on a role."

However, Kahn's conceptualization has a weakness, partly due to the lack of literature on employee engagement at that time (1990s) and a dependency on other psychological constructs such as job involvement and commitment at work. Kahn (1990) focused highly on the role of the individual at work, and he proposed that the way employees behave at work is attributable to certain conditions. Job involvement and commitment were identified by Kahn to explain personal engagement and disengagement at work. But this conceptualization of engagement is not yet complete and does not define what employee engagement truly is. However, researchers did not look further into this concept until burnout contributed to the reintroduction of this area in 1997 by Maslach and Leiter.

#### 4.2.2 ENGAGEMENT AS A STATE OF INVOLVEMENT

The study by Maslach & Leiter (1997) was the reintroduction of the concept of engagement as an energetic state of involvement. They positioned engagement as the opposite of a burnout. Engaged employees seem to be the opposite of potential burnout employees, as they are energetic and take their work as a challenge instead of seeing their work as demanding and stressful (Bakker, Schaufeli, Leiter & Taris, 2008). In line with this, Maslach & Leiter (1997) found that if an employee is not engaged, he or she will be more likely to move to the other end of the continuum and experience burnout. Maslach, Schaufeli, and Leiter et al. (2001) have proposed that engagement can be characterized by high energy, high involvement, and efficacy.

Gonzalez-Roma, Schaufeli, Bakker, & Lloret (2006) supported this view and further developed it by activation, identification and absorption. Activation refers to having a sense of energy, identification is a positive relationship towards work, and absorption is being fully immersed in one's job. Kahn's early definition of engagement as being 'present at work' has been improved by the addition of these three dimensions.

However, one can sense here a weakness. Because the notion that if an employee is not engaged, he or she will be likely to move to the other end of the continuum and have a burnout is a strong assumption. The researchers' main weakness here is that they argue that engagement is the contraposition of burnout. Engagement is not the contraposition of burnout. When an employee is not engaged, it does not say that he or she will experience a burnout. For example, one may be not highly interested in the job and thus do the work routinely just to complete the tasks. However, he or she may not be suffering from a burnout. Although the study by Gonzales-Roma (2006) yielded empirical evidence that burnout and engagement are conceptual opposites, it did not include the concept of 'absorption'. The theory only supports two dimensions ((i.e., vigor is the conceptual opposite of emotional exhaustion, and dedication is the conceptual opposite of cynicism). First, it must be emphasized that although burnout and engagement are conceptual opposites, they are still distinct concepts that do not lie on a continuum, and so different measures are required for analyzing the construct. Besides, by excluding 'absorption', these two dimensions do not provide an extensive meaning for 'job engagement'. Thus, this approach is not the best approach for explaining employee engagement.

#### 4.2.3 THE TRIANGLE MODEL OF RESPONSIBILITY

Another concept that has been developed is based on the Triangle Model of Responsibility. This model is based on the assumption that engagement is feeling responsible at work. Britt (1999) described this concept of 'self-engagement' as a sense of responsibility for and commitment to a performance domain so that performance matters to the employee. A weakness of this theory is the overlap with the concept of commitment. The theory has been developed further and Britt, Castro, & Adler (2005) argued that self-engagement requires a psychological state where individuals are committed to perform and put much effort into work. They emphasized the utility of the Triangle Model of Responsibility which has been developed by Schlenker, Britt, Pennington, Murphy & Doherty (1994). To conclude, employee engagement is based on the level of responsibility employees have for work. This depends on three factors: events, prescriptions and identity images.

This explanation shows that the view of Schlenker et al. (1994) recognizes the elements in which engagement exists but it does not provide the theoretical foundation of engagement. Commitment to performance and engagement are two different constructs and should therefore not be considered the same. As well, commitment focuses on the long-term behaviors at work, whilst engagement focuses on the short-term (i.e. one day). Another weakness is that simply referring engagement to feeling responsible is a rather simple determination of engagement. An employee can feel responsible for work but be not enthusiastic or positive about the work, then this cannot be called engagement. In consequence, this definition by Schlenker et al. (1994) does not comprise the whole concept of engagement.

#### 4.2.4 ENGAGEMENT AS AN INDIVIDUAL'S INVOLVEMENT, SATISFACTION, AND ENTHUSIASM FOR WORK

Engagement has also been defined as an individual's involvement, satisfaction and enthusiasm for work (Harter et al., 2002). This definition is based on the meta-analysis executed by the Gallup Workplace Audit (1999). They developed an analysis on employee perceptions of work perceptions. Nine outcomes were studied: customer loyalty/engagement, profitability, productivity, turnover, safety incidents, shrinkage, absenteeism, patient safety incidents, and quality (defects). Employee engagement is related to each of the nine performance outcomes studied. As a result, the above-mentioned definition of engagement has overlaps with concepts such as job involvement and job satisfaction. Job involvement is a concept that explains how a job helps to define a person's identity

(Lawler & Hall, 1970). Job involvement represents a 'cognitive or belief state of psychological identification' with one's present job (Kanungo, 1982, p.342). Locke (1976) showed that job involvement is a potentially important variable in the relationship between job-related experiences and individual outcomes, because strong reactions to job conditions will only occur in workers for whom the job is a central interest. According to Hallberg & Schaufeli (2006), job involvement is a function of the individual and should be considered as an antecedent in a research model, whereas engagement should be seen as a dependent variable in a research model.

The definition also overlaps with the term 'job satisfaction'. The theory of "employee's job satisfaction" was first developed by Hoppock (1935) as the subjective reactions or satisfaction an employee shows regarding his or her working environment, both physically and mentally. As a result, job satisfaction is a combination of psychological, physiological and environmental conditions (Hoppock, 1935). It is influenced by many external factors, but it is something that remains internal with someone's feelings or perceptions. Locke (1976, p. 1300) defines job satisfaction as "a pleasurable or positive emotional state resulting from one's job or job experiences". Armstrong (2003) describes job satisfaction as the attitude that employees can have towards their job. If people have positive and favorable attitudes towards their job this means job satisfaction. But if they have negative and unfavorable attitudes towards their job this means job dissatisfaction. One of the most cited definitions of job satisfaction has been developed by Spector (1997). According to Spector (1997) job satisfaction has to do with the way people feel about their job and different job aspects. It is the extent to which people like (satisfaction) or dislike (dissatisfaction) their job. The theory of Spector states that job satisfaction can be perceived as the global feeling about the job or as an arrangement of attitudes about various dimensions of a job (1997).

Job satisfaction is under the influence of a series of elements such as salary, the nature of work, competence of the employee, previous work experience, work conditions (Smith et al., 1969). In addition, Spector (1997) states that the causes of job satisfaction can be divided into two groups. The first group includes external factors such as the job environment, the organization and other factors related to the job. The second includes individual factors related to the employee's own characteristics, including previous experience and personality. Often, components of both groups are interdependent in influencing job satisfaction. As a result, job satisfaction is influenced by a combination of both individual and environment characteristics.

Concepts from the literature on job involvement and job satisfaction have been used to define engagement. Overlaps can be found in both of these concepts. Thus, work characteristics, job

involvement, and satisfaction are potential factors to affect employee engagement. However, they are not the construct itself and can only be used to describe engagement.

#### 4.2.5 ENGAGEMENT AS AN INDEPENDENT CONCEPT

Maslach & Leiter (1997) stated that energy (i.e. vigor), involvement (i.e. dedication) and efficacy should be considered the fundamental elements of engagement. Engaged employees have a sense of energetic and effective connection with their work activities and they see themselves as able to deal completely with the demands of their job. In contrast to Maslach & Leiter (1997) Schaufeli, Salanova, González-Romá, & Bakker (2002) added absorption as another distinct engagement component. Their results suggest that absorption as well as efficacy may be subsumed under the concept of engagement.

The alternative view considers work engagement as an independent, distinct concept that is related negatively to burnout. As a result, work engagement is defined and operationalized in its own right as "... a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption" (Schaufeli et al., 2002:74). These three characteristics seem to provide the most accurate, valid and complete conceptualization (Schaufeli & Bakker 2004; Schaufeli, Martinez, Pinto, Salanova & Bakker 2002). Employee engagement is a state of mind which is a pervasive affective- cognitive state requiring a person's attention and concentration in their job. It is not a temporary state such as mood nor as fixed characteristics such as personality traits (Sweetman & Luthans 2010).

The first element of employee engagement is vigor, which is a positive affective response to an employee's interactions with the elements of the job as well as the environment of the work. Vigor is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one's work, and persistence even in the face of difficulties (Bakker et al., 2008). Hobfoll (1989) shares the view that the concept vigor is based on the view that individuals have a basic motivation to obtain, retain and protect things that they value, such as resources. Vigor relates to being capable of having enough will power, being able to develop alternative ways to pursue goals and achieve success in the future.

The second element is dedication. Dedication refers to being strongly involved in one's work, and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge (Bakker et al. 2008). This implies that one works hard and gives the best that one can at work. Work is not only important

but also requires self-discipline by following rules and taking initiatives to solve problems and to exceed the job requirements (Van Scotter & Motowidlo, 1996). A person who is dedicated to work is truly engaged to his or her job.

The third element is absorption. Absorption is characterized by being fully concentrated and happily engrossed in one's work, whereby time passes quickly, and one has difficulties with detaching oneself from work (Bakker et al. 2008). This domain of engagement is concerned with the hedonic aspect of work. One should enjoy the work and find pleasure in it in order to be engaged. In other words, a happy focused employee entails an engaged employee. Schaufeli & Bakker (2001) found that absorption is a relevant aspect of engagement. They argued that this aspect of engagement is related to individual efficacy by having the confidence to be absorbed and the resilience to be persistently absorbed in a task.

To conclude, there is literature to be found about employee engagement. However, there seems to be a lack of agreement in the establishment of a solid foundation what engagement actually embodies. Many gaps still exist in the definition of employee engagement. Some researchers define engagement as being present at work or as the opposite of a burnout. Other researchers have found an overlap with concepts such as job involvement and job satisfaction. The construct of Schaufeli et al. (2002) is most precise and valid. For a person to be engaged, he or she must be vigorous, dedicated and absorbed in their job. Here, employee engagement focuses on the positive and fulfilling aspects of work. This positive view is in line with the area of positive organizational behavior. Therefore, the view of Schaufeli et al. (2002) seems to be the more dominant view on engagement and is also highly supported by others. This study defines employee engagement as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication and absorption.

#### 4.3 JOB-DEMAND RESOURCE MODEL

The field in the literature related to employee engagement has been dominated by the Job Demand-Resource model (figure 2.1). This model is based on the measurement and prediction of the three factors of engagement. It starts with the assumption that for any job, the psychological work characteristics can be organized into two groups: job resources and job demands (Schaufeli & Bakker, 2004). The big volume of literature has shown that job resources such as social support from colleagues

and supervisors, skill variety, supervisors, autonomy, performance feedback and learning opportunities are positively related with employee engagement (Schaufeli et al., 2009). Job resources are not only related to employee engagement but also play an important role in a person's intrinsic as well as extrinsic motivation. Job resources refer to the physical, psychological, social, or organizational aspects of a job that (1) may reduce job demands and the associated physiological and psychological costs, (2) are functional in achieving work goals, and (3) stimulate personal growth, learning, and development. Accordingly, job resources may stimulate intrinsic motivation at work because they are necessary to deal with job demands and to achieve work goals. Extrinsically, job resources influence the achievement of work goals. This implies that work environments that offer many resources could increase dedication and effort at work (Meijman & Mulder, 1998). In such an environment, it is likely that tasks will be completed in an effective manner. Job demands represent characteristics of the job that potentially evoke strain and exceed the employee's adaptive capability (Bakker & Demerouti, 2007). Job demands refer to those aspects of a job that require sustained physical and/or psychological effort and are therefore associated with certain physiological and/or psychological costs.

Another important assumption in this model is that working characteristics may evoke two psychologically different processes (Bakker & Demerouti, 2007). First, demanding processes such as stress or work overload lead to constant overtaxing and in the long run to exhaustion (Wright & Cropanzano, 1998). Exhaustion, in turn, may lead to negative consequences for the organization such as absenteeism and impaired in-role performance (Bakker et al., 2004). In the second process, job resources lead to engagement and positive outcomes (Schaufeli & Bakker, 2004). Bakker et al. (2004) showed that job resources lead to dedication and extra-role performance.

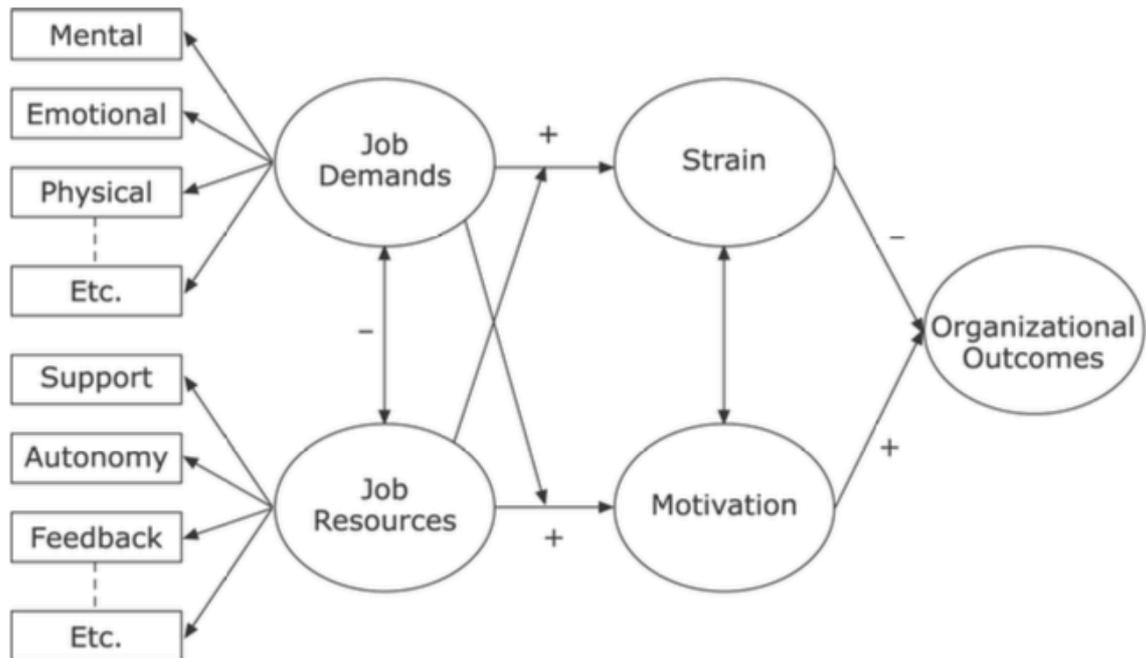


Figure 1 Job Demand-Resource Model

Source: Bakker & Demerouti (2007)

#### 4.4 SOCIAL EXCHANGE THEORY

Both Kahn's (1990) and Maslach et al. (2001) models indicate the psychological conditions or antecedents for employee engagement, but they do not fully explain why individuals will respond to these conditions with varying levels of engagement (Saks, 2006). Saks (2006) argues that a stronger rationale can be found in the Social Exchange Theory (SET). This theory is based on the perception that obligations are generated through a series of interactions between parties who are in a state of reciprocal interdependence. A basic point of view of SET is that relationships evolve over time into trusting, loyal, and mutual commitment as long as the parties abide by certain rules of exchange (Cropanzano & Mitchell, 2005). Rules of exchange usually involve reciprocity or repayment rules such that the actions of one-party lead to a response or actions by the other party. For example, when individuals receive economic and socioeconomic resources from their organization, they feel obliged to respond in kind and repay the organization (Cropanzano & Mitchell, 2005). This is in line with the

theory of Robinson et al. (2004) that engagement is a two-way relationship between the employer and employee.

One way for employees to remunerate their company is through the level of engagement. This implies that employees will choose to what extent they will engage themselves in response to the resources they receive from the organization. Bringing oneself more fully into one's work roles and devoting greater amounts of cognitive, emotional, and physical resources is a very profound way for individuals to respond to an organization's actions (Saks, 2006). It is more difficult for employees to vary their levels of job performance given that performance is often evaluated and used as the basis for compensation and other administrative decisions (Saks, 2006). Thus, employees are more likely to exchange their engagement for resources and benefits provided by the organization.

To conclude, SET contributes to the academic literature by explaining why employees choose to become more or less engaged with their work and organization. The conditions of engagement in both Kahn's (1990) and Maslach et al.'s (2001) model can be considered economic and socioemotional exchange resources within this theory. When employees receive these resources from their organization, they feel obliged to repay the company with higher levels of engagement (Saks, 2006). Consistent with Kahn's (1990) definition of engagement, employees feel obliged to bring themselves more deeply into their role performances as repayment for the resources they receive from the organization. However, when the company fails to provide these resources, individuals are more likely to withdraw and disengage themselves from their roles (Saks, 2006). Thus, the level of cognitive, emotional, and physical resources that an individual is prepared to devote in the performance of one's work roles is dependent upon the economic and socioemotional resources received from the organization.

#### 4.5 DRIVERS OF EMPLOYEE ENGAGEMENT

In reviewing the results of 12 major research studies Gibbons (2006, p. 6) identified the top drivers of employee engagement. These include:

- trust and integrity – the extent to which the organization's leadership is perceived to care about employees, listens and responds to their opinions, is trustworthy, and "walks the talk";
- nature of the job – the extent of employee participation and autonomy;

- the connection between individual and company performance – the extent to which employees understand the company’s objectives, current levels of performance, and how to best contribute to them;
- career growth opportunities – the extent to which employees have opportunities for “career growth and promotion” or have a clearly defined career path;
- pride about the company – the extent to which employees derive self-esteem from their work;
- co-workers/team members – attitudes and perspectives of coworkers towards their jobs and the company;
- employee development – the extent to which efforts are made to develop the employee’s skills; and
- personal relationship with one’s manager – the extent to which the employee values this relationship.

There is no empirical study on the factors that predict employee engagement. However, according to Saks (2006) it is possible to identify a number of potential antecedents from Kahn’s (1990) and Maslach et al.’s (2001) model. These antecedents are the following: job characteristics, rewards and recognition, perceived organizational and supervisor support, and distributive and procedural justice. This section explains the relationship between these antecedents and employee engagement. Saks (2006) was the first study to measure a variety of antecedents and consequences of organizational and job engagement.

Figure 2 shows a model of employee engagement. In the middle of the model are two types of employee engagement: job and organization engagements. This follows from the conceptualization of engagement as role related (Kahn, 1990; Rothbard, 2001); that is, it reflects the extent to which an individual is psychologically present in a particular organizational role. The two most dominant roles for most organizational members are their work role and their role as a member of an organization. Thus, this is explicitly acknowledged by this model by the inclusion of both job and organization commitment.



Figure 2. A model of the antecedents and consequences of employee engagement.

Source: Saks, (2006).

#### 4.5.1 JOB CHARACTERISTICS

Psychological meaningfulness involves a sense of return on investments of the self-in-role performance (Kahn, 1992). This can be achieved from task characteristics that provide challenging work, variety, allow the use of different skills, personal discretion, and the opportunity to make important contributions (Kahn, 1992). This theory is related to the Hackman and Oldham's (1980) job characteristics: skill variety, task identity, task significance, autonomy, and feedback. Jobs that score high on each of these aspects give individuals the opportunity to bring more of themselves into their work and to get more engaged (Kahn, 1992). May, Gilson, & Harter (2004) found that job enrichment was positively related to meaningfulness and meaningfulness mediated the relationship between job enrichment and engagement.

#### 4.5.2 REWARDS AND RECOGNITIONS

Kahn (1990) argued that the difference in engagement between people depends on their perceptions of the benefits they receive from their function. Besides, external rewards and recognition can increase a sense of return on investments additional to meaningful work. Accordingly, employees will be more like to engage themselves at work to the extent that they perceive a greater amount of rewards and recognition for their role performances (Saks, 2006). In line with SET, when employees receive rewards and recognitions from their organization, they will feel obliged to respond with higher levels of engagement. On the other hand, Maslach (2001) indicated that a lack of rewards and recognition can lead to burnout. Thus, appropriate recognition and reward is important for engagement.

#### 4.5.3 PERCEIVED AND ORGANIZATIONAL SUPERVISOR SUPPORT

Psychological safety implies that employees feel they are able to show and employ themselves without negative consequences (Kahn, 1992). An important factor of safety is the amount of care and support employees perceive which is provided by their organization as well as their direct supervisor. Kahn (1990) showed that supportive and trusting interpersonal relationships as well as supportive management promoted psychological safety. Social support is mainly dependent on perceived organizational support (POS) and perceived supervisor support (PSS). POS refer to a general belief that one's organization values their contribution and cares about their well-being (Rhoades & Eisenberger, 2002). POS creates an obligation on the part of employees to care about the organization's welfare and to help the organization reach its objectives (Rhoades, Eisenberger, & Armeli, 2001). According to Saks (2006) there is no previous study that has POS related to employee engagement.

However, one could argue that POS might lead to positive outcomes through employee engagement. This implies that employees who have higher POS might become more engaged to their job and organization, based on the reciprocity theory of SET. In other words, when employees feel that their organization cares about them and is concerned about them, they are likely to respond by striving to fulfill their obligations to the organization to become more engaged (Saks, 2006). In addition, because employees tend to view their supervisor's orientation toward them as indicative of the organization's support (Rhoades & Eisenberger, 2002). PSS is also likely to be an important predictor of employee engagement. Moreover, research shows that first-line supervisors appear to be especially important for building engagement and to be the antecedent of employee disengagement (Bates, 2004).

#### 4.5.4 DISTRIBUTIVE AND PROCEDURAL JUSTICE

The safety dimension identified by Kahn (1990) involves social situations that are predictable and consistent. Organizations should be predictable and consistent in terms of rewards as well as the procedures to allocate them. While distributive justice pertains to one's perception of the fairness of decision outcomes, procedural justice refers to the perceived fairness of the means and processes used to determine the amount and distribution of resources (Colquitt, 2001; Rhoades et al., 2001). The effect of justice perceptions on various outcomes might be due in part to employee engagement. In other words, when employees have high perceptions of justice in their organization, they are more likely to feel obliged to also be fair in how they perform their roles by giving more of themselves

through greater levels of engagement (Saks, 2006). On the other hand, low perceptions of fairness are likely to cause employees to withdraw and disengage themselves from their work roles. Fairness and justice are also one of the work conditions in the Maslach et al. (2001) engagement model.

#### 4.6 CONSEQUENCES OF EMPLOYEE ENGAGEMENT

The driving force behind the concept of employee engagement is that it has positive consequences for organizations. There is a general consensus that there is a connection between employee engagement and business results (Harter et al., 2002). However, engagement is an individual-level construct and if it does lead to business results, it must first impact individual-level outcomes (Saks, 2006). Thus, one can expect employee engagement to be related to individuals' attitudes, intentions, and behaviors.

According to Kahn (1992) engagement leads to both individual outcomes as well as organizational-level outcomes. In addition, Maslach et al. (2001) considers engagement as a mediating variable for the relationship between the six work conditions and work various outcomes. According to Schaufeli and Bakker (2004), engaged employees likely have a greater attachment to their organization and a lower tendency to leave their organization.

According to SET, when both parties abide by the exchange rules, the result will be a more trusting and loyal relationship and mutual commitments (Cropanzano & Mitchell, 2005). Thus, individuals who engage themselves do so because of the continuation of favorable reciprocal exchanges. As a result, more engaged individuals are likely to be in more trusting and high-quality relationships with their employer and will, therefore, be more likely to report more positive attitudes and intentions toward the organization (Saks, 2006).

Engagement is positively related to organizational commitment and negatively related to intention to quit. Also, it is found to be related to job performance and extra-role behavior (Schaufeli & Bakker, 2004). Schaufeli and Bakker (2004) found that engagement was negatively related to turnover intention and mediated the relationship between job resources and turnover intention.

Slatten (2011) demonstrated the effect of employee engagement on innovative behavior. This empirical finding is highly relevant to the service literature because it underlines the key role of engagement in service firms, which until now has most often been considered as a concept or as a

foundation for employee performance (Saks, 2006). The empirical research by Slatten (2011) reveals that employee engagement is closely linked to employees' innovative behavior. Employee engagement explains a significant part (37.7 percent) of the variance in innovative behavior. Role benefit was the most important construct in creating employee engagement. As a consequence, employee-perceived role benefit can be identified as a key construct or crucial aspect in relation to employee engagement (Slatten, 2011). These findings are supported by causality-orientations theory by Deci & Ryan (1985). This theory explains a person's selective perception and rationale for pursuing a certain activity. A possible reason for someone's performance is that the job is seen as a means to an end. The person perceives the demands from customers and managers with a specific work role as being reasonable. Then, important information for the improved job performance is provided by the customers and managers. According to Deci & Ryan (1985), persons who perceive the challenge of handling the demands in a specific work role as being an advantageous element become more engaged in their work role.

#### 4.7 ENGAGEMENT IN THE HOSPITALITY INDUSTRY

The hospitality industry is faced by several challenges and employee engagement is one of them.

The key to success for a firm is its ability to consistently deliver its brand promise by optimizing customer experience and addressing customers' needs. This is dependent on the quality of interactions with customer contact employees. As a consequence, employees play a key role in delivering a holistic, branded hospitality experience for guests, and in doing so, they are the main deliverers of the brand promise. The ability of employees to show sincere respect and genuine care for customers at every touch point is highly relevant for creating a firm's brand equity. But the existence of multiple touch points which influence customer's perception of consistency make it more difficult to achieve consistency in hospitality (Grönroos, 1990).

Thus, in the context of hospitality organizations, brand attributes find their roots in service delivery and other intangibles within the organization (Lashley, 1995). Engaged and committed employees who understand and accept brand attributes can become brand evangelists and deliver on the brand promise in a consistent and a better manner across global hospitality portfolios (Bharwani & Butt, 2012).

According to Harris & de Chernatony (2001) employees have a fundamental influence on how consumers perceive an organization and the organization's performance and success in the long run. King (2010) states that the use of internal brand management initiatives such as role clarity, development of brand commitment and brand supportive behavior among employees increases their engagement with the brand.

Research shows that employee engagement has a positive correlation with desirable organizational outcomes such as heightened customer satisfaction and loyalty, reduced employee turnover, improved return on assets, and higher profitability (Bharwani & Butt, 2012). Employee engagement has played a pivotal and contributing role in hospitality brands like Marriott and Four Seasons by helping them in maintaining lower levels of turnover and higher consistency of their brand globally (Deloitte, 2010).

Bharwani & Butt (2012) found that attraction and retention of employees is the foremost challenge on the HR agenda in the hospitality industry, especially in the emerging global context. Training and development issues, in order to bridge the skills gaps in terms of both quality and quantity of manpower, was also high on the list of challenges of the industry and emerged as the second most important concern. This was followed by issues such as employee engagement, work-life balance and growth opportunities and career progression.

## 5 METHODOLOGY

In this chapter the method and techniques will be discussed that have been used for this Master Thesis. Attention will be given to the research approach that has been assumed, the choice of respondents, the research method, the subjects and the method of analyzing as well as the validation and trustworthiness of the research. By writing down the different parts of the research methodology one can judge that the conclusions of the research are controllable, and it shows that the research has been conducted in the most objective possible way. The insights of the research contribute to the credibility and trustworthiness of this research (Baarda, De Goede & Teunissen, 2005).

### 5.1 CHOICE OF RESEARCH APPROACH

In general, there are two ways how the research can be inducted: quantitative and qualitative. In a quantitative research hypothesis are developed on basis of a literature study. These hypotheses will consequently be tested by the use of statistical data. As a result, the hypotheses can be rejected or not (Boeije, 2012). A qualitative research focuses on subjects that are related to the way in which give meaning to their social environment and the way how they behave in situations. Mostly the goal is the describe a subject and if possible, to explain (Boeije, 2012).

Within the framework of this Master Thesis a qualitative research has been chosen. With regard to the knowledge from the theoretical framework it might be that the needs of the ETT's do not match with the needs of Hotel Arts. Here, it is relevant to find out what the needs are and what the ETT's expect from their social environment. The social environment is thereby formed by the employer, ETT/Hotel Arts, and the colleagues within the organization. Thereby it is important as well to see which attitudes people have. To get insight whether there is a current mismatch between the needs it is important to talk to the ETT's as well as the managers about their experiences and needs. For this reason, there has been chosen to do a qualitative research.

The goal of the interviews is to discover the different views on the current situation regarding the engagement of the ETT to the hotel's culture, in order to determine which aspects of the work and the engagement of the ETT can be improved through policy measures.

Sending out a questionnaire usually has a low response (‘t Hart, Boeije, & Hox, 2005). Furthermore, the questions have to be set up front. The structure is less flexible, and the respondents cannot ask questions for clarification or an explanation. It is also possible that respondents do not answer certain questions or explain sufficiently. During an open interview it is possible to explain, and all subjects get a chance. Moreover, some of the respondents may not be very familiar with the English language, so it is more convenient to do interviews where the employee or interview can ask for a clarification or an extra explanation. That is why there has been chosen to do personal interviews at location for which the willingness is usually higher than for questionnaires (‘t Hart et al., 2005). Besides, individual interviews are greatly useful for this research because the subject engagement can be explored in depth and a big number of subjects can be talked about.

## 5.2 RESPONDENTS

The individual qualitative interviews with the respondents are in line with the norm for qualitative interviews. The number of interviews also contributes to the trustworthiness and credibility of the interview. However, this qualitative research is not focused on the actual representation of engaged or disengaged employees in Hotel Arts. In particular, because the number of respondents is not sufficient enough to provide representative results over the actual population of the employees in Hotel Arts. This will be more closely discussed in the chapter Limitations and Further Research.

Both perspectives and experiences of employees and employers will be researched by interviews, although the questions are about the employees. This is a kind of data triangulation, which as a result leads to a more reliable representation of the actual engagement of the employees. This also contributes to the internal validity of the research, which will be enhanced when the research method delivers relevant data to answer the research questions (Baarda et al., 2005).

The candidates were selected on basis of their connection with the topic. This topic involves different departments, so I interviewed people that have different positions in Hotel Arts. The candidates were selected to provide a different point of view as each individual is differently involved in working with ETT’s. As a result, the objective is to collect different perspectives on the topic in order that the final results will take into account several points of view.

Specific criteria were used to select which employees were the best ones to interview. The main motivation to interview the chosen candidates is how closely they work with ETT’s and in what way.

Managers from different departments have been interviewed. Also, I spoke with two ETT employees to research their view on the topic. The selection of specific employees to be interviewed might be seen as a limitation regarding the sample. As the most representative way would be to interview as much candidates as possible in order to have a larger sample of respondents. However, as Newton (2010) highlighted “The student to be interviewed was chosen purposively. [...] Although with respect to sampling this may represent a limitation, in relation to the quality and depth of the comments there were positive expectations through adopting this approach” (Newton, 2010:2).

The assumption that Newton (2010) made visible is that depending on the type of results that want to be achieved, as well as the type of approach used, sometimes it is more efficient to select specific candidates that will provide richer answers rather than interviewing a larger sample with little or no interest.

## 5.3 RESEARCH METHODS

### 5.3.1 LITERATURE STUDY

In preparation to the empirical research a literature study has been carried out. With help of scientific literature, the concept engagement has been elaborated by the end of certain themes and factors related to this construct. The conclusions of the literature study form the basis of this research as it has led to a conceptual model to be used for the empirical research. The literature study is therefore the starting point of this research.

### 5.3.2 SEMI-STRUCTURED INTERVIEWS

For this Master research the choice has been made to perform semi-structured interviews to gather information about the topic and to discuss it. The judgment is that for this research the methodology is the most accurate in order to get qualitative data that is relevant for the study.

I have performed eleven semi-structured interviews to gather information about the subject. The people I interviewed are all related to the topic in one way or another. Some of them are managers in the hotel, others are ETT's and others are managers at the ETT company. As a result, this gives a 360° view of the current situation.

The methodology used is the most accurate analysis possible of the qualitative data that arises from semi-structured interviews. As a result, it is possible to consider and discuss the topics that have a direct relevance for the study.

The effectiveness of semi-structured interviews has been studied by several researchers. An interview is defined by the Cambridge Dictionary as “a meeting in which someone asks you questions to see if you are suitable for a job or course”, “a meeting in which someone answers questions about himself or herself [...]” (Cambridge Dictionary, 2018). As well, there has been chosen for a specific form of interviews: semi-structured interviews. This implies that the interviews go along on a basis of predetermined topics, however, there is room for extra information, that is not directly linked to one of the topics. The so-called structure of an interview is also called a topic-interview (Boeije, 2012). The use of a topic-list combats subjectivity in a certain way (Baarda et al., 2005). This form of interviews contributes to the unprejudiced approach of the research. In this way, the research is open to new information, while relevant subjects definitely will be given a chance.

The degree of the success of a semi-structured interview is among other factors depending on the capability of the interviewer of reflecting the ideas of the interviewee. Newton (2010) showed the importance of trust between the participants, and as well that it is necessary to do face to face interviews when the aim of the interview is to gain deep understanding and sights, not only from words but from the combination of gesture and expressions. Moreover, the outcomes of a well-conducted interview should have an impact on the researcher in some way, as it will mean that the interviewer is learning and obtaining something out of the word-exchange with the respondent (Clough & Nutbrow, 2012).

Clough and Nutbrow (2012) highlighted in their book the importance of interpersonal skills of the interviewer on the final outcome. In their research they established the communication capabilities, as well as, the capacity of actively listening to the interviewed (Qu & Dumay, 2011) were crucial to perform effective interviews. The principal skill required to be able to perform a good interview is the good structuration of the interview. If “done with care, a well-planned interview approach can provide a rich set of data” (Qu & Dumay, 2011, p. 239). Another important aspect of interviews is the preparation. If not done correctly, an opportunity for an effective interview can be waived (Qu & Dumay, 2011).

### 5.3.3 STRUCTURE OF QUESTIONS

To give a 360° view of the current situation it is important to interview all the employees that are related to the subject and as well to prepare the correct questions for the correct interviewee. Different questions have been prepared for each interview. Depending on the position of the interviewee, several questions were asked. This table provides an overview of the interviewees and the questions related to this person's job position and relation to the topic. Each question is linked differently to the objectives of this research.

Table 4: Interview Questions

Job position	Question	Link to objective
IRD Manager / Lokal Manager / Offsite Manager	Do you do line ups with the ETT?	2
IRD Manager / Lokal Manager / Offsite Manager	What is the difference between the line ups with ETT and line ups without (i.e. only interns and staff)?	2
IRD Manager / Lokal Manager / Offsite Manager	How much do we involve the ETT, as a hotel?	3
IRD Manager / Lokal Manager / Offsite Manager	Why do you want to engage the ETT more?	3
Training manager	How do they start working in the hotel? (i.e. is there a difference between the way the ETT start and the employees: do they receive a manual/credo etc.)	1
Training manager	What is done now about the performance evaluation of the ETT?	1
Training manager	How do you decide what is told in the training for ETT?	2
Training manager	What do you tell the ETT companies about our culture and standards?	2
Training manager	Why do you want to engage the ETT more?	3

Assistant HR - Manager	What is the content of the interviews? What type of questions do you ask?	1
Assistant HR - Manager	Which profiles are you looking for?	1
Assistant HR - Manager	On which criteria do you decide to hire someone or not?	1
Assistant HR - Manager	Can you explain the group assignment? Why is it important? What does it show to you?	1
Assistant HR - Manager	Why do you want to engage the ETT more?	3
ETT Manager	Why do employees leave? Why do they not come again to work at H Arts?	3
ETT Manager	Do you do exit interviews at ETT? Why (not)?	3
ETT Manager	Can you explain the preselection you do for H Arts?	1
ETT Employees	Do you like working here in the hotel?	3
ETT Employees	Do you think that the supervisors give you enough recognition when you have done your job well?	3
ETT Employees	Do they motivate you? Do they give you the support that you need to do your job well?	3
ETT Employees	Do you think your supervisors help you when you have a problem and take the lead to solve them?	3

ETT Employees	Do you recommend others to work here? When you talk about it?	3
ETT Employees	Do you think there are any opportunities to grow in this company? Do you see any future jobs in here?	3
ETT Employees	Would it have helped if you had received a training like the staff or interns? Would it have helped if you had received more information?	2/3
ETT Employees	Do you think you are paid fairly for your contributions?	3
ETT Employees	Do you think there is good teamwork between the different teams here?	3
ETT Employees	Do you think that employees here give their best to give the best service to the guest? Whether it is ETT or a supervisor or anyone?	3
ETT Employees	Do you think that the respect and the wellbeing of the employees come first to this company?	3
ETT Employees	Do you think you are feeling positive towards this work in general?	3
ETT Employees	Do you think that everything is there that you need to do your	3

	job well? Like equipment or supplies that you need?	
ETT Employees	Do you think you are proud to work for this company?	3

Source: Researcher's creation

## 5.4 QUALITY OF RESEARCH

For a qualitative research it is common to use less standardized research methods than with quantitative research, therefore it is important to keep an eye on the quality of the research. Two important factors for the quality of research are trustworthiness and validity (Boeije, 2012). For that reason, in this paragraph the guardianship of trustworthiness and validity for this Master research will be discussed.

### 5.4.1 VALIDITY

One aspect that contributes to the internal validity of this research is that the research methods do not disturb the practical situation (Baarda et al., 2005). The internal validity of internal legitimacy addresses the representativity of the research data with respect to the practical situation (Baarda et al., 2005). In this research the interviews have not disturbed the practical situation, because the dependent variables such as work content, work conditions and employer relationships were not influenced, for both employers and employees. Because of minimizing the influence of the research methods on the practical situation, the results are better to generalize, and this contributes to the external validity of the research (Baarda et al, 2005).

Before the interview started, it was always noted and agreed to that the interviews were recorded with a digital voice recorder. The recording of the interviews with a digital voice recorder also contributes to the trustworthiness of the research methods. When a person did not agree to be voice recorded, the researcher made notes during and after the interview.

During the interviews the research probed questions when the respondent did not give a clear answer. Besides, the researcher provided clarification when there was a lack of certainty about a question. As well, the researcher probed questions when there were given socially desirable answers to control if the respondent could give arguments or if examples could be given. This increases also the validity.

#### 5.4.2 ETHICAL ISSUES

Before any interview took place, all interviewees were informed about the objectives of the research and that the data was to be used in an anonymous way. As well, the interviewees signed a consent form in which they agreed or not to take place in the research. Also, the consent form signed by all respondents that the researcher interviewed can be found in Appendix 2.

Furthermore, ethical considerations of the research topic should be acknowledged. For example: how the respondent answers might be influenced by the impact that the research topic had in their jobs and personal life. This can make the answers not less reliable or less trustworthy but liable to subjective and personal perceptions.

Confidentiality for many of the respondents is highly necessary as employees express their disagreement with some hotel measures and performances and if confidentiality was not guaranteed the honesty of the answers could have been affected.

Also, it should be objectively detailed that semi-structured interviews could be easily replicated for another period of time, but the researcher could find a variation in some answers and in the final conclusions. These interviews are thought to be objective, but as before mentioned, can be influenced by recent acts or personal beliefs taking place in a specific period of time. So, I assume as a limitation of the study that the answers and the final conclusion reached are only applicable to Hotel Arts. Besides, the research is only focused on a certain period of time with its recent perceptions of the employees and its recent impact on the organization's delivery of service.

## 6 RESULTS AND DISCUSSION

After the explanation of the research methods, there will be proceeded to the description of the results of the empirical research. As has been illustrated in the objectives, the empirical research shows different perspectives. On the one hand this is the selection and training of the ETT employees, on the other side this is about the turnover of the ETT employees. Because the respondents usually talk about the current selection and training of ETT employees, it is important to first focus on these aspects. Therefore, this will be discussed in the first two paragraphs of this chapter, paragraph 6.1 and 6.2. Afterwards, in paragraph 6.3 the turnover of the ETT employees will be discussed.

During the internship in Hotel Arts I have spoken with several managers that explained the following situation. The hotel works with fixed staff, interns and casual labor, the so-called ETT. The general consensus between different departments is that the adaption of the casual labor to the hotel standards and culture is low. In other words, the problem defined is that the engagement of casual labor to the firm is low. As a consequence, the problem of high turnover arises. The hotel would like to see the casual labor to be more loyal to the hotel. In that way, the problem of turnover can be reduced. Because every time there is a new employee, they have to be trained for four hours about The Ritz-Carlton standards and service. So, the main consequence for Hotel Arts regarding the employee engagement, is that these employees that do not return have to be replaced by new ones. Besides, the hotel will have to incorporate new workers and give them the adequate training to achieve work results at the same level as the former employees. The high turnover costs the hotel a lot of time and money. Because every time they have to give them a new training of four hours that the hotel has to pay for and not the ETT company.

## 6.1 SELECTION PROCESS

### 6.1.1 SELECTION PROCESS AT ETT COMPANY

Hotel Arts works with three different ETT companies: Pacto, Quality, and Randstad. All of which are not only focused on the hospitality industry but also on several other industries.

Hotel Arts explains to the ETT companies the profile that they are looking for. Besides, they have visited the employee orientation in order to see what exactly that entails. That is why, they know what kind of profile is needed in the hotel. For example, the employees need to speak English if they go to banqueting. In kitchen or stewarding, that is not particularly necessary. Hotel Arts is looking for young people that want to have a temporary job. These are aspects that the ETT company has to take into account when they do the preselection. Hotel Arts is looking for candidates that have little or no prior experience in the hospitality industry. The reason is a matter of cost savings. Once the employee has more experience, Hotel Arts has to pay more salary. Therefore, a person with less experience is preferred. Hotel Arts wants people that stay with them and apply their standards. This implies that there is a lot of work involved for all parties.

### 6.1.2 SELECTION PROCESS AT HOTEL ARTS

Prior to the selection at Hotel Arts it is important that the ETT can send enough people to do the interviews. Usually, the group of candidates is between 30 and 50 persons. Once the logistics are taken care of, such as the date, the rooms and every person involved has been informed the selection process starts. The orientation takes place the next day, if not possible, it will take place in the same week.

The candidates go to the waiting room and HR-department creates the groups for the game and after the game they start to call the people for the interviews. Managers of IRD, Lokal, Offsite, and Banqueting are present to conduct the individual interviews. Interviews take about ten minutes per person.

The first part of the selection process is a dynamic group game. The most important of this dynamic is that it is possible to hear and observe the people. It is the first big selection to see if they listen or not.

Each group consists of 10 to 12 candidates that are split up in smaller groups of two/three/four people. Each smaller group receives several pieces of a puzzle. They have to make the puzzle. They do not know that all the pieces of each group belong to the same puzzle. This is the moment where the HR-department can see who takes the lead, who thinks out of the box and who is taking initiative and steps to work together with the other teams.

After the group puzzle, the candidates have an individual interview with one of the managers or an employee from the HR-department. The interview is based on the STAR method, which is compulsory by Marriott. The interviewees work with a paper developed by Marriott. Everybody that starts in Hotel Arts has to do a star interview. For the ETT it is the same interview scheme but shorter. They have to answer three short questions instead of the regular ten questions. But they are the same level as Marriott asks from regular employees. The interview starts with questions about the CV and to discover their level of Spanish as well as English.

It is asked if they are studying and what objectives they have for this position. How is the appearance and attitude and which availability they have? The three STAR questions have one for adaptability, one for attribution to the team and one about the relationship with the client. With this, it is possible to validate these aspects. There are two options per topic and during the interview they just choose one.

For each question there is written down on the paper what is looked for in the answer. That is how they know what the hotel is looking for. Then they look for more behind what the candidates are telling them, it is like a small help. They keep the paper together with the CV and the result is told to the ETT. They go home and we select the people that we want. The HR-department tells the ETT the results and they contact the ETT employees to come to the orientation. When they have finished the orientation, Hotel Arts prepares the employee cards and the ETT sends Hotel Arts the information like name, surname, size for the uniform. With the card we send an email to laundry, so they have the information in the card. And from the start date, the ETT candidate can work for one year and then they need to go on a break for six months. Otherwise, if the employees stay for more than one year, the law considers them as employees. Hotel Arts has to be careful with this, because it can turn into a considerable legal problem if they remain longer.

#### *6.1.2.1. SELECTION PROCESS AT LOKAL*

Lokal is the outlet where the breakfast takes place every morning. Big groups can also have lunch here. Experience is good, but attitude is more important than experience. When the interviews are conducted, the managers look for attitude, smiley, positive, and empathic people. They are also looking for stable people. Because sometimes they see CV.s where people have three or four jobs one year. This is not preferred as the hotels wants stable people. They can see quite fast who has this attitude and who is willing to learn. Hotel Arts is looking for responsible people, who want to commit and to contribute to wow-stories. Wow stories can happen when Ladies and Gentlemen interact with customers, residents, colleagues, and even during community service events. Some of the Wow stories are about simple, small gestures, and some of the stories are about grand and creative acts.

They will have to learn the basics of the Brand Standards Audit (BSA) as well as all the Ritz-Carlton standards. When they are willing to do this, they are more than welcome. If they are just looking for money, they can go to another place and make the same amount of money with less to learn and less to apply. If they want to work for Ritz-Carlton, these are the steps they have to follow.

#### *6.1.2.2 SELECTION PROCESS IN ROOM DINING*

ETT employees in In Room Dining (IRD) are permanent. The most important aspect looked for in the interviews is their motivation to work and to learn, as well as their flexibility for the schedules. The schedules in IRD are very different from other departments. For this department it is difficult to find people willing to work during the night shift. Currently, it is most efficient that ETT labor is working during the night hours as regular employees are hard to find for night shifts. Two ETT employees have been working at Hotel Arts for ten years, so they know how it works. However, the hotel would like to replace these positions with fixed staff, as it costs less money and it will be internal employees so they will presumably be more engaged with the hotel.

The participants need to be willing to learn the BSA and want to be part of the Arts team. They will have to create WOW stories, so their attitude, personality commitment and participation is really important. Every day they need to be prepared just like the staff, with a doorstopper, bottle-opener,

credo, daily etc. The daily is the daily paper that states all the events of the day, the opening hours of the outlets, and other necessary information.

The biggest challenge for this department is to hire new people not as they do before. Because then they do not find what they are looking for. But on the other hand, they do not have a lot of choice. Besides, during the selection process it is important to look more precisely for specific needs of this department. Therefore, according to the manager of IRD the selection process should be same as for the staff or interns. (C., p. 102)

#### *6.1.2.3 SELECTION PROCESS OFFSITE/BANQUETING*

Selection is the same. It is important they speak English, good appearance, very important for the banqueting department is that the candidates want to know the job. This is considered more important than already knowing the job as the hotel can teach them. Additionally, good attitude and motivation to learn the normal standards of the company are important.

The most important aspect of the interview is not only the star questions, but also the general information like the attitude. The experience is not important. It is preferred that candidates do not know hospitality and that they have a good attitude. There are three different profiles in banqueting: coffee team, houseman and banqueting. The most important part for housemen is not the English or the presence. For this team it is important that they have a stable team, because this team works a lot of days together. For banqueting is important to speak English, attitude, grooming standards and BSA standards.

### 6.1.3 PROFILES FOR EACH DEPARTMENT

Table 5: Profiles for each department

<u>Outlet</u>	<u>IRD</u>	<u>Lokal</u>	<u>Banqueting/Offsite</u>
Characteristics	<ul style="list-style-type: none"> <li>• Empathic</li> <li>• Eager to learn</li> <li>• Honest</li> <li>• Sufficient English Proficiency</li> <li>• Smiley</li> <li>• Positive</li> <li>• Good attitude</li> <li>• Commitment</li> <li>• Responsible</li> <li>• Stable person</li> <li>• Good presentation</li> <li>• High focus on BSA</li> <li>• Professionalism</li> <li>• Punctual</li> <li>• Proactive</li> <li>• Teamwork</li> <li>• Autonomy</li> </ul>	<ul style="list-style-type: none"> <li>• Empathic</li> <li>• Eager to learn</li> <li>• Honest</li> <li>• Sufficient English Proficiency</li> <li>• Smiley</li> <li>• Positive</li> <li>• Good attitude</li> <li>• Commitment</li> <li>• Responsible</li> <li>• Stable person</li> <li>• Good presentation</li> <li>• High focus on BSA</li> <li>• Professionalism</li> <li>• Punctual</li> <li>• Proactive</li> <li>• Teamwork</li> <li>• Autonomy</li> </ul>	<ul style="list-style-type: none"> <li>• Empathic</li> <li>• Eager to learn</li> <li>• Honest</li> <li>• Sufficient English Proficiency</li> <li>• Smiley</li> <li>• Professionalism</li> <li>• Punctual</li> <li>• Proactive</li> <li>• Teamwork</li> <li>• Autonomy</li> </ul>

Source: Researcher's creation

## 6.2 TRAINING

### 6.2.1 GENERAL ORIENTATION

Once the ETT employees got through the selection process, they will receive a training about the subjects that are most important to Hotel Arts. This is a general training for every new employee from an ETT.

The training focuses highly on the Gold Standards, which are very unique from The Ritz-Carlton company. This is very related to their philosophy, about what Ritz-Carlton is and how service should be applied. It is important that the ETT employees are aware of this. Even though, Hotel Arts is not the company that provides the contract or does the payment, they are the ones representing the company. Therefore, it is highly important that they understand well how to perform as a Ritz-Carlton employee. That is why the Gold Standards are shared.

Although the Employee Promise may be too internal for them, the selection process that is done for them may be a new opportunity for both Hotel Arts and the ETT employee to contract them after seeing how they perform. After sharing the Gold Standards, there is an important training about the grooming standards and professional experience. This is a key point, that all employees look according to all the norms and that represent the brand. The ETT employees need to understand that when there is spoken about factors such as the makeup, the beard, the colors, or the attitude they know and understand why Hotel Arts has certain expectations about this and what is expected from them.

During the training the ETT employees do not receive the credo or a manual regarding their department. According to the training manager this is not necessary, because the team from ETT does not come really often. It would feel like giving everything that Hotel Arts stands for to everyone. They have considered it, but there is no need as during the orientation they share what is relevant for them. And then afterwards, once they are in the department, they will follow a mini training and they will learn what is specifically needed for their role.

Another part of the training is related to the restaurants in Hotel Arts. Because it is important that they have a clear image on what products Hotel Arts offers. It is explained that the hotel has five different restaurants and the logic behind it. Indeed, there are five restaurants, but they try not to compete between them. Therefore, it is important that they understand this message. Hotel Arts has so many options for the guests in order to stay in the hotel and not to go somewhere else. The Food & Beverage

training manager focuses more on the service and the practical things so they will be able to understand the restaurants.

The third part of the training is related to the security in the hotel. This is relevant for a couple of reasons. The first one is to help them to be in the hotel and to be aware of the processes in case something happens. They need to know safety procedures and to escort the guests. And for the hotel this presentation is very important. It is more practical about what they will find once they are in their positions. For example, how to evacuate in case of a fire or an emergency. But as well how to handle weight because it is important how to carry trays or racks. Because they can get injured or experience an accident. Maybe nothing happened to them, but they can injure someone else. This is a part that has been included for them to work in a safe environment.

According to the training manager it is like a mini orientation. For anyone that comes in the hotel, this is a survival kit. Every employee in the hotel takes for granted that all employees follow the orientation. It is the minimum that one needs to know to start. If someone does not dress accordingly, if someone does not behave accordingly, if someone does not understand the credo, if someone does not follow the three steps of service, if someone does not greet anyone, people will think person is not committed or active, and that happens because he or she does not know it. And it is the fault of Hotel Arts because it didn't share it with its employees. (E, p. 112)

To conclude, this training makes all the employees aligned on what they need to do in the hotel. It is about the way the employees serve the guests. This is the one Hotel Arts trusts and the one they like to do it because they think it works. According to the training manager it has been successful, looking back at the 25 years that Hotel Arts has been operating now.

### 6.2.2 TRAINING IN IRD

After the general orientation for every ETT employee, there is a mini training in each department where they are going to work. In Room Dining (IRD) can be one of those departments. The ETT employees in IRD are permanent. The training in IRD takes several steps. The training is very important because they provide the service. Because they will face a real situation, a complaint, and different situations so they need to be trained.

Firstly, they go through all the BSA standard points, then to a room to do an example. Hotel Arts has to pay for this training, so it is important that they know this person is going to stay. Therefore, it is

important to see how the people work before they face the guests. They can prepare orders, put amenities in a room, or polish. It is only operative, and they do not have to pick up the phone. This training takes like three days. Then, they do an example in a room and they have a shadow, where a supervisor is joining and showing all the steps. After a few times, they can go alone and make sure he follows the BSA standards.

Besides, the service point is different in IRD from other outlets. Because it is a 24 hours' operation and there is a lot of service involved which is part of the 5-star luxury service. This implies amenities and cleaning, which is all extra service needed to be done. Therefore, the department needs people who are able to give the qualified service. For this reason, this department goes to the ETT company and chooses exactly who is coming and they train them. Consequently, after one or two weeks and according to how they perform and how they go, how their attitude is, their honesty, they start looking for more details. Once they know this is a good fit with the department, the employee can stay. But according to the IRD manager it is important that the ETT employees should be prepared more like the mindset of the employees, for example about the grooming standards. They should be guided more on where they are going, what the expectations are and how they should commit (C., p. 102)

The department spends three days paying and sometimes the employee is not giving any solutions while they are teaching them. According to the supervisors a real solution would be that the training days are paid by the ETT companies. It used to be like this, and they paid for the first four hours. But now the department has to spend money for the training of the department itself. In this training the management has to explain everything from the outlet, from opening a bottle of wine to the BSA standards. The people that start working here have no experience and they do not know anything. That is why it is good that the ETT employees learn these steps about basic knowledge or professionalism. Some of them have never worked in hotels for example. Hotel Arts has to pay for all the hours that the new ETT employees receive training. They do not feel comfortable about this. Because sometimes they have 20 people in one month to train. So that is a problem. Besides, the salary for ETT employees is almost double as for an internal employee. On the other hand, when there is not much work in IRD, for example during winter, it is a win. Because then they do not need to pay for the ETT employees.

The department encounters a problem with the professionalism that the ETT employees show. They need to explain them how to be ready, the grooming standards, the uniform, and the required material before a shift starts. They do not provide a booklet or manual, and they do not tell them how to do wow-stories, but of course they need to know how to provide good service. Permanent ETT's have

more information, but everyone gets basics such as the BSA standards, from telephone, delivery, and pick up in the room.

Another issue that this department encounters is keeping the balance between the BSA and being busy. For example, when there is a delegation or they had the poker event, the department was really busy but at the same time they cannot forget to follow the BSA.

Everything is based on the training. If the employees do not respond well to the training, Hotel Arts does not get commitment. Then the department has to look further for new persons. But it is also not easy to find the right person. Training is delivered continuously. According to the manager it is two-folded: “you can see how they go, and it is all about how they respond. All my ladies and gentlemen they have eyes and ears and I always listen. From the first training when we hire them, we explain them it is all about service.” (C., p. 99)

In April this department had new ETT employees coming, but they were not the expected profiles. Since then, they change almost every day.

### 6.2.3 TRAINING IN LOKAL

According to the manager of Lokal, working with ETT employees is more difficult than working with fixed staff or interns. Because depending on operational needs, they calculate the amount of people that they request. The operation is normally very high. During summer, the operations goes up to around 500 people for breakfast every day. On average, they serve 350 guests every day all year.

The ETT personnel in this restaurant are fixed ETT. They come in at least 4 or 5 times per week. So, they are employees that know the processes and the standards. But, the level of engagement is not the same as staff, because they know they are coming just for four hours. Maybe tomorrow one group is cancelled, and the manager has to cancel them. So, the level of commitment is around 60%. Because it depends on the occupancy and the operation of breakfast. Currently, the employee list is around 25 ETT's plus 4 staff and 3 trainees. From this 25 there are ten that are fixed, and the management focuses more on the training towards them. This is highly important as they serve the table as a waiter. These ETT employees are the ones that are most trustful, they have the best attitude, they have motivation and they really want to be part of it. The rest is more like a side help. They focus on cleaning, setting up, polishing, doing coffees in the back. This is another type of profile. There are around ten fixed ETT that serve tables as these people know how to work with the BSA during the enter, pre-serving and

post-service. The focus is on this, but they also try to focus on the others as well. But their engagement to Hotel Arts is not the same.

The hostess who is in charge of Opera and Micro are staff. One or two employees are walking the guests to the table and they are ETT. They are trained to do the BSA, to welcome the guests, to bring the check to the table. They know the minimum to know to do the BSA, such as the basic training. As well, they know the basic rest of how to be a good hostess.

The manager tells them clearly:” I know you will be coming for four hours; you can be whatever you want but, at this time, you are a Ritz-Carlton server. And here you have to act and think as a Ritz-Carlton employee. There is no difference between, staff, trainees and ETT”. (A., p. 89) He expects a certain level of commitment and professionalism and if the ETT employees try, they are more than welcome. But if they think this is too much, they can go and find another job.

The team starts at different moments in the morning, so usually they need to do two or three small lineups, because it is not possible to have the whole team before the opening. They do a small line-up before the opening and then during the morning they take a moment. Once a week, there is one big line-up done with a lot of information with all staff and ETT together. Here, everything is explained about the company, the philosophy, news, schedules, and wow-stories. The management tries to motivate the ETT to do wow-stories. If they do wow-stories or compliments, they give them a voucher for two persons for breakfast or a small present. The assistant manager of Lokal describes the team of Lokal as a small family where they have to care about Lokal like it is their house, rather than as their restaurant job.

The ETT employees keep their credo and the daily with them through service, and in case there is no time to do a line-up they can take one minute to read the “Commitment to Quality”. There is a WhatsApp group that includes the most regular ETT employees in which important information is shared about groups, profiles, individuals, and VIPS.

The training is very much focused on the BSA standards. ETT employees always have to have all the steps with them, and they carry it together with the credo and the daily. Every day they must be ready and prepared for the BSA.

The department focuses much on the team. They treat the ETT the employees just as regular staff and give them responsibility. They thank them for the job and their help, motivate them and give them information. Teamwork is really important here and sometimes they go out to have dinner.

#### 6.2.4 TRAINING IN OFFSITE/BANQUETING

After the general orientation, some ETT employees start working in the banqueting department. I have interviewed two ETT employees that both have been working in Hotel Arts for more than a year. When they started it here, they did not receive any training in this department. One of them had no previous experience in the hospitality industry and had to carry a tray with a couple of beer glasses on his first day. They would like to see a training about more practical operational matters in the beginning, and not only about information of the hotel.

#### 6.3 TURNOVER IN THE BANQUETING DEPARTMENT

To gather research about the factors that induce turnover, I have spoken to two ETT employees that work in the banqueting department. Both have been working at Hotel Arts for more than a year, respectively a year and five months and a year and two months. They both work fulltime, even more than fulltime as they do more than 40 hours per week on average. They get paid for every hour that they work at Hotel Arts. The main result I found by this interview is that new ETT employees are treated differently than more regular ETT employees.

To begin, I gathered data about what are the principal factors that cause the ETT employees' turnover in the banqueting department in Hotel Arts. Several reasons were encountered: impossibility of promotion or progress; specific job characteristics such as: unpredictable shifts, complicated relations with coworkers; regarding the satisfaction in the workplace: feel under valued or appreciated, feel frustrated, feel demotivation; regarding the management: not resolute; and poor compensation.

##### 6.3.1 FUTURE CAREER PROSPECTS

First, in the interviews performed, one cause for turnover arises: The impossibility of promoting yourself in the hotel will make you resign after one year. As confirmed by the HR-department, ETT employees are mainly hired to do operational and frontline tasks. Only a few ETT employees work as a supervisor. All the respondents agreed to the fact that if you want to keep progressing, you cannot stay in the hotel for a long time because you cannot progress more.

According to one of the managers of an ETT company, is that what usually happens is ETT employees look for other jobs more related to their studies or careers than staying at the hotel after the 1-year period. On the other hand, tourism students, after one year working at Arts use this experience to find a better job or position on another place.

Poor expectations of building a career, is one of the causes of the turnover of ETT employees in Hotel Arts. The respondents agreed that if they want to have a position with more responsibilities, or to progress they will not stay in the hotel, as there are no opportunities provided. This is in line with the information I gathered from one of the managers of an ETT company: "... tourism students, after one year working at Arts use this experience to find a better job or position on another place". (L., p. 135) Besides, on the last 42 contract terminations the ETT company managed, around 15% are working in other hotels but better positions. This implies that Hotel Arts lacks future career prospects which makes it not a very attractive company for ETT employees. Thus, the hotel is considered by its employees as a place where to acquire knowledge and experience, but the lack of future prospects makes the employee think that once you are enough experienced the best option is to leave the hotel. The cost for the hotel is very high, as the investment that it makes in training and preparing these employees, will never have a positive return on investment. Once the employees will feel well-enough trained and experienced, they will leave with their knowledge to another hotel.

This supposes a large cost for the hotel as it was argued by Chikwe (2009) and Ramlall (2004) who claimed that the turnover of skilled employees can be harmful for the productivity of a company if, talented workers were constantly moving out of the company while the population staying in it were novice workers. Moreover, Ramlall (2004) defined the talented employees of an organization as "critical employees". He used the word critical to defend that these employees that had a valuable knowledge, were considered as an asset by the organization and that letting them leave was synonym of renouncing to skills, capabilities and experience that had an economic value for the organization.

### 6.3.2 SPECIFIC JOB CHARACTERISTICS

Other factors found as a cause of turnover were some specific characteristics of a job in the hospitality industry: unpredictable shifts, heavy workloads or complicated communication with the coworkers. The first assumption, unpredictable shifts, was a cause defined also as a main driver for employee turnover by Lo & Lamm (2005) who presented their findings about how stressful a job in the hospitality

industry can be with its long and unpredictable shifts, and with the heavy workloads. The authors also listed as a cause for, complicated interpersonal relationships. The respondents recognize this.

The complicated relationships with coworkers are given a lot of importance. A part of the interview also focused on working with non-regular ETT employees and which impact they have in their team and in the quality of work. The respondents answered that these employees hired by the hotel were having some kind of negative impact on the team. One of the respondents replied:” Because the different way that people work, so the ones that don’t constantly come. They won’t be affected in anything. They come for one day, for 8 hours and they do their job for 8 hours and they don’t care. But the people that constantly come if you do a bad job today and it will be bad for tomorrow or the next day. But if you do a good job today, it will be better for tomorrow or the next day”. (K., p. 132).

Among the workers that have been in the hotel there is a big sense of community. When the respondents were asked about positive things of the hotel respondents said the staff, the colleagues, or the working environment. It is a fact that the team is heavily valued by the employees of Hotel Arts and that the employees with a larger experience in the hotel are concerned about the impact that nonregular ETT employees are having on their team.

The staff of Hotel Arts plays a very important role for the company. As mentioned in previous chapters, the employees of the company are highly valued by guests, and it is the main competitive advantage of the hotel to differentiate itself from the fierce competition of the industry.

Other factors found as relevant causes of turnover are the satisfaction levels in their workplace. The respondents recognized that at some point they have felt frustrated, demotivated or under valued. This is especially noted when they started working here. Now that they are working here for a longer time and as well for five or six days a week, the supervisors are more open to help them. However, when somebody is new or they do not know this person, they will send him or her to someone else that can help them. One of the respondents answered:” If they know you, yes, they help you. But if you are like a stranger or it is your first day. They will never do that then”. (J., p. 124) So, ETT employees that don’t come every week, or every day are treated differently than the ones that come on a regular basis. These results are in line with theory which states that low perceptions of fairness are likely to cause employees to withdraw and disengage themselves from their work roles. When employees have high perceptions of justice in their organization, they are more likely to feel obliged to also be fair in

how they perform their roles by giving more of themselves through greater levels of engagement (Saks, 2006).

The respondents highly feel like they miss appreciation after their work is done. This is a downside of their job. They feel that the supervisors do not give enough recognition when they have done their job well. As a result, the employee engagement is low. One of the reasons why is that the supervisors and managers do not give sufficient motivation. The situation is different in offsite events, then the ETT employees feel more appreciated. The amount of support they get depends on the supervisor. The results show some supervisors do not give the support that ETT employees need to do their job well. They have spoken about this with some of the supervisors, but they do not feel completely comfortable to talk about it with all of the supervisors as their relation is not as good as it is with other supervisors. They feel that the supervisors will just pass on it. This is related to theory of psychological safety by Kahn (1992). Kahn (1992) showed that supportive and trusting interpersonal relationships as well as supportive management promoted psychological safety. On top of that, when employees feel that their organization cares about them and is concerned about them, they are likely to respond by striving to fulfill their obligations to the organization to become more engaged (Saks, 2006).

Theory states that perceived supervisor support is likely to be an important predictor of employee engagement. Moreover, research shows that first-line supervisors appear to be especially important for building engagement and to be the antecedent of employee disengagement (Bates, 2004). The personal relationship with one's manager and the extent to which the employee values this relationship is one of the drivers of employee engagement. However, the results show that the current situation leads to employee disengagement rather than employee engagement. These results are in line with the theory of Saks (2006), which states that when the company fails to provide these resources, individuals are more likely to withdraw and disengage themselves from their roles (Saks, 2006).

Accordingly, employees will be more like to engage themselves at work to the extent that they perceive a greater amount of rewards and recognition for their role performances (Saks, 2006). This is in line with Social Exchange Theory, that states that when employees receive rewards and recognitions from their organization, they will feel obliged to respond with higher levels of engagement. Currently, this is not the case in the department.

Another factor that is mentioned is the unpredictable shifts. The shifts can take more than eight hours, so this can be tough for people that are not used (yet) to long working days, as it is usually their first job. But on the other side, when there is not enough work, the management let the people go after three or four hours of work. According to the interviewees this happens very often. Especially in the beginning when a new person starts working at Hotel Arts. This happens less to the people that work longer at Hotel Arts and the management is more familiar with. So, they will keep them for the eight hours or more and the new employees finish their shift earlier.

### 6.3.3 SALARY

Also, another factor defined as a driver for turnover, and with impact on employee engagement is the compensation that employees receive. The ETT employees do not feel they are paid fairly for their contributions. The respondents explain that Hotel Arts is the worst hotel for work when it comes to salary. Respondent K: “The difference is in this hotel you get paid less than in other ones. But you have more hours here. So maybe if in other hotels you get paid more per hour, but you make less hours. So, in the end of the month you are going to get less if you are in this hotel”. (K., p. 128) A reason to stay working in Hotel Arts is that they can make more hours in the hotel than in other hotels. The low compensation is also a reason for new people to not come back anymore. They do not like it because they feel they make a lot of work whilst not getting paid enough. One important notion here is that it depends also on which ETT the ETT employee is coming from. These respondents work at the ETT company that pays the least. They explain that this is also the main reasons that they get booked the most times by Hotel Arts.

### 6.3.4 TRAINING

Before the ETT employees start working in Hotel Arts, they follow a training that takes around five hours. This training takes into consideration the Gold Standards of The Ritz-Carlton Company. As well, the outlets and the banqueting department are explained. The respondents feel that the training that they had done was not sufficient at all. The reason for this is that they only get information about the restaurants, such as when the restaurants are open and where you can find them. They did not learn any practical matters on how the particular restaurants work or more specific information about the

banqueting department. Besides, such as how to hold a tray or how to hold three plates. However, the new employees do receive a training like this now.

All the information that has been told regarding the culture of the hotel, the ETT employees do not see this back in their daily job. For example, line-ups are never done, and they never know the service value of the day. Currently, only when the hotel expects the BSA to come or other important people, they might do a line-up to check their knowledge about the BSA. The respondents think it would be beneficial and they would feel more comfortable when the line-up is done on a regular basis. As a result, they will feel less stressed when the BSA might come. They would feel more prepared and more relaxed about this situation when the BSA might come. On top of that, they would feel more involved in the company's culture on a daily basis, when not taking into account the importance of the BSA.

For most of the ETT employees that start working in Hotel Arts, it is their first job in the hospitality industry. This implies that they have no or little prior experience. The interviewees explain that this is how Hotel Arts would like it, so they can explain how they want the ETT employees to work and execute certain tasks.

Theory states that job resources may stimulate intrinsic motivation at work because they are necessary to deal with job demands and to achieve work goals. Extrinsicly, job resources influence the achievement of work goals. This implies that work environments that offer many resources could increase dedication and effort at work (Meijman & Mulder, 1998). In such an environment, it is likely that tasks will be completed in an effective manner. Opportunities for development is one of the job resources and training is a way how employees can develop themselves. The results show that the current trainings at Hotel Arts for new ETT employees are not sufficient. As a consequence, theory states that dedication and effort at work are diminished (Meijman & Mulder, 1998). Which, in turn, leads to a decrease in intrinsic motivation and thus employee engagement.

To conclude, in the end the ETT employees feel proud and happy to work for the company. This result is in line with theory of Gibbons (2006). The extent to which employees derive self-esteem from their work leads to the antecedent of employee engagement: pride about the company. They enjoy their job because of the people that are working at Hotel Arts, not necessarily because of the company itself. As well, they say it depends on the day which is natural and happens in every company. They highlight that the motivation the management gives to ETT employees that constantly come is different to the ETT employees that come two or one days in the week.

## 7 STRATEGY AND CONCLUSIONS

This chapter will focus on recommendations that Hotel Arts can incorporate in order to have casual labor comply with the hotel's standards and culture. The first paragraph will give a resume of what has been described in the previous chapters. The second paragraph is a reminder of which drivers are important for employee engagement. Paragraph 3 explains the link with the theoretical framework. Paragraph 4 explains the recommendations given for each objective. Lastly, this chapter finishes with a conclusion.

The objectives of the strategies are three folded and are shortly repeated below.

### Objective 1: Selection and recruitment

The first issue is the selection and recruitment of new casual labor. The objective will be to ensure the quality of the service, and a good fit of the new employees with the hotel in order to maintain the high-level standards required in a 5\* hotel.

### Objective 2: Training

The second objective is related to the training of the ETT employees. The recommendation will focus on how to improve the training, so it targets better the needs of the ETT employees. As a result, they are better prepared for on the job tasks.

### Objective 3: Making Hotel Arts a more attractive workplace

The third objective is to make Hotel Arts an attractive workplace. Employees are important for the company and whenever one leaves the company it creates a loss of time and money for the company.

All these strategies combined lead to the ultimate goal, which is to improve the current situation by focusing on the reduction of ETT's turnover in the banqueting department.

Hotel Arts works with many ETT employees throughout the F&B department. In Lokal, IRD, and banqueting and offsite. Many of them are fulltime employees. Between the departments there are a number of differences in the training and involvement in the culture of the ETT employees. One can conclude that the involvement of ETT employees in Lokal and IRD is higher than in banqueting. This is

due to the fact that in these two departments the ETT employees are mostly regular and usually work fulltime. This is different in banqueting, where many ETT employees work one/two/three times a week or month.

One can determine the Ritz-Carlton culture as a very strong culture with its roots going back more than a century. Thus, the overall goal of these strategies combined will be to make the ETT employees more familiar with this culture, understand it, and incorporate it in their work on a daily basis. As a result, they will comply more with the hotel's standards and culture and the turnover of ETT employees will be reduced. Finally, they could turn into brand ambassadors of Hotel Arts.

## 7.1 RESUME

The first part of this research focused on the Environmental scanning. It helps in analyzing the internal and external factors influencing an organization. This research continued with an extensive literature review about existing theories and research results about employee engagement. The questions related to what employee engagement and existing research about employee engagement is were answered in the fourth chapter "Theoretical Background". Firstly, the construct employee engagement was formed based on existing definitions and perspectives. Accordingly, the most important theories and empirical findings for his research were selected and described.

The next chapter, "Methods", described the overall research design such as the data collection procedure, the respondents and the selection procedure. Besides, in this chapter the trustworthiness, validity, and ethical issues of this research were addressed.

In chapter six, "Results", the author described the results of the interviews with the employees that are all related to the topic in one way or another. Some of them are managers in the hotel, others are ETT's and others are managers at the ETT company. As a result, this gave a 360° view of the current situation. The expectations of chapter four were tested based on the interview results.

In this last chapter the research question will be answered. Strategies will be explained on how to improve the employee engagement. Then a discussion follows about the strong and weak points of this research and recommendations for further research.

## 7.2 RELEVANT FACTORS FOR ENGAGEMENT

This paragraph highlights the relevant theories and factors for employee engagement, based on Chapter 3.

A basic point of view of SET is that relationships evolve over time into trusting, loyal, and mutual commitment as long as the parties abide by certain rules of exchange (Cropanzano & Mitchell, 2005). Rules of exchange usually involve reciprocity or repayment rules such that the actions of one-party lead to a response or actions by the other party. For example, when individuals receive economic and socioeconomic resources from their organization, they feel obliged to respond in kind and repay the organization (Cropanzano & Mitchell, 2005). This is in line with the theory of Robinson et al. (2004) that engagement is a two-way relationship between the employer and employee.

One way for employees to remunerate their company is through the level of engagement. This implies that employees will choose to what extent they will engage themselves in response to the resources they receive from the organization. Bringing oneself more fully into one's work roles and devoting greater amounts of cognitive, emotional, and physical resources is a very profound way for individuals to respond to an organization's actions (Saks, 2006). It is more difficult for employees to vary their levels of job performance given that performance is often evaluated and used as the basis for compensation and other administrative decisions (Saks, 2006). Thus, employees are more likely to exchange their engagement for resources and benefits provided by the organization.

When employees receive these resources from their organization, they feel obliged to repay the company with higher levels of engagement (Saks, 2006). Consistent with Kahn's (1990) definition of engagement, employees feel obliged to bring themselves more deeply into their role performances as repayment for the resources they receive from the organization. However, when the company fails to provide these resources, individuals are more likely to withdraw and disengage themselves from their roles (Saks, 2006). Thus, the level of cognitive, emotional, and physical resources that an individual is prepared to devote in the performance of one's work roles is dependent upon the economic and socioemotional resources received from the organization.

In reviewing the results of 12 major research studies Gibbons (2006) identified the top drivers of employee engagement. These include:

- trust and integrity – the extent to which the organization’s leadership is perceived to care about employees, listens and responds to their opinions, is trustworthy, and “walks the talk”;
- nature of the job – the extent of employee participation and autonomy;
- the connection between individual and company performance – the extent to which employees understand the company’s objectives, current levels of performance, and how to best contribute to them;
- career growth opportunities – the extent to which employees have opportunities for “career growth and promotion” or have a clearly defined career path;
- pride about the company – the extent to which employees derive self-esteem from their work;
- co-workers/team members – attitudes and perspectives of coworkers towards their jobs and the company;
- employee development – the extent to which efforts are made to develop the employee’s skills; and
- personal relationship with one’s manager – the extent to which the employee values this relationship.

## 7.3 RECOMMENDATIONS

### 7.3.1 STRATEGY 1: SELECTION AND RECRUITMENT

Hotel Arts is a hotel that can be found in the highest segment of the industry. It belongs to The Ritz-Carlton L.L.C. Company which is worldwide known for its outstanding level of service. Ritz-Carlton is part of Marriott International, that annually cooperates with many global companies as their clients. To be able to operate on this global level it is important that Hotel Arts keeps distinguishing itself from its competitors. It has already been highlighted in the introduction, and as well the theory shows that the frontline employees are crucial here. In the current situation the frontline employees in the banqueting department are all working from an ETT company. This is where a gap arises. How can employees from one company comply with the culture and standards of another company? Would it not be better if these employees were also fixed employees of the hotel? Looking at a financial perspective this is not feasible for the banqueting department. This is understandable and logical. The operations in the banqueting department can quite differ week by week, or even day by day. This implies that a different number of employees are needed every day, which can go up to around 60

waiters for a plated dinner. Therefore, my judgment is that Hotel Arts should keep working with ETT companies in the banqueting department, as it brings a certain flexibility for the hotel which leads to financial benefits. However, one can wonder whether the current ETT companies are qualified for Hotel Arts. The current ETT companies are not able to deliver the required quality of service to the banqueting department of Hotel Arts. My judgment is that the requirements Hotel Arts sets for these potential employees are not met by the current ETT companies that Hotel Arts is working with. During my internship I have joined a selection day and the following orientation for (potential) ETT employees of Quality and Pacto. Hotel Arts has certain requirements about what kind of employees they want to see during the selection day. For example, the grooming standards they have to follow, or the way people should behave. Here, I have noticed a gap. Many employees do not know how to dress accordingly Ritz-Carlton standards or do not know how to behave in a certain way. First of all, there should be better communicated what Hotel Arts expects from the employees on these days. My judgement is that the communication between Hotel Arts and the ETT companies is good. However, the communication between the ETT companies and its employees is poor. All these matters are contrary with the corporate policy by Ritz-Carlton that asks for a certain level of service. This brings me to the first strategy. My first recommendation is to start working with other ETT companies. The current ETT companies are not focused solely on the hospitality industry. They also provide casual labor for other industries than the hospitality industry. Therefore, I would like to suggest that Hotel Arts starts working with ETT companies that focus only on the hospitality industry. By doing this, the recruitment process of the ETT employees is improved. This will be the first step in improving the engagement of the casual labor to the hotel's culture. Because working with a company that is specialized in the industry that Hotel Arts is working in already gives an advantage from the beginning. A reason for this is that the company can provide a more personalized solution tailored to the needs of Hotel Arts.

#### *7.3.1.1 IMPLEMENTATION OF STRATEGY 1*

The implementation of the cooperation with a new ETT company can be developed easily. This will go through the HR-department, as they are responsible for the organization of the selection and recruitment of employees. The process of selection and recruitment can go as the same way as for the other ETT companies.

### 7.3.1.2 EVALUATION OF STRATEGY 1

The control and the trainings would be performed by the Human Resources department. By keeping track of the employees that recently started working in the hotel, the HR department will be able to evaluate the level of satisfaction of the new employee, the training that has been provided to him, and most important, to check if the profile of this employee really fits the position. Thus, the hotel will control and evaluate new incorporations and will be ready to correct any undesirable attitude or to reinforce a positive one.

Regarding the technical aspects of the employee's profiles, all users will be verified by the HR of each hotel chain to avoid any falsification of information.

Strategy 1 is also aiming to enlarge the promotion possibilities for ETT employees of Hotel Arts. The new trainings and recommendations can put Hotel Arts in another light to the ETT employees. An increase in their promotion possibilities, not only in the same hotel but in a larger network of hotels, may increase their expectations about staying in the hotel or in the chain in the long term. Thus, the talent would not be lost but reinvested. Hotel Arts could also profit from other talented employees.

Most probably, the employees from a specialized ETT company are more expensive than from other ETT companies. But this will be paid back in higher quality of service. Making the assumption that companies from a specialized ETT company are better trained than from a non-specialized company, Hotel Arts will have to invest less in both time and money in order to train the new ETT employees.

### 7.3,2 STRATEGY 2: TRAINING

An alternative strategy is presented here, if the recommendation of a new ETT company is not followed upon.

Once the ETT employees are selected, they will follow an orientation of four hours. During my internship I have joined this orientation. Besides, I have been working with many ETT employees on a daily basis. My judgment is that the orientation is very informative and should better target the audience. Most of the ETT employees are students that have little or no experience in the hospitality industry. As well, there are new employees that come from a different industry such as engineers for example. My suggestion is to not only focus on general information about the hotel and the Gold

Standards, but also to include a practical training about situations that can occur during work. This implies practical matters such as how to show and pour wine and how to walk with three plates or a tray full of glasses. Moreover, the respondents K & L explained that when they are in a situation where they have to explain to a guest that their request is not possible, in the beginning they did not know how to behave or respond. Therefore, my other suggestion is to include the “LEARN” concept in the training. This is a principle related to how to deal with customer complaints.

The following table explains what each letter stands for.

Table 6. LEARN

LISTEN	Listen carefully to your customer. Don't interrupt or tell the customer to calm down, this will only ignite the anger.
EMPATHIZE	Feel the pain of the customer and tell him/her that you understand how they feel.
APOLOGIZE	Apologize to the customer, even if you feel that you have no part in the problem.
REACT	Decide what you will do to resolve the problem and tell this to the customer.
NOW!	Do not delay. Take immediate action!

Source: Researcher's creation

To give an impression in what kind of events the ETT employees will be working, it would be likable to show an impression of the events that are executed, both in the hotel and offsite. An idea is to make a time-lapse of the preparation and the service of a big event, for example a plated dinner for 500 guests. Then, this can be shown in the training. This will give a real impression of the work that ETT employees are going to do. The agenda of a training could look like this:

Table 7: Agenda Training

30 minutes	Warm Welcome
One hour	The Gold Standards
15 minutes	Break
One hour	BSA
30 minutes	Your feedback

Source: Researcher's creation

## ETT TRAINING & CERTIFICATION

This paragraph explains a new idea about an ETT Certification for ETT employees in IRD and Lokal. These departments have a high focus on BSA and should therefore be separately trained about this subject.

For the departments of IRD and Lokal I suggest organizing a separate orientation in order to better understand Guest Voice and wow-stories. Furthermore, as these departments have a strong focus on BSA, it would be a good moment to test their knowledge about the BSA. A test could be developed to make sure their knowledge about the BSA is sufficient. It is also an opportunity to show why the BSA is so relevant for the company and why the company has to focus and personalize the service. In this orientation they would also get the possibility to write a First Class to a colleague. "First Class" cards are immediate, specific, individualized recognition. They are typically given from any employee to any other employee, group of employees or department for exemplary or outstanding actions that go above and beyond expectations and standards.

The orientation could take place after the regular orientation or at another day. I would like to suggest doing at another day within one month after the first orientation. By doing this, the employees have the time to first get familiar to the job and the company culture. The ETT Training & Certification is based on the Day 21 meeting for fixed employees. Similar to this meeting, ETT employees will have the possibility to provide feedback and to reflect on the information that they learned during the orientation. My suggestion is that a member of the executive team would lead this part of the orientation. This makes the distance to the higher management smaller and it can create new perspectives for someone on their own future career. The schedule of the day could look as the following:

Table 8: Agenda ETT Certification

<b><u>Duration</u></b>	<b><u>Content</u></b>
15 minutes	Warm Welcome
One hour	The Gold Standards
15 minutes	Break
One hour	Guest Voice and wow-stories
15 minutes	Break
30 minutes	BSA-test and First Class
45 minutes	Prevention and Safety
15 minutes	Feedback
5 minutes	Fond Farewell

Source: Researcher's creation

The whole orientation would take four hours and 20 minutes. Once the ETT employees have finished this orientation and passed the test, they would receive a certain "ETT Certification".

#### LINE-UPS IN THE BANQUETING DEPARTMENT

The line-up is a way to show the employees what is expected from them. However, as told by the respondents K and L as well as my own experience, line-ups are never executed on regular days. Only when there is a big event, line-ups are taking place. But the information which is given is only related to the event itself. There is no or very little corporate information involved. This is a crucial moment where the employee engagement could be improved. A small suggestion would be to place the service value of the day on the paquetes, which is a paper every employee gets before the start of an event. It contains all important information related to the specific event.

Ritz-Carlton policy states that every department should have a line-up every day. In this line-up not only the commitment to quality is described, which includes general information about the hotel such as the occupancy and the service value of the day, but also organizational news, the recognition of employees or departments for outstanding achievements, and the communication of announcements that have an impact on the team. The Daily Line-Up at The Ritz-Carlton regularly includes celebration and employee recognition.

The Ritz-Carlton Leadership Centre describes the line-up as the following: “Line-Ups typically take about 15 minutes, but because they serve as a Warm-up, a Tune-up, and a Catch-up, they have a lasting impact on **employee engagement** and organizational culture.”

The corporate culture is there, and corporate policy enables and provides the opportunity to improve employee engagement by doing a daily line-up. This is the opportunity to develop the connection between the individual and company performance, which is one of the drivers of employee engagement. It improves the extent to which employees understand the company’s objectives, current levels of performance, and how to best contribute to them (Gibbons, 2006).

#### *7.3.2.1 IMPLEMENTATION OF STRATEGY 2*

It would be mostly beneficial for Hotel Arts if the new ETT company would pay for the training hours that the new ETT employees will have to follow. This used to be the situation with the current ETT companies, however, it has changed and now Hotel Arts is paying for these hours.

The implementation of a new training for the banqueting department takes more involvement and preparation. However, as some of the subjects are already being discussed in current Day 21 Orientations for fixed staff and interns, this recommendation would not take much of an investment in preparation time. The organization of both the trainings would be executed by the HR-department.

#### *7.3.2.2 EVALUATION OF STRATEGY 2*

Strategy 2 consists of several recommendations. They are all different but at the same time they are all related to the training of the ETT employees. The training for new ETT employees as well as the ETT Certification will involve more preparation and time. Besides, there is a cost involved for Hotel Arts, which is the salary for hours that the employees are there.

The line-up does not involve any investment in money. It takes some time every day, but it is corporate policy and easily implemented in the banqueting department.

### 7.3.3 STRATEGY 3: MAKING HOTEL ARTS A MORE ATTRACTIVE WORKPLACE

The last strategy is focusing on incidents that can happen at the workplace. It is related to two top drivers of employee engagement. The first driver is the relationship with the co-workers/team members – attitudes and perspectives of coworkers towards their jobs and the company; and the second driver is the personal relationship with one's manager – the extent to which the employee values this relationship. The goal of this strategy is to make Hotel Arts a more attractive workplace for ETT employees.

The complicated relationships with coworkers were given a lot of importance. The respondents recognized that at some point they have felt frustrated, demotivated or under valued. This is especially noted when they started working here. Now that they are working here for a longer time and as well for five or six days a week, the supervisors are more open to help them. The respondents highly feel like they miss appreciation after their work is done. This is a downside of their job. They feel that the supervisors do not give enough recognition when they have done their job well. As a result, the employee engagement is low.

The staff of Hotel Arts plays a very important role for the company. As mentioned in previous chapters, the employees of the company are highly valued by guests, and it is the main competitive advantage of the hotel to differentiate itself from the fierce competition of the industry. Besides, it is important to form long-term relationships with coworkers in order to avoid the costs and volatility of turnover in employees. This objective can be pursued through four core processes: *attracting* employees by making promises to them; *fulfilling* these promises by meeting their needs with every contact within the organization; *retaining* them by prizing the future value of the relationships; and *improving* their quality of life by continuing to find ways of benefiting them (Thomas, 2009). Therefore, this strategy focuses highly on the relationship with managers and supervisors.

Research shows that organizations do not have an absolute monopoly on employee motivation or on fulfilling people's emotional drives (Nohria, Groysberg, & Lee, 2008). Employees in this research recognize that a manager has some control over how company processes and policies are implemented. But they don't expect their supervisors to be able to substantially affect the company's overall reward systems, culture, job design, or management systems (Nohria, Groysberg, & Lee, 2008).

Mone, Eisinger, Guggenheim, Price, & Stine (2011) show that an expanded view of performance management can serve as a useful framework for managers, one that guides them in the day-to-day management of their employees' performance while also fostering high levels of employee engagement. This paragraph will suggest recommendations based on the nature of performance management to further clarify the actions managers can take to drive engagement in their teams.

The construction of performance management is based on five components:

- Setting performance and development goals
- Providing ongoing feedback and recognition
- Managing employee development
- Conducting mid-year and year-end appraisals
- Building a climate of trust and empowerment

Each component will be explained in the following paragraphs.

#### SETTING PERFORMANCE AND DEVELOPMENT GOALS

Research from Mone & London (2009) suggests that when managers and employees set goals collaboratively, employees become more engaged. My suggestion is to study the relationship between engagement and different goals. The tasks can have various degrees of difficulty and then the next step would be to measure the extent to which the employee feel engaged by the demand of the task. A simple measure might be based on how involved. Committed, and empowered employees are in completing the task. And important factor is to allow for communication about the importance of the task and how it aligns with a larger purpose, the bigger picture of the company. Also, the extent to which ETT employees feel informed about the organizational direction and alignment and their level of engagement could also help to better understand this relationship.

#### PROVIDING ONGOING FEEDBACK AND RECOGNITION

One of the components of performance management is the effective use of feedback and providing ongoing feedback to employees. This will help improve performance, which is a key driver of employee engagement (Gibbons, 2006; Mone & London, 2009). Research from Mone & London (2009) suggests that managers drive engagement when they provide ongoing feedback and recognition to direct and

improve performance and have career-planning discussions with their employees. Recognition can be viewed as a form of feedback rooted in positive reinforcement and tied to an employee's behavior or accomplishment of a specific goal or task. Research from Mone & London (2009) suggests that recognition and reward are critical to employee engagement and they enhance satisfaction, motivation, and morale. Based on the study of Mone & London (2009) my suggestion is that the best approach for supervisors is to get to know each individual's needs and wants. And then, to decide how, when, and how often they want to provide their employees with feedback and recognition. It is also important to not give too much recognition, as this can adversely affect an employee's intrinsic motivation.

#### MANAGING EMPLOYEE DEVELOPMENT

In the context of employee engagement, Mone & London (2009) demonstrate that when managers provide sufficient opportunities for training and support regarding career development efforts, they help foster employee development and drive employee engagement. Bakker et al. (2008) report that employees need more than learning opportunities alone—they need motivational support and the resources to accomplish their development goals.

Strategy 2 focuses on a big training prior to the start of the job. But opportunities for training and development can also be incidental, informal, or formal. However, research shows that informal and incidental learning can also enhance employee engagement. Jacob et al. (2008) shows that employee engagement is increased when managers or supervisors provide their employees on-the-job learning opportunities as well as the autonomy to pursue those learning opportunities. Therefore, my suggestion is that the banqueting department will focus more on on-the-job coaching. This can be focused on three parts: helping employees adapt, improving performance, and developing potential. According to Mone and London (2009) effective coaching as a way for managers to support employee learning and growth is focused on these three areas.

#### CONDUCTING MID-YEAR AND YEAR-END APPRAISALS

The ETT employees that I have interviewed recognized that at some point they have felt frustrated, demotivated or under valued. My suggestion is to create mid-year and end-year appraisals for the fulltime ETT employees. Research shows that appraisal discussions are important to foster engagement. It is also important for employees to perceive "fairness" in organizational processes, such

as performance evaluations. I would like to suggest that the appraisals are objective and transparent. Besides, they should solicit employee's input and promote a two-way dialogue between the manager/supervisor and the employee. Then, the ETT is enabled to talk about the problem above. Also, clear performance criteria and metrics should be available in order to align administrative outcomes such as promotion and compensation with corporate objectives. Only then, it can be perceived as fair for the ETT employees.

#### BUILDING A CLIMATE OF TRUST AND EMPOWERMENT

Mone & London (2009) also found that having a manager who employees can trust is a primary driver of engagement, and that there are a number of manager actions associated with creating a climate of trust and empowerment.

Additionally, Mone & London (2009) report that employees having the resources to perform their jobs effectively and being encouraged to be innovative and creative to improve their work processes and productivity are both primary drivers of employee engagement. This is in line with what the respondents say in the interview. Sometimes there are not enough supplies to execute the job in a good manner.

##### *7.3.3.1 IMPLEMENTATION OF STRATEGY 3*

The implementation of strategy 3 takes place in the banqueting department and will be executed by the managers and supervisors within this department. It is their task to motivate and recognize the employees in order to make them more engaged. One obvious way is to write a First Class to recognize good work. This can easily be implemented as it is already part of the corporate culture. Another option is related to the training of ETT employees of strategy 2. An idea is to invite an ETT supervisor in the training to show the new ETT employees what is possible as a future career or next step. From my own experience this shows perspective about what you can reach in this hotel chain.

##### *7.3.3.2 EVALUATION OF STRATEGY 3*

It can be said that this strategy might be the most difficult one to implement but also to evaluate. This recommendation is focused on the relationship between people and as it is intangible, it is hard to detect when an improvement has occurred. A moment to test if anything has improved would be the mid-year and year appraisal discussion with the ETT employees. Also, I would suggest that this topic

becomes a permanent part on the agenda of to the weekly departmental meeting to discuss the development and new ideas.

## 7.4 CONCLUSION

Hotel Arts is a five-star hotel property that does not only have a high season for individual guests but also has a high season for big groups with corporate guests from international companies. For these types of companies, it is not necessarily to hold their meetings in Barcelona. The market for these corporate groups goes further than Barcelona and it is up to Hotel Arts to be and stay relevant for this European and sometimes also international market. Therefore, Hotel Arts will have to execute certain investments. Not only in the sphere of the training of frontline employees but also in the relations with coworkers and the correct execution of corporate policy. As mentioned in the introduction, service is one of the most important components to gain long-term competitive advantage and to maintain customers' confidence in the company. Frontline employees embody one of the most important factors in providing the required level of service (Markovic & Raspor, 2010). Research shows that employee engagement has a positive correlation with desirable organizational outcomes such as heightened customer satisfaction and loyalty, reduced employee turnover, improved return on assets, and higher profitability (Bharwani & Butt, 2012). Employee engagement has played a pivotal and contributing role in hospitality brands like Marriott and Four Seasons by helping them in maintaining lower levels of turnover and higher consistency of their brand globally (Deloitte, 2010).

## 8 LIMITATIONS AND RECOMMENDATIONS FOR FURTHER RESEARCH

### 8.1 WEAK POINTS

The first limitation of this study is related to a limited internal representativity. For the study I used only ETT employees in the banqueting department as participants. It would have been interesting to interview ETT employees that work in other departments to compare their experience in Hotel Arts. As well, a larger number of interviews of ETT employees would have been relevant for the reliability of the results. It cannot be excluded that another more general view of the needs of the ETT would have come out, if more ETT employees had been interviewed. However, this master research did not have the intention to realize a complete representative sample. Unfortunately, I was not able to gather more data. The choice of qualitative research, the relatively limited time to carry out a thesis, the fact that it is executed by one individual and the big population of ETT employees would have made that an unrealistic objective. But, on the other hand, this research is a 360 degrees research, because it involves all the employees that are relevant to the subject and are related to the subject in their own way. Additionally, this research starts from the beginning, the selection process, until the end of an employee's work period. For the semi-structured interviews, it was also possible to gather management's point of view, and not only the view of employees.

As well, as the goals of this research is to decrease ETT employee turnover in Hotel Arts, research could also have focused on the former ETT employees and discover why they have stopped working in Hotel Arts. In that way, first-hand opinions could have been gathered. Unfortunately, these relevant employees were not available, or impossible to reach, which resulted in the impossibility of gathering this data. Another limitation to is that the study has been conducted in a specific hotel property, which leads to limited external representativity. However, it is possible to obtain different results if the research is conducted with another sample. The research was geographically limited to the city of Barcelona, and results cannot be generalizable somewhere else. There could be argued that the results of this research are specifically related to the ETT employees that are working in Hotel Arts and therefore the results are hard to generalize for other organizations and functions. One cannot rule out that employees in other functions, with less physical requirements and irregularities, have other needs. The needs of ETT employees in Hotel Arts were focused on in this research.

A possible limitation of this research is that the objectivity of the research cannot completely be guaranteed. The research has been working in the banqueting department whilst working on this thesis, for six months. This implies that the researcher has been present in this department for five days a week and there was daily contact with the employer. Besides, there was regular informal contact with co-designers of the policy that has been researched here. As a researcher is never able to reach complete objective results, it is possible the context of this research has influenced the objectivity of the researcher. One can find in the paragraph quality of the research, that certain actions has been taken to counteract the subjectivity of the researcher as much as possible.

## 8.2 RECOMMENDATIONS FOR FURTHER RESEARCH

For further research I recommend interviewing a bigger number of ETT employees or a survey in order to get more data. Besides, it will be interesting to interview one more ETT manager. I have interviewed only one ETT manager, due to the fact that the other manager was hard to reach and not replied.

Further researchers should also consider interviewing the resigned employees to enlarge the sample population.

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## APPENDICES

### APPENDIX 1 INTERVIEW TRANSCRIPTS

#### APPENDIX 1.0 SEMI-STRUCTURED INTERVIEW FORMAT

Interview Employee A	<ul style="list-style-type: none"> <li>• Do you do line ups with the ETT?</li> <li>• What is the difference between the line ups with ETT and without?</li> <li>• How much do we involve the ETT, as a hotel?</li> <li>• Why do you want to engage the ETT more?</li> </ul>
Interview Employee B	<ul style="list-style-type: none"> <li>• Do you do line ups with the ETT?</li> <li>• What is the difference between the line ups with ETT and without?</li> <li>• How much do we involve the ETT, as a hotel?</li> <li>• Why do you want to engage the ETT more?</li> </ul>
Interview Employee D	<ul style="list-style-type: none"> <li>• Do you do line ups with the ETT?</li> <li>• What is the difference between the line ups with ETT and without?</li> <li>• How much do we involve the ETT, as a hotel?</li> <li>• Why do you want to engage the ETT more?</li> </ul>
Interview Employee E	<ul style="list-style-type: none"> <li>• How do they start working in the hotel?</li> <li>• What is done now about the performance evaluation of the ETT? <ul style="list-style-type: none"> <li>• What do we do to revise their contribution?</li> </ul> </li> <li>• How do you decide what is told in the training for ETT?</li> <li>• What do you tell the ETT companies about our culture and standards?</li> <li>• Why do you want to engage the ETT more?</li> </ul>
Interview Employee F	<ul style="list-style-type: none"> <li>• What is the content of the interviews?</li> <li>• What type of questions do you ask?</li> <li>• Which profiles are you looking for?</li> <li>• On which criteria do you decide to hire someone or not?</li> <li>• Can you explain the group assignment? Why is it important? i</li> <li>• Why do you want to engage the ETT more?</li> </ul>

<p>Interview Employee G</p>	<ul style="list-style-type: none"> <li>• Can you explain how you work with ETT in your department?</li> </ul>
<p>Interview Employee H</p>	<ul style="list-style-type: none"> <li>• This project is about the engagement of the casual labor to the hotel's culture and standards. How many ETT do you work with on a daily basis?</li> </ul>
<p>Interview Employee I</p>	<ul style="list-style-type: none"> <li>• Do you do line ups with the ETT?</li> <li>• What is the difference between the line ups with ETT and line ups without (i.e. only interns and staff)?</li> <li>• How much do we involve the ETT, as a hotel?</li> <li>• Why do you want to engage the ETT more?</li> </ul>
<p>Interview Employee J&amp;K</p>	<ul style="list-style-type: none"> <li>• This interview will be about engagement of the ETT to the hotel's culture. Can you first explain how long you have been working here?</li> <li>• Do you like working here in the hotel?</li> <li>• Do you think that the supervisors give you enough recognition when you have done your job well?</li> <li>• Do they motivate you? Do they give you the support that you need to do your job well?</li> <li>• Do you think your supervisors help you when you have a problem and take the lead to solve them?</li> <li>• You just told me before the interview about the trainings. That you didn't really receive a training.</li> <li>• Do you recommend others to work here? When you talk about it?</li> <li>• Do you think there are any opportunities to grow in this company?</li> <li>• Do you think you are paid fairly for your contributions?</li> <li>• Do you think there is good teamwork between the different teams here?</li> <li>• Do you think that employees here give their best to give the best service to the guest? Whether it is ETT or a supervisor or anyone?</li> <li>• Do you think that the respect and the wellbeing of the employees come first to this company?</li> <li>• Do you think you are feeling positive towards this work in general?</li> </ul>

	<ul style="list-style-type: none"> <li>• Do you think that everything is there that you need to do your job well? Like equipment or supplies that you need?</li> <li>• Do you think you are proud to work for this company?</li> </ul>
<p>Interview Employee L</p>	<ul style="list-style-type: none"> <li>• Why do employees leave? Why do they not come again to work at Hotel Arts?</li> <li>• Do you do exit interviews at ETT? Why (not)?</li> <li>• Can you explain the preselection you do for H Arts?</li> </ul>

## EXECUTIVE SUMMARY

### ABSTRACT

in the context of hospitality organizations, brand attributes origins in service delivery and other intangibles within the organization (Lashley, 1995). Engaged and committed employees who understand and accept brand attributes can become brand evangelists and deliver on the brand promise in a consistent and a better manner across global hospitality portfolios.

Employee engagement has become a widely used and popular term. This construct is a relatively new notion in the literature, but it has been heavily promoted by HR consulting companies that offer advice on how to create and leverage it. The general consensus is that the fundamental concept of engagement may explain behavior at work, but inconsistent interpretations still exist. According to Gibbons (2006:5) “employee engagement is a heightened emotional and intellectual connection that an employee has for his/her job, organization, manager, or co-workers that in turn influences him/her to apply additional discretionary effort to his/her work”.

Hotel Arts is also affected by employee turnover.

The problem is encountered in the banqueting department of the hotel. Hotel Arts organizes a lot of banqueting events, both offside and in the hotel, for which it regularly needs so-called casual or external labor. These employees work at an event for one time, maybe twice. As a consequence, the hotel reaches the problem of very high turnover in this department. The issue that arises is how this external labor could adapt more to the hotel’s standards and culture in order to get more engaged with the company’s service values and thereby reducing the level of turnover.

Within the framework of this Master Thesis a qualitative research has been chosen. The goal of the interviews is to discover the different views on the current situation regarding the engagement of the ETT to the hotel’s culture, in order to determine which aspects of the work and the engagement of the ETT can be improved through policy measures.

I decided to develop three different measures, based on selection and recruitment, training, and the improvement of the workplace. I found it essential to research about the main causes of these three problems encountered, and to provide a strategy that could bring a solution to each of them.

## INTRODUCTION

Employee engagement has become a widely used and popular term (Robinson, Perryman, & Hayday, 2004). This construct is a relatively new notion in the literature, but it has been heavily promoted by HR consulting companies that offer advice on how to create and leverage it (Macey & Schneider, 2008). The general consensus is that the fundamental concept of engagement may explain behavior at work, but inconsistent interpretations still exist. Academic researchers and consulting firms are still competing and saddling with the meaning of the construct (Macey and Schneider, 2008). Thus, employee engagement seems to be a powerful concept, but the concept is still lacking a clear definition.

According to Gibbons (2006:5) “employee engagement is a heightened emotional and intellectual connection that an employee has for his/her job, organization, manager, or co-workers that in turn influences him/her to apply additional discretionary effort to his/her work”. Another definition comes from Hewitt & Associates (2004:12). According to their research, engagement is:

“A measure of the energy and passion that employees have for their organizations. Engaged employees are individuals who take action to improve business results for their organizations. They “stay, say, and strive-stay with and are committed to the organization, say positive things about their workplace, and strive to go above and beyond to deliver extraordinary work”.

In other words, the more highly engaged the employee, the more likely he or she will be to share positive things about the organization, thereby contributing to the development of a positive employer brand; want to remain within the organization, thereby minimizing turnover; and regularly exert a superior level of effort, thereby potentially influencing such variables as service quality, customer satisfaction, productivity, sales, profitability (Christensen, Hughes & Rog, 2008).

Hotel Arts is also affected by employee turnover. A Ritz-Carlton Hotel with high service standards that is set on the shore of the Mediterranean Sea and also tied with Torre Mapfre for the tallest building of Barcelona. The hotel is the only one in town with a 2-star Michelin restaurant. Hotel Arts is a Ritz-Carlton property which is worldwide known for its extraordinary, personalized service and one of the most famous hospitality brands. This highlights the importance of service quality for this company. Thus, for Hotel Arts to maintain these high quality and service values, it cannot afford a constant lack of engagement of its employees.

This problem is encountered in the banqueting department of the hotel. Hotel Arts organizes a lot of banqueting events, both offside and in the hotel, for which it regularly needs so-called casual or external labor. These are employees coming from ETT's (Empresas de Trabajo Temporal). In the thesis they will be named as ETT's or ETT employees. These employees work at an event for one time, maybe twice. As a consequence, the hotel reaches the problem of very high turnover in this department. The issue that arises is how this external labor could adapt more to the hotel's standards and culture in order to get more engaged with the company's service values and thereby reducing the level of turnover.

One can question what the impact is on the quality of service delivered when at every event there are new employees. Besides, the company has to invest a lot of time and money if every time for a new event they have to hire new casual labor and organize the orientation for them. The Human Resources department organizes this and maybe they could spend this time differently when turnover is low. A possible explanation for the low engagement is that the training is not sufficient, the recruitment is not strict enough or the employees do not match the profiles that the company looks for.

The organizational philosophy of Ritz-Carlton can be found in its so-called "The Gold Standards". This consists of "three steps of service, motto, employee service, and the Credo". It is embedded in the corporate strategy of the firm and shows its core purpose.

## RESEARCH QUESTION AND PROBLEM

In this chapter I will explain the problem, the research question and the main objectives to improve the situation.

During the internship in Hotel Arts I have spoken with several managers that explained the following situation. The hotel works with fixed staff, interns and casual labor, the so-called ETT. The general consensus between different departments is that the adaptation of the casual labor to the hotel standards and culture is low. In other words, the problem defined is that the engagement of casual labor to the firm is low. As a consequence, the problem of high turnover arises. The hotel would like to see the casual labor be more loyal to the hotel. In that way, the problem of turnover can be reduced. Because every time there is a new employee, they have to be trained for four hours about The Ritz-Carlton standards and service. So, the main consequence for Hotel Arts regarding the employee

engagement, is that these employees that do not return have to be replaced by new ones. Moreover, the hotel has to incorporate new workers and give them the adequate training to achieve work results at the same level as the former employees. The high turnover costs the hotel a lot of time and money. Because every time they have to give them a new training of four hours that the hotel has to pay for and not the ETT company. The analysis will also focus on improving the provided training.

The research question of this thesis is: Which strategies should Hotel Arts implement to have casual labor comply with the hotel's standards and culture?

The objectives will focus on which strategies Hotel Arts should implement and are related to:

Objective 1: Selection and recruitment

Objective 2: Training

Objective 3: Making Hotel Arts a more attractive workplace

## LITERATURE REVIEW

In recent years, there has been a sharp increase in the interest in employee engagement and its relation to competitive advantage and work performance. Even so, part of the literature still lacks the empirical research that provides a solid foundation of the engagement theory.

Employee engagement has become a widely used and popular term (Robinson, Perryman, & Hayday, 2004). This construct is a relatively new notion in the literature, but it has been heavily promoted by HR consulting companies that offer advice on how to create and leverage it (Macey & Schneider, 2008). The general consensus is that the fundamental concept of engagement may explain behavior at work, but inconsistent interpretations still exist. Academic researchers and consulting firms are still competing and saddling with the meaning of the construct (Macey & Schneider, 2008). Thus, employee engagement seems to be a powerful concept, but the concept is still lacking a clear definition. It has been defined in many different ways and the definitions often sound like other better known and more established constructs such as organizational commitment and organizational citizenship behavior (Robinson et al., 2004). The aim of this section is to clarify the conceptual disparities among different

ideas and interpretations about the definition of employee engagement in order to have a clear foundation for the study.

Kahn's (1990) work is an early exploration of the concept of engagement. He suggested that "People can use varying degrees of themselves, physically, cognitively, and emotionally, in the roles they perform . . . the more people draw on themselves to perform their roles . . . the more stirring are their performances" (p. 692). Kahn (1990) defines 'job engagement' as 'the harnessing of organizational members' selves to their work roles. Engagement is a binding force, as well as for commitment (Meyer et al., 2004). However, Kahn (1990) also refers to the expression of that self in task behavior. Thus, the experience of personal engagement includes elements of both involvement and commitment as psychological states and also a sense of personal identity in role behavior. Later on, Kahn elaborated on the subject by differentiating between the notion of simply being present at work, the so-called psychological presence, and engagement behavior. He identified that an actual psychological presence at and identity with work go beyond the simple task motivation. Instead, an employee should be able to truly identify with work and to reflect an authenticity to, as a result, connect with work and address difficult issues, i.e. the engagement behavior. From the starting point of being psychologically present in the work, that is the work is a part of one's identity, to employee development and productivity.

The study by Maslach & Leiter (1997) was the reintroduction of the concept of engagement as an energetic state of involvement. They positioned engagement as the opposite of a burnout. Engaged employees seem to be the opposite of potential burnout employees, as they are energetic and take their work as a challenge instead of seeing their work as demanding and stressful (Bakker, Schaufeli, Leiter & Taris, 2008). En lieu with this, Maslach and Leiter (1997) found that if an employee is not engaged, he or she will be more likely to move to the other end of the continuum and experience burnout. Maslach, Schaufeli, and Leiter et al. (2001) have proposed that engagement can be characterized by high energy, high involvement, and efficacy.

However, one can sense here a weakness. Because the notion that if an employee is not engaged, he or she will be likely to move to the other end of the continuum and have a burnout is a strong assumption. The researchers' main weakness here is that they argue that engagement is the contraposition of burnout. Engagement is not the contraposition of burnout. When an employee is not engaged, it does not say that he or she will experience a burnout. For example, one may be not highly interested in the job and thus do the work routinely just to complete the tasks. However, he or she may not be suffering from a burnout. Although the study by Gonzales-Roma (2006) yielded empirical

evidence that burnout and engagement are conceptual opposites, it did not include the concept of 'absorption'. The theory only supports two dimensions ((i.e., vigor is the conceptual opposite of emotional exhaustion, and dedication is the conceptual opposite of cynicism). First, it must be emphasized that although burnout and engagement are conceptual opposites, they are still distinct concepts that do not lie on a continuum, and so different measures are required for analyzing the construct. Besides, by excluding 'absorption', these two dimensions do not provide an extensive meaning for 'job engagement'. Thus, this approach is not the best approach for explaining employee engagement.

Another concept that has been developed is based on the Triangle Model of Responsibility. This model is based on the assumption that engagement is feeling responsible at work. Britt (1999) described this concept of 'self-engagement' as a sense of responsibility for and commitment to a performance domain so that performance matters to the employee. A weakness of this theory is the overlap with the concept of commitment. The theory has been developed further and Britt, Castro, & Adler (2005) argued that self-engagement requires a psychological state where individuals are committed to perform and put much effort into work. They emphasized the utility of the Triangle Model of Responsibility which has been developed by Schlenker, Britt, Pennington, Murphy & Doherty (1994). To conclude, employee engagement is based on the level of responsibility employees have for work. This depends on three factors: events, prescriptions and identity images.

This explanation shows that the view of Schlenker et al. (1994) recognizes the elements in which engagement exists but it does not provide the theoretical foundation of engagement. Commitment to performance and engagement are two different constructs and should therefore not be considered the same. As well, commitment focuses on the long-term behaviors at work, whilst engagement focuses on the short-term (i.e. one day). Another weakness is that simply referring engagement to feeling responsible is a rather simple determination of engagement. An employee can feel responsible for work but be not enthusiastic or positive about the work, then this cannot be called engagement. In consequence, this definition by Schlenker et al. (1994) does not comprise the whole concept of engagement.

Maslach & Leiter (1997) stated that energy (i.e. vigor), involvement (i.e. dedication) and efficacy should be considered the fundamental elements of engagement. Engaged employees have a sense of energetic and effective connection with their work activities and they see themselves as able to deal completely with the demands of their job. In contrast to Maslach & Leiter (1997) Schaufeli, Salanova,

González-Romá, and Bakker (2002) added absorption as another distinct engagement component. Their results suggest that absorption as well as efficacy may be subsumed under the concept of engagement.

The first element of employee engagement is vigor, which is a positive affective response to an employee's interactions with the elements of the job as well as the environment of the work. Vigor is characterized by high levels of energy and mental resilience while working, the willingness to invest effort in one's work, and persistence even in the face of difficulties (Bakker et al., 2008). Hobfoll (1989) shares the view that the concept vigor is based on the view that individuals have a basic motivation to obtain, retain and protect things that they value, such as resources. Vigor relates to being capable of having enough will power, being able to develop alternative ways to pursue goals and achieve success in the future.

The second element is dedication. Dedication refers to being strongly involved in one's work, and experiencing a sense of significance, enthusiasm, inspiration, pride, and challenge (Bakker et al. 2008). This implies that one works hard and gives the best that one can at work. Work is not only important but also requires self-discipline by following rules and taking initiatives to solve problems and to exceed the job requirements (Van Scotter & Motowidlo, 1996). A person who is dedicated to work is truly engaged to his or her job.

The third element is absorption. Absorption is characterized by being fully concentrated and happily engrossed in one's work, whereby time passes quickly, and one has difficulties with detaching oneself from work (Bakker et al. 2008). This domain of engagement is concerned with the hedonic aspect of work. One should enjoy the work and find pleasure in it in order to be engaged. In other words, a happy focused employee entails an engaged employee. Schaufeli & Bakker (2001) found that absorption is a relevant aspect of engagement. They argued that this aspect of engagement is related to individual efficacy by having the confidence to be absorbed and the resilience to be persistently absorbed in a task.

To conclude, there is literature to be found about employee engagement. However, there seems to be a lack of agreement in the establishment of a solid foundation what engagement actually embodies. Many gaps still exist in the definition of employee engagement. Some researchers define engagement as being present at work or as the opposite of a burnout. Other researchers have found an overlap with concepts such as job involvement and job satisfaction. The construct of Schaufeli et al. (2002) is most precise and valid. For a person to be engaged, he or she must be vigorous, dedicated and absorbed in their job. Here, employee engagement focuses on the positive and fulfilling aspects of

work. This positive view is in line with the area of positive organizational behavior. Therefore, the view of Schaufeli et al. (2002) seems to be the more dominant view on engagement and is also highly supported by others. This study defines employee engagement as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication and absorption.

## METHODOLOGY

Within the framework of this Master Thesis a qualitative research has been chosen. With regard to the knowledge from the theoretical framework it might be that the needs of the ETT's do not match with the needs of Hotel Arts. Here, it is relevant to find out what the needs are and what the ETT's expect from their social environment. The social environment is thereby formed by the employer, ETT/Hotel Arts, and the colleagues within the organization. Thereby it is important as well to see which attitudes people have. To get insight whether there is a current mismatch between the needs it is important to talk to the ETT's as well as the managers about their experiences and needs. For this reason, there has been chosen to do a qualitative research.

The goal of the interviews is to discover the different views on the current situation regarding the engagement of the ETT to the hotel's culture, in order that can be determined which aspects of the work and the engagement of the ETT can be improved through policy measures.

The individual qualitative interviews with the respondents are in line with the norm for qualitative interviews. The number of interviews also contributes to the trustworthiness and credibility of the interview. However, this qualitative research is not focused on the actual representation of engaged or disengaged employees in Hotel Arts. In particular, because the number of respondents is not sufficient enough to provide representative results over the actual population of the employees in Hotel Arts. This will be more closely discussed in the chapter Limitations and Further Research.

Both perspectives and experiences of employees and employers will be researched by interviews, although the questions are about the employees. This is a kind of data triangulation, which as a result leads to a more reliable representation of the actual engagement of the employees. This also contributes to the internal validity of the research, which will be enhanced when the research method delivers relevant data to answer the research questions (Baarda et al., 2005).

The candidates were selected on basis of their connection with the topic. This topic involves different departments, so I interviewed people that have different positions in Hotel Arts. The candidates were selected to provide a different point of view as each individual is differently involved in working with ETT's. As a result, the objective is to collect different perspectives on the topic in order that the final results will take into account several points of view.

In preparation to the empirical research a literature study has been carried out. With help of scientific literature, the concept engagement has been elaborated by the end of certain themes and factors related to this construct. The conclusions of the literature study form the basis of this research as it has led to a conceptual model to be used for the empirical research. The literature study is therefore the starting point of this research.

For this Master research the choice has been made to perform semi-structured interviews to gather information about the topic and to discuss it. The judgment is that for this research the methodology is the most accurate in order to get qualitative data that is relevant for the study.

I have performed eleven semi-structured interviews to gather information about the subject. The people I interviewed are all related to the topic in one way or another. Some of them are managers in the hotel, others are ETT's and others are managers at the ETT company. As a result, this gives a 360° view of the current situation.

The methodology used is the most accurate analysis possible of the qualitative data that arises from semi-structured interviews. As a result, it is possible to consider and discuss the topics that have a direct relevance for the study.

To give a 360° view of the current situation it is important to interview all the employees that are related to the subject and as well to prepare the correct questions for the correct interviewee. Different questions have been prepared for each interview. Depending on the position of the interviewee, several questions were asked.

## RESULTS

Hotel Arts works with three different ETT companies: Pacto, Quality, and Randstad. All of which are not only focused on the hospitality industry but also on several other industries.

Prior to the selection at Hotel Arts it is important that the ETT can send enough people to do the interviews. Usually, the group of candidates is between 30 and 50 persons. Once the logistics are taken care of, such as the date, the rooms and every person involved has been informed the selection process starts. The orientation takes place the next day, if not possible, it will take place in the same week.

The candidates go to the waiting room and HR-department creates the groups for the game and after the game they start to call the people for the interviews. Managers of IRD, Lokal, Offsite, and Banqueting are present to conduct the individual interviews. Interviews take about ten minutes per person.

The first part of the selection process is a dynamic group game. The most important of this dynamic is that it is possible to hear and observe the people. It is the first big selection to see if they listen or not. After the group puzzle, the candidates have an individual interview with one of the managers or an employee from the HR-department. The interview is based on the STAR method, which is compulsory by Marriott. The interviewees work with a paper developed by Marriott. Everybody that starts in Hotel Arts has to do a star interview. For the ETT it is the same interview scheme but shorter. They have to answer three short questions instead of the regular ten questions. But they are the same level as Marriott asks from regular employees. The interview starts with questions about the CV and to discover their level of Spanish as well as English.

ETT employees in In Room Dining (IRD) are permanent. The most important aspect looked for in the interviews is their motivation to work and to learn, as well as their flexibility for the schedules. The schedules in IRD are very different from other departments. For this department it is difficult to find people willing to work during the night shift. Currently, it is most efficient that ETT labor is working during the night hours as regular employees are hard to find for night shifts. Two ETT employees have been working at Hotel Arts for ten years, so they know how it works. However, the hotel would like to replace these positions with fixed staff, as it costs less money and it will be internal employees so they will presumably be more engaged with the hotel.

The participants need to be willing to learn the BSA and want to be part of the Arts team. They will have to create WOW stories, so their attitude, personality commitment and participation is really important. Every day they need to be prepared just like the staff, with a doorstopper, bottle-opener, credo, daily etc. The daily is the daily paper that states all the events of the day, the opening hours of the outlets, and other necessary information.

The biggest challenge for this department is to hire new people not as they do before. Because then they do not find what they are looking for. But on the other hand, they do not have a lot of choice. Besides, during the selection process it is important to look more precisely for specific needs of this department. Therefore, according to the manager of IRD the selection process should be same as for the staff or interns. (C., p. 102)

Selection in the banqueting department is the same. It is important they speak English, good appearance, very important for the banqueting department is that the candidates want to know the job. This is considered more important than already knowing the job as the hotel can teach them. Additionally, good attitude and motivation to learn the normal standards of the company are important. The most important aspect of the interview is not only the star questions, but also the general information like the attitude. The experience is not important. It is preferred that candidates do not know hospitality and that they have a good attitude.

Once the ETT employees got through the selection process, they will receive a training about the subjects that are most important to Hotel Arts. This is a general training for every new employee from an ETT.

The training focuses highly on the Gold Standards, which are very unique from The Ritz-Carlton company. This is very related to their philosophy, about what Ritz-Carlton is and how service should be applied. It is important that the ETT employees are aware of this. Even though, Hotel Arts is not the company that provides the contract or does the payment, they are the ones representing the company. Therefore, it is highly important that they understand well how to perform as a Ritz-Carlton employee. That is why the Gold Standards are shared.

Another part of the training is related to the restaurants in Hotel Arts. Because it is important that they have a clear image on what products Hotel Arts offers. It is explained that the hotel has five different restaurants and the logic behind it. Indeed, there are five restaurants, but they try not to compete between them.

The third part of the training is related to the security in the hotel.

To conclude, this training makes all the employees aligned on what they need to do in the hotel. It is about the way the employees serve the guests. This is the one Hotel Arts trusts and the one they like to do it because they think it works. According to the training manager it has been successful, looking back at the 25 years that Hotel Arts has been operating now.

I gathered data about what are the principal factors that cause the ETT employees' turnover in the banqueting department in Hotel Arts. Several reasons were encountered: impossibility of promotion or progress; specific job characteristics such as: unpredictable shifts, complicated relations with coworkers; regarding the satisfaction in the workplace: feel under valued or appreciated, feel frustrated, feel demotivation; regarding the management: not resolute; and poor compensation.

First, in the interviews performed, one cause for turnover arises: The impossibility of promoting yourself in the hotel will make you resign after one year. As confirmed by the HR-department, ETT employees are mainly hired to do operational and frontline tasks. Only a few ETT employees work as a supervisor. All the respondents agreed to the fact that if you want to keep progressing, you cannot stay in the hotel for a long time because you cannot progress more.

Poor expectations of building a career, is one of the causes of the turnover of ETT employees in Hotel Arts. The respondents agreed that if they want to have a position with more responsibilities, or to progress they will not stay in the hotel, as there are no opportunities provide

Other factors found as a cause of turnover were some specific characteristics of a job in the hospitality industry: unpredictable shifts, heavy workloads or complicated communication with the coworkers.

The complicated relationships with coworkers are given a lot of importance. A part of the interview also focused on working with non-regular ETT employees and which impact they have in their team and in the quality of work. The respondents answered that these employees hired by the hotel were having some kind of negative impact on the team.

Other factors found as relevant causes of turnover are the satisfaction levels in their workplace. The respondents recognized that at some point they have felt frustrated, demotivated or under valued. This is especially noted when they started working here. Now that they are working here for a longer time and as well for five or six days a week, the supervisors are more open to help them. However, when somebody is new or they do not know this person, they will send him or her to someone else that can help them.

The respondents highly feel like they miss appreciation after their work is done. This is a downside of their job. They feel that the supervisors do not give enough recognition when they have done their job well. As a result, the employee engagement is low. One of the reasons why is that the supervisors and managers do not give sufficient motivation.

Another factor that is mentioned is the unpredictable shifts. The shifts can take more than eight hours, so this can be tough for people that are not used (yet) to long working days, as it is usually their first

job. But on the other side, when there is not enough work, the management let the people go after three or four hours of work.

Also, another factor defined as a driver for turnover, and with impact on employee engagement is the compensation that employees receive. The ETT employees do not feel they are paid fairly for their contributions.

The respondents feel that the training that they had done was not sufficient at all. The reason for this is that they only get information about the restaurants, such as when the restaurants are open and where you can find them. They did not learn any practical matters on how the particular restaurants work or more specific information about the banqueting department. Besides, such as how to hold a tray or how to hold three plates.

All the information that has been told regarding the culture of the hotel, the ETT employees do not see this back in their daily job. For example, line-ups are never done, and they never know the service value of the day. Currently, only when the hotel expects the BSA to come or other important people, they might do a line-up to check their knowledge about the BSA.

## STRATEGY AND CONCLUSIONS

This chapter will focus on recommendations that Hotel Arts can incorporate in order to have casual labor comply with the hotel's standards and culture.

The current ETT companies are not able to deliver the required quality of service to the banqueting department of Hotel Arts. My judgment is that the requirements Hotel Arts sets for these potential employees are not met by the current ETT companies that Hotel Arts is working with.

My first recommendation is to start working with other ETT companies. The current ETT companies are not focused solely on the hospitality industry. They also provide casual labor for other industries than the hospitality industry. Therefore, I would like to suggest that Hotel Arts starts working with ETT companies that focus only on the hospitality industry. By doing this, the recruitment process of the ETT employees is improved. This will be the first step in improving the engagement of the casual labor to the hotel's culture. Because working with a company that is specialized in the industry that Hotel Arts is working in already gives an advantage from the beginning. A reason for this is that the company can provide a more personalized solution tailored to the needs of Hotel Arts.

An alternative strategy is presented here, if the recommendation of a new ETT company is not followed upon.

Once the ETT employees are selected, they will follow an orientation of four hours. During my internship I have joined this orientation. Besides, I have been working with many ETT employees on a daily basis. My judgment is that the orientation is very informative and should better target the audience. Most of the ETT employees are students that have little or no experience in the hospitality industry. As well, there are new employees that come from a different industry such as engineers for example. My suggestion is to not only focus on general information about the hotel and the Gold Standards, but also to include a practical training about situations that can occur during work. This implies practical matters such as how to show and pour wine and how to walk with three plates or a tray full of glasses. Moreover, the respondents K & L explained that when they are in a situation where they have to explain to a guest that their request is not possible, in the beginning they did not know how to behave or respond. Therefore, my other suggestion is to include the “LEARN” concept in the training. This is a principle related to how to deal with customer complaints.

This paragraph explains a new idea about an ETT Certification for ETT employees in IRD and Lokal. These departments have a high focus on BSA and should therefore be separately trained about this subject.

For the departments of IRD and Lokal I suggest organizing a separate orientation in order to better understand Guest Voice and wow-stories. Furthermore, as these departments have a strong focus on BSA, it would be a good moment to test their knowledge about the BSA. A test could be developed to make sure their knowledge about the BSA is sufficient. It is also an opportunity to show why the BSA is so relevant for the company and why the company has to focus and personalize the service. In this orientation they would also get the possibility to write a First Class to a colleague. “First Class” cards are immediate, specific, individualized recognition. They are typically given from any employee to any other employee, group of employees or department for exemplary or outstanding actions that go above and beyond expectations and standards.

The orientation could take place after the regular orientation or at another day. I would like to suggest doing at another day within one month after the first orientation. By doing this, the employees have the time to first get familiar to the job and the company culture. The ETT Training & Certification is based on the Day 21 meeting for fixed employees. Similar to this meeting, ETT employees will have the

possibility to provide feedback and to reflect on the information that they learned during the orientation. My suggestion is that a member of the executive team would lead this part of the orientation. This makes the distance to the higher management smaller and it can create new perspectives for someone on their own future career. The schedule of the day could look as the

The line-up is a way to show the employees what is expected from them. However, as told by the respondents K and L as well as my own experience, line-ups are never executed on regular days. Only when there is a big event, line-ups are taking place. But the information which is given is only related to the event itself. There is no or very little corporate information involved. This is a crucial moment where the employee engagement could be improved. A small suggestion would be to place the service value of the day on the paquetes, which is a paper every employee gets before the start of an event. It contains all important information related to the specific event.

The corporate culture is there, and corporate policy enables and provides the opportunity to improve employee engagement by doing a daily line-up. This is the opportunity to develop the connection between the individual and company performance, which is one of the drivers of employee engagement. It improves the extent to which employees understand the company's objectives, current levels of performance, and how to best contribute to them (Gibbons, 2006).

The last strategy is focusing on incidents that can happen at the workplace. It is related to two top drivers of employee engagement. The first driver is the relationship with the co-workers/team members – attitudes and perspectives of coworkers towards their jobs and the company; and the second driver is the personal relationship with one's manager – the extent to which the employee values this relationship. The goal of this strategy is to make Hotel Arts a more attractive workplace for ETT employees.

The staff of Hotel Arts plays a very important role for the company. As mentioned in previous chapters, the employees of the company are highly valued by guests, and it is the main competitive advantage of the hotel to differentiate itself from the fierce competition of the industry. Besides, it is important to form long-term relationships with coworkers in order to avoid the costs and volatility of turnover in employees. This objective can be pursued through four core processes: *attracting* employees by making promises to them; *fulfilling* these promises by meeting their needs with every contact within the organization; *retaining* them by prizing the future value of the relationships; and *improving* their

quality of life by continuing to find ways of benefiting them (Thomas, 2009). Therefore, this strategy focuses highly on the relationship with managers and supervisors.

Mone, Eisinger, Guggenheim, Price, and Stine (2011) show that an expanded view of performance management can serve as a useful framework for managers, one that guides them in the day-to-day management of their employees' performance while also fostering high levels of employee engagement. This paragraph will suggest recommendations based on the nature of performance management to further clarify the actions managers can take to drive engagement in their teams.

The construction of performance management is based on five components:

- Setting performance and development goals
- Providing ongoing feedback and recognition
- Managing employee development
- Conducting mid-year and year-end appraisals
- Building a climate of trust and empowerment

Hotel Arts is a five-star hotel property that does not only have a high season for individual guests but also has a high season for big groups with corporate guests from international companies. For these types of companies, it is not necessarily to hold their meetings in Barcelona. The market for these corporate groups goes further than Barcelona and it is up to Hotel Arts to be and stay relevant for this European and sometimes also international market. Therefore, Hotel Arts will have to execute certain investments. Not only in the sphere of the training of frontline employees but also in the relations with coworkers and the correct execution of corporate policy. As mentioned in the introduction, service is one of the most important components to gain long-term competitive advantage and to maintain customers' confidence in the company. Frontline employees embody one of the most important factors in providing the required level of service (Markovic & Raspor, 2010). Research shows that employee engagement has a positive correlation with desirable organizational outcomes such as heightened customer satisfaction and loyalty, reduced employee turnover, improved return on assets, and higher profitability (Bharwani & Butt, 2012). Employee engagement has played a pivotal and contributing role in hospitality brands like Marriott and Four Seasons by helping them in maintaining lower levels of turnover and higher consistency of their brand globally (Deloitte, 2010).

## LIMITATIONS AND FURTHER RESEARCH

The first limitation of this study is related to a limited internal representativity. For the study I used only ETT employees in the banqueting department as participants. It would have been interesting to interview ETT employees that work in other departments to compare their experience in Hotel Arts. As well, a larger number of interviews of ETT employees would have been relevant for the reliability of the results. It cannot be excluded that another more general view of the needs of the ETT would have come out, if more ETT employees had been interviewed. However, this master research did not have the intention to realize a complete representative sample. Unfortunately, I was not able to gather more data. The choice of qualitative research, the relatively limited time to carry out a thesis, the fact that it is executed by one individual and the big population of ETT employees would have made that an unrealistic objective.

As well, as the goals of this research is to decrease ETT employee turnover in Hotel Arts, research could also have focused on the former ETT employees and discover why they have stopped working in Hotel Arts. In that way, first-hand opinions could have been gathered. Unfortunately, these relevant employees were not available, or impossible to reach, which resulted in the impossibility of gathering this data. Another limitation to is that the study has been conducted in a specific hotel property, which leads to limited external representativity.

A possible limitation of this research is that the objectivity of the research cannot completely be guaranteed. The research has been working in the banqueting department whilst working on this thesis, for six months. This implies that the researcher has been present in this department for five days a week and there was daily contact with the employer. Besides, there was regular informal contact with co-designers of the policy that has been researched here. As a researcher is never able to reach complete objective results, it is possible the context of this research has influenced the objectivity of the researcher. One can find in the paragraph quality of the research, that certain actions has been taken to counteract the subjectivity of the researcher as much as possible.

For further research I recommend interviewing a bigger number of ETT employees or a survey in order to get more data. Besides, it will be interesting to interview one more ETT manager. I have interviewed only one ETT manager, due to the fact that the other manager was hard to reach and not replied.

Further researchers should also consider interviewing the resigned employees to enlarge the sample population.