Final Report

Communication and Soft Skill Development Practices & Strategies to Retain New Entrants of the Lodging Industry

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Project Summary

Through this project we set out to determine the best practices for developing soft skills and communication abilities of new employees in the lodging industry with a primary focus on improving retention of these employees. To achieve this goal, the researchers conducted a review of relevant literature, conducted focus groups with hotel general managers, conducted interviews with hotel managers, and developed and distributed a questionnaire to lodging employees across the United States. The focus groups, interviews, and surveys were used to address the following key areas:

- 1. Determine current soft skills and communication development practices in the lodging industry.
- 2. Determine current long-term development plans for new employees in the lodging industry.
- 3. Determine lodging-industry employees' and managers' knowledge on soft skills and communication skills development. This includes measurement of knowledge on the benefits of these skills being developed on human capital metrics such as job satisfaction, turnover, morale, teamwork, and organizational commitment.
- 4. Understand how soft skill and communication development influences the self-confidence of lodging employees.
- 5. Understand specific desires lodging employees have related to soft skill and communication development.
- 6. Understand how current practices are influencing retention of lodging employees.

The above key areas will be used to guide the content areas of this final report.

Deviations from Original Proposal

This project had several deviations from the original proposal, and each will be discussed in this portion of the final report.

First, this project was originally funded in December 2019 with an expected project timeline of January 1, 2020 to May 15, 2021. While the beginning of the project was going as planned, the unexpected interruption of COVID-19 in March 2020 led to a change in policies and procedures at Iowa State University and beyond. Of particular significance to this project was the inability to conduct in-person research which prevented the focus groups in the initial data collection phase. These focus groups were to occur in Des Moines, IA, Chicago, IL, and Washington, D.C. After delaying the focus groups multiple times, an extension on the project was requested by the researchers of AHLAF. This extension was granted without issue.

Second, this project converted the in-person focus groups to virtual focus groups held on Zoom. After the extension, the researchers continued to wait for in-person research to be allowed again, but unfortunately, the timing kept getting delayed. This led to the researchers changing the focus groups to virtual with follow-up one-on-one interviews of individuals who expressed an interest in providing more detailed information.

Third, the researchers identified additional questions they wanted to ask of lodging employees and so they added one-on-one interviews and open-ended survey questions for this population. The aim of these follow-up questions was to confirm and explain results collected from the focus groups and interviews.

Fourth, with the shift of the in-person focus groups to virtual focus groups, the funds allocated to collect data (incentive funds and travel funds) were still used to collect data but were used differently than originally planned. These funds were still used as incentive funds but were distributed through Qualtrics who assisted with identifying participants and distributing the survey.

Fifth, the primary contracted researcher, Eric Brown, had a significant family health issue that has lasted over a year of this project. This issue was discussed in detail with Michele Anderson and additional details can be provided if needed, this led to another extension of the project as well as adding on an additional researcher to assist with the project, Dr. Nicholas Thomas. Dr. Nicholas Thomas assisted with data collection, analyses, and development of the final report and guide.

General Managers

22 managers Average hotel size: 94 rooms

Average time at current job: 5.7 years

Average time in the hospitality industry: 12.6 years

64% female; 36% male Age: 41% 25-34; 27% 35-44; 27% 45-54; 5% 55-64

Employees

316 total employees

Average hotel size: 155 rooms

Average time at current job: 4.5 years

Average time in the hospitality industry: 10.9 years

72% female; 28% male Age: 10% 18-24; 25% 25-34; 27% 35-44; 21% 45-54; 11% 55-64;

6% 65+

Project Outcomes

The project outcomes will be sorted based on the six key focus areas identified in the original proposal.

Key Focus 1: Determine current soft skills and communication development practices in the lodging industry.

To address Key Focus 1, the researchers primarily utilized the focus groups and interviews. However, additional confirmation was done through brief one-on-one interviews and qualitative surveys of non-managerial lodging employees.

General Manager Findings (Focus Groups and One-on-One Interviews)

For purposes of this study, we identified training to the general managers as the process of helping employees learn the knowledge, skills, competencies, or abilities that allow them to do their job. The researchers found that there were several key methods in which employees are trained. These include: 1) on-the-job training, 2) computerized / corporate developed training, 3) observing others in the role, and 4) cross-training.

We identified development as the process of helping employees grow in skills that are applicable both to the job and outside the organization or helping their overall growth. Both soft skills and communication skills are typically seen as developmental activities, but they can also be developed through training. When this topic was discussed with the general managers, only one area of short-term development was identified, off-site training activities. Most general managers indicated they only focus on training that assists their employees in their current job or cross-training for a job that they could be asked to help with.

Off-site training activities

A few of the general managers identified various companies they hire to help develop their employees. These typically focus on team building and assisting employees in building relationships with their coworkers and employers. They also found that many times these activities helped them identify who may be best suited for management training.

Summary

In summary, the overall feedback received from the general managers was that employees are hired and trained for their current role. No general managers identified communication skills as something that are currently being developed, but a small number did indicate team building skills, which is a vital soft skill for the lodging industry. Because they did not identify communication or other soft skills, the researcher followed up in interviews asking about this issue. Through the interviews, the researchers did identify some general managers who try to encourage employees to develop their interpersonal and communication skills. This was done through: 1) small breakout groups during team meetings; 2) being a role model for how to communicate in the workplace; and 3) discussing the importance of effective communication

skills during one-on-one meetings. These managers also indicated a desire to develop their employees further, but they felt they did not have the tools they needed.

Key Focus 2: Determine current long-term development plans for new employees in the lodging industry.

The general managers were again the target of Key Focus 2. As with Key Focus 1, the general managers indicated their primary focus is on training their employees for their current role and not developing them beyond that position unless they have been there for a while or if they are identified as having management potential. They may be offered some sort of management training and/or development opportunities after they have showed an interest and have been with the company for a while. This thinking is counter to the purpose of the current research in that we believe showing you care about your employees through development activities can help retain employees, but current practice seems to be that development activities are reserved for those who have already proven they will stay with the company even without these activities.

Management training

Because development is identified as growing skills that not only help with the current job, but also may help with future jobs, management training is something that tends to count as both training as well as development. The consensus was the focus at the hotels was that good employees may be identified for management training and development, but beyond that, there was not much development activities taking place. This could be in part due to the research occurring during the height of the COVID-19 pandemic, but through discussions with the general managers, it seemed consistent with previous practices as well.

Management training ranged from formal training modules developed by corporate stakeholders to one-on-one mentorship of employees. However, in this sample, there were no clear metrics used to identify these employees and selection was all done informally. An example shared by one manager was when they identify someone who is interested and likely to want to progress into management, they start off by working through issues with them one-on-one. They share issues with the employee that arise in the hotel, ask for how they would handle it, and then discuss what they planned to do and why. Mentorship is an important topic because there is a clear connection between mentorship and other career factors, such as job satisfaction and task performance (Zhengpeng, Ma, & Li, 2021) and other industries have seen a reduction in turnover intention for those who are part of mentorship programs (Zhang, et al., 2019). Mentorship was identified as a key development tool in this research and additional information is provided in the guide.

Summary

Through the conversations with general managers, the lack of development opportunities being offered to employees was concerning. One general manager even highlighted that high turnover makes completing their required training difficult and the effort to try and develop employees beyond that is just not something they have the time or a desire to do. The consensus seemed to be that managers believed their primary duty was to train employees in their job required skills.

Next, if they had time, they would move on to cross-train employees and that was the end for the majority of employees. However, if an employee seems like they have management potential, they may identify them for some sort of management training. Despite the majority of general managers indicating developing employees as important and feeling like it could lead to increased retention, it was a small minority that actually acted and implemented development plans for employees.

Because there did not appear to be a concerted effort to develop employees, the researchers did ask the general managers what their current practices are to retain their new and current employees. Overall, the general managers indicated their pay, benefits, and having a positive atmosphere are what helps them retain employees. The consensus was that if they can do those three things better than their competitors, then they are going to be able to retain their employees.

Key Focus 3: Determine lodging-industry employees' and managers' knowledge on soft skills and communication skills development. This includes measurement of knowledge on the benefits of these skills being developed on human capital metrics such as job satisfaction, turnover, morale, teamwork, and organizational commitment.

It became clear, through the focus groups and interviews, that managers' have a very good idea of what soft skills and communication skills are. However, they did not place a lot of value on developing the skills of their employees. This was primarily because they were focused on recruiting employees, getting them trained so they can do their job, and then recruiting more employees as others turnover. The managers felt they were in a constant mode of hiring and training and felt that they did not have time for developing employees. Important to this research, they also did not clearly see the benefit of developing employees beyond what they needed for their current job primarily because they do not stay long-term anyway. The data we collected in this research would argue that not developing your employees or showing them you are investing in them for the long-term may actually be leading to that turnover.

Teamwork was found to be one of the more common development topics currently in place. Managers tended to do what they could to improve the ability of their employees to work well with each other as well as their managers. This was also clear in the quantitative results from the employees. Overwhelmingly, the employees had some sort of teamwork development expectations which lead to no real variance in responses on this measure and therefore no additional information was gained from the quantitative survey questions related to teamwork.

All employees were asked a series of questions for them to rate how important they believed various soft skills and communication skills were to their success in the lodging industry. The items for soft skills and communication skills were previously used by Lolli (2011). On average, all respondents somewhat agreed that all of the items were important to their success. Interestingly, the items that the employees found most important were focused on being clear during a conversation (#1), using respectful gestures (#2), being professional during a conversation (#3), and listening to understand (#4).

The items that were rated least important, though still on average important, were related to acknowledging diverse differences (#1), maintaining poise during a conversation (#2),

maintaining confidentiality during a conversation (#3), and maintaining eye contact during a conversation (#4). The authors did follow up with some of the respondents and through their interview responses, they indicated they were very focused on being respectful in general, rather than focusing on unique items to a conversation, and the important part of communicating and working with others is to understand what they are saying and to be understood by them.

Overall, it was very clear that this sample of hotel employees found communication and soft skills important to their success in the lodging industry. Because of this, the researchers surveyed employees about their turnover intention related to a scenario where their employer introduced a new development program. They were told: "Assume your current employer introduced a development program where they would help you in improving your communication and soft skills in order to not only make you a better employee but also improve your overall ability to communicate in your everyday life."

The researchers then asked them to rate how this scenario would affect their retention at their current employer on a 1-5 Likert-type scale with 1 being strongly disagree and 5 being strongly agree. The mean score was 3.8 meaning the average response was just below "somewhat agree." While the researchers were hopeful that this scenario would be higher, based on some of the other items mentioned here, it is not surprising. Many of the employees seem to be very focused on ensuring they are treated and paid fairly, many outright sharing they did not trust their employer.

In addition, the employees were asked to rate their desire to improve their soft skills and communication skills, current job satisfaction, organizational commitment, and turnover intention. The researchers ran a linear regression with turnover intention as the dependent variable and desire to improve, job satisfaction, and organizational commitment as the independent variables. This was designed to see which, if any, of these dependent variables have an impact on an employee's turnover intention. Turnover intention was rated on a 1 to 7 Likert-type scale with 1 being "Not at all," 4 being "Neutral," and 7 being "Definitely." The average turnover intention of the current employees was 4.11, almost at the "Neutral" marker of 4, but leaning towards wanting to leave their career in the lodging industry. There was a high variability (SD = 1.85) of responses, with some rating all items a 1, indicating they have no intention of leaving their career and some rating all items a 7, indicating they may be actively searching for a new career.

The resulting regression equation was: Turnover Intention = 6.72 - 0.15*Job Satisfaction - 1.06*Org Commitment 0.43*Desire to Improve. This regression was statistically significant (F=36.52, p<.001). Employee current job satisfaction was not found to be a significant variable (t=-0.98, p=.332). However, the other two variables, Organizational Commitment (t=-7.43, p<.001) and Desire to Improve (t=3.05, p=.003), were significant predicters of turnover. Previous research has found that both job satisfaction and organizational commitment are related to turnover intention. However, the key factor of interest in this study was the employee's desire to improve their communication and soft skills and this regression indicates a relationship between their desire to improve and their turnover intention. This means that if an employee has a higher desire to improve their communication skills, they are also more likely to have higher turnover intention. Through the follow up interviews, we found the reason for this relationship

was those who currently have that desire to improve do not feel like they are being given the opportunities to improve in their current job and/or career and so are more likely to want to look elsewhere.

Summary

Overall, this significant relationship between an employee's desire to improve their communication and soft skills with turnover intention provides support for the idea that if you are able to meet the development desires of your employees, you may be able to improve (i.e. reduce) their turnover intention.

Key Focus 4: Understand how soft skill and communication development influences the self-confidence of lodging employees.

Employees were interviewed about how their current soft skills and communication skills are influencing their self-confidence. In addition, they were asked how they would feel about being asked to develop these skills in the workplace.

The employees who currently self-identified as struggling a little with their personal soft skills and communication skills indicated they would like to have additional opportunities in the workplace to grow these skills. They see the importance of the skills and understand that they can "make or break a career." At times they felt like they make errors in communicating with guests that can cause them to be "very upset" and the guests "don't deserve that." The employees recognize the importance of communication skills and many even identified that "communication is key to any successful business or organization" but hospitality industry employees are "interacting with guests constantly" and so it is a "crucial" skill to avoid "embarrassment and a poor impression."

When interviewing those who felt like they had good communication and soft skills, they seemed less self-conscious of their communication habits. They indicated they feel like they are good at communicating but are interesting in "improving my communication skills" because they are "very important" and "the biggest thing in the hotel industry."

Summary

In summary, there is a divide between employees who already have confidence in their communication and soft skills and those who do not. While those who already feel like they have the skills do not feel like improving them will help their self-confidence, those who do not feel skilled in these areas do feel like having development opportunities in this area would help their self-confidence and reduce their likelihood of leaving their current job or career. Despite this difference, it was clear that both groups believe communication and soft-skills are important and both were interested in continuing to improve.

Key Focus 5: Understand specific desires lodging employees have related to soft skill and communication development.

With the statistically significant connection found between employees' desire to improve their communication and soft skills and their intention to leave the lodging industry (Key Focus 3), follow up questions were posed to employees on what they would like to see offered at their current employer. These were done in both open-ended survey questions as well as one-on-one interviews. Results from both were very similar.

Employees were first asked what their thoughts were on the importance of soft skills and communication skills in the hotel industry. The general consensus from these employees was that both communication and soft skills are important to employees in the hotel industry, some even going so far as to say "they are essential" and "important for a smooth-running hotel." Some employees identified both soft skills and communication skills as what could set them apart from their colleagues when in consideration for a promotion. They felt developing their skills was something they were willing to do on their own time because they could see how the skills help prepare them for promotion.

During an interview, one employee did indicate they struggle with soft skills and communication skills but also viewed them as "very important" but was concerned because they saw those with good soft skills as the "favorites of management" putting them at a perceived disadvantage relative to their coworkers.

As for communication skills specifically, the most common theme from employees was that they are either required or imperative to the success of an employee and a hotel. One even stated "communication is everything" and "your organization will eventually crumble beneath you if you don't communicate…"

Summary

In summary, it is very clear that employees understand the importance of communication and soft skills. Their desire to improve these skills can even have an impact on their intention to leave the hotel industry. However, there seems to be a disconnect from this desire and importance and the amount of effort general managers are putting on assisting their employees with their development, but specific to this research, communication and soft skills development. Employees indicated they would like to develop their communication and soft skills both inside and outside the workplace. For this reason, the guide includes additional resources that can be provided to their employees outside of the workplace as well as a framework and topics for managers to assist in developing workshops inside the workplace.

Key Focus 6: Understand how current practices are influencing retention of lodging employees.

The majority of this key focus was discussed in Key Focus 3 when we examined the relationship between job satisfaction, desire, organizational commitment, and turnover intention. However, employees were also asked what they viewed as the least desirable trait of the hotel industry is as

well as what would cause them to leave their career in the hotel industry. The inverse of these questions was asked as well, the most desirable trait and what would keep them in their hotel career.

The most common least desirable traits were related to their low pay and long hours. However, this was not universal. There were a number of responses related to soft skills and communication skills. In particular, a few indicated they were not gaining the skills they needed to be promoted or to transition to a better job elsewhere. Examples of this response included "no marketable skills", "no career growth", "it's repetitive, not learning new skills", and "feeling that we're stuck." Unsurprisingly, the top responses of what would cause the employees to leave their current career mirrored the least desirable traits. Same responses included "more pay", "if I found a better job", "if I found somewhere with advancement opportunities", "more opportunities", and "going somewhere I can grow."

The common most desirable career traits were very much focused on soft skills and interpersonal communication skills. These responses included "meeting different types of people", "meeting an array of beautiful people", "making people happy", "learn about different cultures and places around the world", and "helping to find solutions for upset guests." The interviewees also indicated they would remain in their career as long as the money is good or if they got "better pay and benefits" or "got a raise." While many responded more money would keep them, an equal number of responses included getting "more responsibility" or "progressing in my career." It is clear through the employee responses again that there are employees who are very passionate and want to improve, those who are content where they are at, and those that seem to be in the wrong industry because they simply do not enjoy interacting with guests.

Summary

In summary, employees seem to have a good understanding of what is currently being offered in the industry. Common complaints include lower than desired pay and long hours, but overall employees also desire more challenges and opportunities to grow.

Project Evaluation

Overall, this project was a large undertaking as proposed back in 2019. Never in our wildest dreams did we expect what was to come with the COVID-19 pandemic. COVID-19 had a massive and lasting impact on the hotel industry. This impact also extended to this research project. There were times early in the project where recruitment was simply not possible. The industry had laid off so many employees and those who were left were working hard and did not have time to assist with a project such as this. However, as time went on and the world began to understand COVID-19 and the lodging industry began to rebound, so did those who were willing to participate in our study.

Thankfully, Michele Anderson and Sarah Cozewith were incredible partners in understanding the COVID-19 issues, Eric's family health issue, and more. This project would not have been possible without the understanding of these two contacts as well as the foundation board. We also appreciate allowing us to add Dr. Nicholas Thomas to the research team to assist with the project. Again, with Eric's focus elsewhere for a large portion of the time, having a second person to assist with keeping the project moving forward was invaluable.

Once the project was restructured to remove the in-person focus groups, the remainder of the project went relatively smooth. Recruiting for the focus groups was not difficult and respondents gave some good in-depth information related to their current practices and also gave good feedback on what they would like to do to improve development activities at their properties. During these focus groups, it was surprising to find relatively little discussion related to how development of employees could lead to higher levels of retention. However, through one-on-one interviews it seemed like the focus at the time was hiring and training employees to fill their needs as the industry rebounded from COVID-19. It would be interesting to see what the results of this study would have been prior to COVID-19's interruption of the industry. In an era where we had historically low unemployment, employers tend to offer new benefits and find new ways to retain employees. The researchers believe the focus would have been more on development and less on getting new employees in and trained.

If we were to do this project over, we would not have submitted it as a solo researcher project. We even recommend the foundation board to strongly recommend, or even require, collaborative research projects when research grants return. While this project was certainly doable as was originally written, the diversity of thoughts and processes that occur when you have more people is invaluable and adding a second researcher improved the quality of the research and outputs.

	Budgeted		Actual	
Personnel				
Brown Summer Pay	\$	9,239.00	\$	9,237.24
Research Assistant Pay	\$	12,100.00	\$	9,414.00
Brown Benefits	\$	2,559.00	\$	2,521.77
Research Assistant Benefits	\$	714.00	\$	724.90
Travel				
Domestic Travel - Chicago	\$	970.00	\$	-
Domestic Travel - DC	\$	1,290.00	\$	-
Domestic Travel -Des Moines	\$	60.00	\$	-
Other Costs				
Research Assistant Tuition	\$	5,553.00	\$	5,553.00
Transcription Services	\$	270.00	\$	-
Room Rental	\$	1,500.00	\$	-
Catering Services	\$	600.00	\$	-
Participant Incentives / Data Collection	\$	2,400.00	\$	6,800.00
Indirect Costs (20%)	\$	6,340.00	\$	6,340.00
Total:	\$	43,595.00	\$	40,590.91

NOTE: The Actual of the highlighted cells are still being finalized and the researchers will update AHLAF once completed.

Due to the modifications outlined above, a couple modifications were made to the original proposed budget. The main change was the removal of in-person focus groups which led to the costs associated with this portion of participant recruitment, focus groups, reallocated to assist with other portions of participant recruitment, the full survey data collection, follow up interviews, and qualitative surveys of employees. In particular, the travel expenses, room rental, and catering services were no longer needed. In addition, because the focus groups took place on Zoom, the researchers were able to utilize the live transcription service on Zoom to document responses and then had the GA confirm accuracy with the audio recording.

Conclusions and Contributions

Academic researchers have looked at what makes employees in the hospitality and tourism industries successful from many different perspectives, including those of students, recruiters, and other industry professionals (e.g. Burbidge, 1994; Kavanaugh & Woods, 1993; Kitterlin-Lynch, Williams, Zheng, 2015; Schoffstall & Brown, 2018). As was present in this research, communication skills and soft skills are almost always at the top of required skills for employees and managers to be successful in our industry. A manager taking an active role in helping employees develop these skills will help the employee feel more confident in their current role, feel valued as an employee, allow for better interactions with guests, and increase their retention.

In an era where competition in pay is high, employers need something else to entice people to stay with your organization. General managers and owners need to think about what they can offer beyond pay that sets themselves apart from the competition – whether that be other hotels or other industries all together. Working in hotels has so many opportunities and employees recognize those opportunities for growth. The problem is there seems to be a disconnect between what the employees desire in their development activities and what employers, or general managers, are currently doing.

Through this research we identified a significant relationship between an employee's desire to develop their communication and soft skills and their turnover intention. If that desire to develop is not met, they tend to have a higher intention to leave their current job or career. Through the interviews and open-ended questions, we were able to identify the common communication and soft skills employees are looking to develop. The employees want to develop these skills in partnership with their employer, but they are also willing to develop them outside the workplace – it seems they just need to be given the resources they need to do so. The key areas the employees want to develop include:

- 1. Teamwork and team building
- 2. Customer service
- 3. Interpersonal and professional communication
- 4. Professionalism and business etiquette
- 5. Time management and work/life balance
- 6. Successful leadership practices
- 7. Conflict resolution
- 8. Encouraging diversity, equity, and inclusion (DEI)

All else equal, it is clear that an employer who identifies the development desires of their employees and makes an effort to fulfill those desires will have employees who are less likely to leave their organization. Employees believe an employer putting in this effort to improve them beyond their current job shows their employer cares about them and is thinking about how they may fit into their organization long-term. The accompanying *Guide for Developing Soft Skills and Communication Abilities of New Lodging Industry Employees* has the information managers need to start their development programs at their hotels.

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