

Author: Fox, Robert, J

Title: *A Study of Employee Retention Issues in the Hospitality Industry*

The accompanying research report is submitted to the University of Wisconsin-Stout, Graduate School in partial completion of the requirements for the

Graduate Degree/ Major: MS Training and Development

Research Adviser: David A Johnson, Ph.D.

Submission Term/Year: Spring, 2012

Number of Pages: 58

Style Manual Used: American Psychological Association, 6th edition

I understand that this research report must be officially approved by the Graduate School and that an electronic copy of the approved version will be made available through the University Library website

I attest that the research report is my original work (that any copyrightable materials have been used with the permission of the original authors), and as such, it is automatically protected by the laws, rules, and regulations of the U.S. Copyright Office.

My research adviser has approved the content and quality of this paper.

STUDENT:

NAME Robert Fox DATE: 5/3/12

ADVISER: (Committee Chair if MS Plan A or EdS Thesis or Field Project/Problem):

NAME DATE:

**This section for MS Plan A Thesis or EdS Thesis/Field Project papers only
Committee members (other than your adviser who is listed in the section above)**

1. CMTE MEMBER'S NAME: DATE:

2. CMTE MEMBER'S NAME: DATE:

3. CMTE MEMBER'S NAME: DATE:

This section to be completed by the Graduate School

This final research report has been approved by the Graduate School.

Director, Office of Graduate Studies:

DATE:

Fox, Robert J. *A Study of Employee Retention Issues in the Hospitality Industry*

Abstract

The purpose of this study is to investigate employee retention problems in the hospitality division of a corporate operation and to relate those findings to nationally published industry reports.

The corporate operation used for this study will be a Native American Casino located in the Midwest. A survey will be conducted of the labor force in the hospitality departments of the casino.

The literature review consists of articles written by industry professionals who discuss employee retention issues across the country.

Retaining qualified employees in a labor intensive, demanding, and fast-paced work environment is a major struggle in the hospitality industry. With the growth of tourism nationwide and the development of hotels, resorts, restaurants, spas and casinos, there is a limited supply of staff that are well-trained and experienced in the day-to-day operations, leaving a limited pool of qualified employees to hire.

Table of Contents

	Page
.....	Page
Abstract.....	2
List of Tables.....	5
Chapter I: Introduction.....	7
Statement of the Problem.....	7
Purpose of the Study.....	8
Assumptions of the Study.....	8
Definition of Terms.....	8
Limitations to the Study.....	9
Methodology of the Study.....	9
Chapter II: Literature Review.....	10
Introduction to the Industry.....	10
Employee Retention and Turnover.....	10
Change Intervention.....	13
Communication.....	15
Employee Motivation.....	16
Chapter III: Methodology.....	19
Introduction.....	19
Subject Selection.....	19
Instrumentation.....	19
Limitations.....	20

Chapter IV: Results.....	21
Introduction.....	21
Pay, Promotions, Benefits.....	21
Work Environment.....	21
Communication.....	22
Employee Motivation.....	22
Summary.....	22
Chapter V: Recommendations.....	23
Introduction.....	23
Communication.....	23
Employee Motivation.....	24
References.....	26
Appendix A: IRB Research Protocol Application.....	29
Appendix B: Ho-Chunk Nation Institutional Review Board.....	32
Appendix C: Ho-Chunk Institutional Review Board Permit.....	33
Appendix D: Employee Retention Survey.....	34

List of Tables

	page
Table #1: My pay meets my needs.....	37
Table #2: My job has good promotions.....	37
Table #3: Compared to the same job at other companies, my pay is the same.....	38
Table #4: I understand the goals of my organization.....	38
Table #5: My supervisor keeps me well informed on work issues.....	39
Table #6: I feel secure in my job.....	39
Table #7: My job is interesting to me.....	40
Table #8: I feel rejected at work.....	40
Table #9: I feel I am appreciated at work.....	41
Table #10: My job has good working conditions.....	41
Table #11: I understand the goals of my department.....	42
Table #12: I have the ability to grow in my department.....	42
Table #13: I feel my employer has a sense of loyalty to me and fellow employees.....	43
Table #14: My supervisors use tactful discipline.....	43
Table #15: My promotion opportunities are equal to other companies.....	44
Table #16: My employer is sympathetic of my personal problems.....	44
Table #17: I feel respected in my job.....	45
Table #18: My benefits package is equal to other companies.....	45
Table #19: My benefits package meets my needs.....	46
Table #20: I feel I have input on the job.....	46
Table #21: My benefits package is something I do not use.....	47

Table #22: What is the best thing you like about your job.....	48
Table #23: What is the worst thing you dislike about your job.....	49
Table #24: Ranking One.....	50
Table #25: Ranking Two.....	50
Table #26: Ranking Three.....	51
Table #27: Ranking Four.....	52
Table #28: Ranking Five.....	53
Table #29: Ranking Six.....	54
Table #30: Ranking Seven.....	55
Table #31: Ranking Eight.....	56
Table #32: Ranking Nine.....	57
Table #33: Ranking Ten.....	58

Chapter I: Introduction

There are many challenges and opportunities involved in the successful operation of today's businesses. They can range from the ever-changing economic status of the region to the threatening competition of world markets. Just trying to keep up with the growth of technology and communication alone can raise issues within an organization.

This study of employee retention will be conducted within the hospitality departments of a rural Midwestern Native American casino property. A survey will be conducted to make comparisons and to gather a better understanding of the issues. Chapter III will discuss the methodology of the survey. The survey will contain questions concerning an array of areas: communication, wages, and promotion, performance evaluation, operating procedures, the nature of work, benefits, and retention. A list of tables will be shown that details the results.

Information will be presented from trade journal articles written by hospitality managers between the years of 2000 and 2011. This type of documentation will provide a management perspective on current employee issues and compares those findings with the trade journal discussions like that in the Literature Review of Chapter II. The results of the survey will be discussed in Chapter IV and following in Chapter V will be discussed the recommendations based from the survey.

Statement of the Problem

Employee retention in rural areas is one of the largest struggles hospitality managers face. Rural areas have limited population numbers, minimal housing options, transportation nightmares, and serious economic development concerns. These major challenges affect the level of customer service which ultimately impacts profits.

Purpose of the Study

This study compares the employee retention information obtained from the surveys with the trade journal articles on employee retention as discussed by industry leaders from across the country.

Assumptions of the Study

There are four primary assumptions:

1. Employees surveyed have various employment needs and concerns.
2. Employees will provide truthful survey information.
3. Industry leaders have various solutions to employee retention.
4. Solutions can vary by location and demographics.

Definition of Terms

Benefits: Health care, vacation hours, sick hours, bonuses that may be part of the employment of the position.

Communication: The internal process of passing information or data pertaining to the work environment.

Employee Retention: Refers to the ability of an organization to retain its employees.

Industry Leaders: Management level positions within the hospitality industry.

Native American Casino: A casino business owned and operated by a federally recognized tribe of the United States of America.

Nature of Work: Relates to all duties and tasks of the position for employment.

Operating Procedure: The daily process of achieving duties and tasks for a position of employment.

Promotion: The increased value of wages for a position of employment.

Performance Evaluation: Documentation during a time period on the progress or lack of progress for a position of employment.

Wages: The hourly pay scale for an employee of a business.

Limitations to the Study

Conducting this study in a rural area will present two limitations:

1. The workforce in the area has limited job experience because of the limited number of businesses in the area;
2. The low population numbers in this area restrict the size of the employment pool.

Methodology of the Study

This study will compare the views of front-line staff in the hospitality industry to nationally published reports on employee retention. Chapter II will gather and enumerate industry leaders' findings concerning employee retention. Chapter III will detail the process of the survey instrument, its questions, the sample group, and the methods used. Chapter IV will discuss the results of the survey instrument taken by the employees. Chapter V will offer recommendations based on nationally published reports on employee retention.

Chapter II: Literature Review

Introduction to the Industry

This chapter summarizes an eleven-year (2000-2011) span of industry findings collected from various trade journals and books. The research collected covers issues and concerns regarding employee retention, including retention in the hospitality industry.

According to the Nevada Gaming Control Board, entertainment and retail have nearly doubled their number of employees in the past 20 years (Schwartz, 2010). The casino industry in Mississippi has become one of the largest employers in the state, with over \$800 million being paid to casino employees annually and casino construction accounts for an increase of 130% in hotel rooms on the Mississippi Gulf Coast alone. The casino industry has experienced unprecedented growth (Agrusa, & Lema, 2007).

Over the past decade, the casino gaming industry has grown at an annual rate of 10%, with annual revenues exceeding \$90 billion in 2007. The American Gaming Association and National Indian Gaming Association estimated that the gaming industry employs over 1.5 billion people worldwide. In the United States, the casino gaming industry employs 6,000,000 people. Casino gaming is an enormous, fast growing global industry (Williams, 2010). Yet, the fact is that the employee turnover rate in the casino industry is as high as 70% to 80% (Agrusa & Lema, 2007).

Employee Retention and Turnover

Companies today are interested in retaining valuable employees and good employees are increasingly becoming more difficult to find (Panoch, 2001). “As our community continues to experience significant growth in the hospitality industry, employee recruitment and retention has become a priority”(Czurak, 2011).

Retention matters because high turnover creates high replacement costs and is clearly associated with low levels of customer satisfaction, customer loyalty, and lost revenues.

Retention is particularly challenging today due to an aging work force and a growing imbalance in the supply and demand of qualified personnel (Padron, 2004).

Many of the companies that already spend big bucks to recruit and train talented employees are bracing for even stiffer competition as baby boomers start to retire amid a shortage of skilled labor (Rawe, 2006).

Annual turnover rates as high as 50 percent remain the standard in the hospitality industry, and many hotel operations have chosen to simply accept this as a fact of doing business (Levine, 2005). It is certain that many will not be surprised by the fact that the hospitality industry has such a high rate of turnover because turnover culture is considered to be a major problem in the industry. It is a normative belief held by employees that turnover behavior is quite appropriate (Chikwe, 2009). A survey (Laff, 2006) revealed that 51 percent of respondents expected to make a job transition in five years or less.

In this continually changing global economy, business needs to understand and utilize key concepts concerning employee retention. Without adapting to potential problems, organizations face debilitating outcomes, one of which is the cost of turnover (Panoch, 2001). The hospitality industry has reported varying annual turnover rates ranging from 32 percent to 300 percent. The cost associated with high employee turnover, which has been well documented in hospitality publications, averages from \$3,000 to \$10,000 per hourly employee, to over \$50,000 for managers. The most costly element of employee turnover, representing 60 percent, is that of lost productivity (Moncarz, 2008). According to Cornell University estimates, turnover

in the hospitality industry averages more than 100 percent with the cost of turnover at about \$5,000 per associate in lost productivity and wages (Davies, 2006).

A 1993 study by the US Department of Labor on high performance work practices revealed that involving employees in the decision-making, goals and the direction of an organization through participation in teams will help produce job satisfaction and reduce turnover (Moncarz, 2008). Thus, the key to reducing turnover seems to be finding out what motivates employees to leave a job (Chikwe,2009). Customer turnover (guests that leave and do not return) that is directly related to employee turnover is a challenge for many casino operations. Customer and employee turnover both have a direct link to the bottom-line and profit (Agrusa & Lema, 2007).

With the growing industry in the 1970's, it had become important for organizations to redesign work to create quality jobs, primarily in order to increase employee motivation. At this time, employee response to the monotony of low-quality, unskilled, assembly-line work resulted in costly absenteeism and turnover (Wilson, Brown & Cregan, 2008).

Looking to the future means taking care of your employees, according to several panelists who spoke during the 70th semiannual Council of Hotel Restaurant Trainers. Whether it is implementing an employee training program or utilizing surveys to improve employee retention, hotel managers must find avenues that are creative and personal (Higley, 2005). Problem-solving strategies in the hospitality industry are becoming critically important for organizational effectiveness (Agrusa & Lema, 2007). In a recent hospitality study, 91 percent of managers who participated said retaining their skilled, solid-performing employees is equally important as it was five years ago (Laff, 2006). Ultimately, the success of any business rests in the hands of its employees, from profitability and productivity to recruitment and retention (Honore, 2009).

We know three things about staff retention: 1. The cost of replacing a staff member is typically at least \$2,500, and the cost of replacing a manager can be as much as \$15,000; 2. The average turnover rate in the industry is 165 percent per year; 3. The favorite lament about staffing is: “You just can’t find good help these days” (Milick, 2006).

In looking at properties and organizations that have a high level of retention, there are two key areas targeted: start with the end in mind and they target front-line managers and supervisors (Davies, 2006). In organizations where employees receive proper training to assume greater responsibilities, their turnover rates are generally lower (Moncarz, 2008).

Change Intervention

One of the biggest changes in the hospitality industry is the accelerated use of technology in day-to-day operations. Employees have to be trained to deal with this skyrocketing stress of learning technology and then using that technology on the job (Panoch, 2001).

There are five necessary components to any change intervention: 1. Create a sense of crisis or urgency of opportunity; 2. Show people a solution; 3. Begin communication and discovery in advance and with many people; 4. Create opportunity for ownership; 5. Accept change as a continuing process.

Why do change efforts fail? Pennington (2000) suggests three reasons for change efforts failure in an organization. 1. Businesses use the wrong approach; 2. There is no compelling business reason for the change; 3. The change is sold from on high, rather than communicated from the trenches.

Employees whose job skills are regularly enriched by training feel more skilled and more valued. The more employees are allowed to make the decisions needed to perform their jobs, the more they will value their positions (Grill, 2009). When employees are kept in the loop, they

feel a part of the team and not just someone there doing a job. They are actually included in the everyday operations at their place of employment. This small, but ultimately important and vital part of recognition is an even more powerful tool than rewards (Padron, 2004).

Several research studies found that a highly competitive wage system promotes employee commitment and thus results in the attraction and retention of a superior workforce (Moncarz, 2008). The strategy for attracting and retaining employees consists in crafting the ultimate compensation and benefits package, along with instituting an employee appreciation and recognition program (Lee, 2000).

A reward can be as simple as a nod of acceptance. Employees feel commitment when they believe that someone recognizes and rewards their efforts, especially when that someone is their boss. They tend to feel a greater commitment when reward is tied to job performance (Padron, 2004). The incentive packages used to retain employees not only include higher wages, but also 401K retirement programs, free meals, paid vacations, uniforms, and paid time off, in addition to other incentives (Agrusa & Lema, 2007).

Material things other than wages have their place as well (Honore, 2009). “We continue to offer attractive 401K and health insurance options for our employees, even though we could probably get by with less” (Levine, 2005). For many resort properties, employee choosing is an issue at the top of the list. Vail is a resort community where the monthly cost of housing is often more than 40 percent of the workforce’s average monthly income, and only three out of every ten employees actually live in Vail (Levine, 2005).

Packages, of course, do have their place, but the most significant retention predictors include intrinsic fulfillment and working conditions rather than monetary rewards (Moncarz, 2008). To maintain a stable workforce, employers must actively engage their employees in

different retention activities. These can range from customized compensation packages to the age-old family picnic. Whatever the case, people need to feel wanted, valued and appreciated (Honore, 2009).

Career growth and development, flextime, and free or inexpensive childcare facilities are also important to employee retention (Panoch, 2001). Once employees are on board and seek upward mobility, promotions can actually increase turnover rates of non-managerial employees if not practiced appropriately (Moncarz, 2008).

Communication

Communication may be one of the largest issues in all businesses at the present time. Communication is key in the workplace, and if cultural verbal and nonverbal communication barriers are present, potential problems can arise. Just because a person can speak English, does not necessarily make that person a fluent speaker. Because cultures have a myriad of different vocabulary, syntax, idioms, slang, and dialect, this can cause difficulty in completely understanding the English language and communicating effectively (Panoch, 2001).

Culture may also influence communication with eye contact, interpersonal space, use of gestures, comfort with silence, topics of conversation, asking and responding to questions, greetings, interruptions, use of humor and decision-making roles (Fernandez, 2011).

The collaboration and communications strategy helps the retention aspect which revolves around employees being happy in their jobs (Harris, 2004). Open communication is extremely important and considered a top priority by the majority of employees (Honore, 2009).

Employee Motivation

According to Honore (2009), the top ten factors that affect employee motivation are;

1. Interesting work;
2. Good wages;
3. Full appreciation of work done;
4. Job security;
5. Good working conditions;
6. Promotions and growth in the organization;
7. Feeling of being included;
8. Personal loyalty to employees;
9. Tactful discipline;
10. Sympathetic help with personal problems.

Lee (2000) expresses the ten needs of employees as follows: 1. Pride in company and work; 2. Meaningful work; 3. Personal and professional respect; 4. Sincere expressions of appreciation; 5. The ability to exercise autonomy and control on the job; 6. The chance to intellectually express ideas; 7. The opportunity to learn and grow on the job; 8. A sense of community and belonging; 9. Flexibility that allows for work and life balance; 10. The opportunity to make a difference, to have input and influence. Honore (2009) recognizes that achievement by peers, managers, supervisors, or the company as a whole is also extremely important.

Levine (2005) stresses that the bottom line in keeping valued employees is that hotel management must support the whole person, not just the person who shows up for work each day. Creating the most hassle-free environment for employees, as well as guests and owners, is a proven formula for success that is part of a new standard for the hospitality industry.

Rewards do not necessarily have to be financial to be motivational. Empirical studies of lodging properties in Central Florida confirmed that hourly employee retention was predicted by self-fulfillment and working conditions over monetary rewards (Moncarz, 2008). Many businesses are unable to attract good help, but even when they can, they do not know how to

keep good help. Some pointers for keeping good employees include: listening, maintaining eye contact, treating employees as individuals, and keep motivating them (Davies, 2006).

Findings reveal that corporate culture practices in hiring, promotions and training influence employee retention for both management and non-management. Moreover, organizational mission, goals and direction, employee recognition, rewards and compensation were found to positively reduce employee turnover (Moncarz, 2008).

Scholars advocate that hospitality executives who understand the value of human capital and adopt organizational policies and management practices in pursuit of employee retention will outperform the competition (Moncarz, 2008). Seventy percent of survey respondents said they wanted to work for an organization they considered ethical and trustworthy (Laff, 2006).

The best solution to the resort worker retention issue may also be the simplest: Adapt your corporate culture so you can treat your employees in the same way you treat your guests (Levine, 2005). Companies that attract and retain employees are talent magnets; these are the employers of choice for highly talented people. These employers know the key to attracting and retaining quality employees isn't compensation and benefits packages or programs. The key is how well they address four critical areas: 1. a company's reputation; 2. the quality of internal operations; 3; how well the management team treats employees; 4. the ability to satisfy the needs of internal customers (Lee, 2000).

For all the myriad approaches companies take to promote loyalty among their employees—broad-based and narrow, short-term and long-term—the one universal truth is that employees are more likely to stick it out in tough times when they feel that they are treated with integrity (Michelman, 2003). The most important asset that any employer has is not money, product, or profit, but people: his or her employees (Honore, 2009).

To retain employees, employers need to believe that the best possible investment is in their employees. While many senior managers believe loyalty is dead, research shows people still make a commitment when they feel valued and included. Managers underestimate how much people want to know and how much they care for the organization (Padron, 2004).

To keep employees motivated, employers must create a positive work environment and give employees opportunities to grow. When employees are motivated, there is retention or reduction in turnover, and enthusiastic employees will out produce and outperform the unmotivated employees (Honore, 2009).

Chapter III: Methodology

Introduction

A survey of employees working in a casino environment would be a valuable instrument for comparing employee responses to employee retention with the employee retention findings of Chapter II: Literature Review. This chapter details the areas of the employee survey: subject selection, instrumentation, and limitations.

Subject Selection

A meeting with the Executive Manager and supervisors of a Midwestern Native American Casino was held to explain the overall purpose of this project, the need for a survey, and the parameters of the survey.

One hundred and twenty surveys were given to the executive manager. At his discretion, one hundred surveys were distributed to full-time and part-time employees in the following departments: Food and Beverage, Table games, Facilities, Security, Slots, Cage, Marketing Count Team, Finance, Revenue Audit, Executive, Purchasing, Safety and Training. The executive manager also determined the number of surveys that each department would receive. Supervisors of the departments then personally handed out surveys to specific employees within their departments. All participants in this survey, either male or female, were eighteen years of age or older.

Instrumentation

The survey given to employees consisted of the UW-Stout Statement of Consent form, the actual two-page survey, and a self-addressed stamped envelope for mailing the completed survey. The survey contained three parts for the purpose of collecting employee opinions regarding employee retention. The first part included twenty-one statements using a four point

Likert scale (see appendix D pp 61-62). This model did not allow neutral answers from the survey takers. Thus, survey participants were required to provide positive or negative selections for their answers. The second part of the survey consisted of two open-ended questions. In the third part, survey participants ranked their opinions concerning employee retention on a scale of one to ten, with one being the most important and ten being the least important. To protect the confidentiality of employee responses to the survey, a self-addressed, stamped envelope was attached to the survey instrument. Participating employees then mailed their completed surveys to the investigator.

Limitations

Conducting this study in a rural area will present two limitations:

1. The workforce in the area has limited job experience because of the limited number of businesses in the area;
2. The low population numbers in this area restrict the employment pool.

Chapter IV: Results

Introduction

The results from the survey instrument are discussed in this chapter. A total of one hundred surveys were distributed, and a deadline of two weeks was set for completing and mailing surveys. During this time frame, a total of twenty seven completed surveys were received.

Responses to the four-point Likert scale survey were averaged to obtain the mean. For the two open-ended questions, the key words listed in the responses were charted, and the repeated key words were then tallied and ranked. The same procedure was used in the last part. Key words were charted, tallied, and ranked.

Pay, Promotions, Benefits

As shown in tables 1 and 3, employees felt that the pay they received did not meet their needs, and it was not comparable to the same job at other companies. They answered disagree, and strongly disagree about promotion opportunities on their current job and compared to other companies from tables 2 and 15.

From tables 18, 19, and 21, employees strongly agreed that their benefits package met their needs, and twenty six out of the twenty seven took advantage of the benefits package offered. They also strongly agreed that their benefits package was comparable to what other companies offered.

Work Environment

Most employees considered their jobs interesting, and most felt they had good working conditions. They did not, however, believe that discipline on the job was tactful. This information is covered in tables 7, 10, and 14.

Communication

Employees felt very strongly that they understood the goals of their departments and the organization. Most of them, however, indicated in tables 4,5,11, and 20, did not feel that their supervisors kept them well-informed about work issues, and there was little or no employee input in their jobs.

Employee Motivation

More than half of the employees felt that there was understanding for any personal problems they were experiencing, and that they did not have feelings of rejection at work. However, in the statements related to being appreciated, being respected, feeling a sense loyalty, or feeling secure in their jobs, more than half of the employees responded negatively from the following tables 6, 8, 9, 12, 13, 16, and 17.

Summary

To help validate the survey responses from employees, it was necessary to design a survey that incorporated three different approaches to employee views on retention. The first section of this survey utilized the Likert scale; the second section used open-ended questions; the third section requested employees to rank responses in their own words.

Overall, the survey data indicated that employees considered good management, pay, and respect the three most important areas related to employee retention.

Chapter V: Recommendations

Introduction

This chapter provides recommendations for employee retention in the hospitality industry. Responses from the employee survey, along with the findings from nationally published industry reports, address the three major issues of employees: pay, management, and respect.

Communication

Because open communication is extremely important to employees (Honore, 2009), management must take the initiative in developing a communication process that meets employee needs. The process should include the following for recommendations:

1. Management meetings must continually address the major issues of employees to maintain a positive work environment.
2. Management needs to conduct additional surveys for a more detailed analysis of the three major issues of employees.
3. Management must develop a focus group comprised of management and employees that meet on a regular basis. This focus group would be open to any and all employees who wish to attend, and would discuss the major issues.
4. If the major issues are too serious to be addressed in-house, then management may consider outsourcing a mediation process.

These four recommendations can produce changes that are communicated from the trenches, rather than being sold from on high (Pennington, 2000). Ultimately, good communication improves employee morale and job performance.

Employees whose job skills are regularly enriched by training feel more skilled and valued (Grill, 2009). To those ends, employee training can provide:

1. Basic competencies for all employee positions.
2. Basic understanding of day-to-day operations.
3. Continual job analysis of position duties and tasks.
4. Advanced training for anticipated major changes.

Employees who are well-trained feel they are kept in the loop and are more a part of the team (Padron, 2004). Successful employee training is the basis for building self-worth.

Employee Motivation

The major issues of management, pay and respect expressed in the employee survey are top factors in employee motivation (Honore, 2009). The five following activities can enhance employee motivation:

1. Short daily stand-up meetings for each shift change to address daily concerns.
2. Weekly one-page newsletter of updates that each department develops.
3. Monthly department meetings to discuss goals, deadlines, concerns/issues, and successes.
4. Monthly appreciation gatherings of management and employees to recognize operational successes.
5. Calendar of annual social events jointly developed by management and employees: seasonal events, picnics, bonfires, motivational speakers.

Management that supports the whole person builds valued employees. Employees who feel valued help to create a positive work environment that enhances employee retention. This is

the new standard in the hospitality industry, and this is a proven formula for success (Levine, 2005).

References

- Agrusa, J., & Lema, J. D. (2007). An Examination of Mississippi Gulf Coast Casino Management Styles with Implications for Employee Turnover. *UNLV Gaming Research & Review Journal*, 11(1), 13-26. Retrieved from EBSCO host.
- Czurak, D. (2011). Amway hotel corp. launches program to retain talent. *Grand Rapids Business Journal*, 29(7), 17-17. Retrieved from <http://search.proquest.com/docview/855457282?accountid=9255>
- Davies, J. (2006). Increase retention, profit with focused training. *Hotel & Motel Management*, 221(19), 20. Retrieved from EBSCOhost
- Davies, K. R. (2006). *Cater to Your Competent Retain good employees with these motivational tips*. Dealernews, 42(7), 32. Retrieved from EBSCOhost
- Fernandez, G. A. (2011). Do You Know Your Cultural IQ? *Franchising World*, 43(6), 16-16-18. Retrieved from <http://search.proquest.com/docview/874621158?accountid=9255>
- Grill Jr., N. G. (2009). Retaining Your Best People In A Down Economy. *Westchester County Business Journal*, 48(38), 39. Retrieved from EBSCOhost
- Harris, J. L. (2004). Creativity, Communication Help Employee Retention. *Hotel & Motel Management*, 219(21), 4-42. Retrieved from EBSCOhost.
- Higley, J. (2005). Employee Retention Takes Planning. *Hotel & Motel Management*, 220(16), 11-63. Retrieved from EBSCOhost.
- Honore, J. (2009). Employee Motivation. *Consortium Journal of Hospitality & Tourism*, 14(1), 63-75. Retrieved from EBSCOhost.

- Johnson, H. (2004). All In Favor Say "Benchmark!" *Training*, 41(8), 30-34.
Retrieved from EBSCOhost.
- Laff, M. (2006). Employee Loyalty Changed. *T+D*, 60(5), 15. Retrieved from
EBSCOhost
- Lee, D. (2000). Becoming a Talent Magnet. *Executive Excellence*, 17(6), 10. Retrieved
from EBSCOhost.
- Levine, R. (2005). A Hassle-Free Approach To Worker Retention. *Lodging Hospitality*,
61(6), 24. Retrieved from EBSCOhost
- Michelman, P. (2003). Why Retention Should Become a Core Strategy Now. *Harvard
Management Update*, 8(10), 3. Retrieved from EBSCOhost.
- Moncarz, E., Zhao, J., & Kay, C. (2009). An Exploratory Study of U.S. Lodging
Properties' Organizational Practices on Employee Turnover and Retention.
International Journal of Contemporary Hospitality Management, 21(4), 437-437-
458. doi:10.1108/09596110910955695
- Padron, T. (2004 Aug.). *Retention Of Employees in The Wisconsin Restaurant Industry*.
Unpublished Master's Thesis, University of Wisconsin-Stout, Menomonie.
- Panoch, A. (2001 May). *The Relationship Between Diversity and Employee Retention*.
Unpublished Master's Thesis, University of Wisconsin-Stout, Menomonie.
- Rawe, J. (2006). *Why Your Boss May Start Sweating The Small Stuff*. *Time*, 167(12), 78-
79. Retrieved from EBSCOhost.
- Schwartz, D. (2010). Expect high productivity, fewer workers in casino. *Las Vegas
Business Press* (10712186), 27(46), P29. Retrieved from EBSCOhost.

- Williams, D. C., Seteroff, S., Hashimoto, K., & Roberts, C. (2011). A Study of Perceived Educational Needs of Casino Industry Middle Managers. *Journal of Hospitality & Tourism Education*, 23(1), 36-42. Retrieved from EBSCOhost.
- Wilson, K., Brown, M., & Cregan, C. (2008). Job quality and flexible practices: An Investigation of Employee Perceptions. *International Journal of Human Resource Management*, 19(3), 473-486. doi:10.1080/09585190801895544

Appendix A: IRB Research Protocol Application

HO-CHUNK NATION
Institutional Review Board Program
IRB Research Protocol Application
(THIS COVER SHEET MUST BE SUBMITTED WITH YOUR PROTOCOL)

Date: 11/28/2011

Protocol Title: A Study of Employee Retention Issues in the Hospitality Industry

Name of Principal Investigator: Robert Fox

Title/ Affiliation of the PI: Director of Hospitality for the Ho-Chunk Nation

Address: 204 Lincoln St

City: Merrillan

State: WI

Zip Code: 54754

Phone: 608-487-0307

Fax: N/A

E-mail: roberfox336@yahoo.com

Project Information (All questions must be addressed. Please attach additional sheets if needed)

Please give a brief summary of the purpose of the research, in non-technical language.

The objective of this study will be to investigate employee retention problems in the hospitality division of a corporate operation and to relate those findings to industry reports published nationally. The corporate operation used for this study will be a Native American Casino located in the Midwest. A survey will be conducted of the labor force in the hospitality departments of the casino. The literature review will consist of articles written by industry professionals who discuss employee retention issues across the country.

The significance of this study will be to understand hospitality industry findings nationally as they relate to employee surveys obtained from a Native American Casino in the Midwest.

Indicate the geographical area where the data will be collected:

Ho-Chunk Gaming Nekoosa

What are the proposed benefits to the Ho-Chunk Nation?

The finished report will provide an overview of employee retention for the Nation

What are the proposed benefits to the investigator(s)? *(Not applicable for intra Ho-Chunk Nation projects.)*

For completion of a Masters Degree requirements.

List any assistant(s) who will be working with you. Cite your and their experience with this kind of research.

No assistants

How do you explain the research to subjects and obtain their informed consent to participate? *(If in writing, append a copy of consent form.)* If subjects are minors, mentally infirm, or otherwise not legally competent to consent to participate, how is their assent obtained and from whom is proxy consent obtained? How is it made clear to subjects that they can quit the study at any time?

Attached

Do subjects risk any harm – physical, psychological, legal, social- by participating in the research? Are the risks necessary? What safeguards do you take to minimize the risks?

No risk

What is the proposed plan for controlling and reporting unintentional adverse event(s)?

A self address stamp envelope will be provided.

How are confidentiality and/or anonymity assured? At what stage are identifiers removed from the data? If identifiers must be retained, please explain why.

Employee names will not be on the form. All individual survey forms collected will not be shared with the employer. The forms will remain the property of the investigator until analysis is completed; the forms will then be shredded.

Will research data *(written or otherwise recorded)* be destroyed at the end of the study? If not, where and in what format and for how long will they be stored? To what uses- research, demonstration, public performance, archiving - might they be put in future? How will subjects' permission for further use of their data be obtained?

Yes.

APPLICANT'S SIGNATURE

DATE

- ATTACHMENTS:
- Recruitment letter, poster, as
 - Other institutional approval
 - Subject instructions
 - Tests or questionnaires
 - Written consent form (or script)
 - Information sheets or debriefing materials
 - Other _____

Return the completed application to:

<u>Official Ho-Chunk IRB Use ONLY</u>	
Application Received: ___/___/___	Progress Reports Received:
HCNIRB Approval Date: ___/___/___	1 st qtr: ___/___/___
Proposal ID# : HCNIRB- _____	2 nd qtr: ___/___/___
IHS IRB Action Letter: ___/___/___	3 rd qtr: ___/___/___
Continuation Request: ___/___/___	4 th qtr: ___/___/___
Research Final Report: ___/___/___	Annual Report: ___/___/___

Appendix B: Ho-Chunk Nation Institution Review Board



HO-CHUNK NATION INSTITUTIONAL REVIEW BOARD

Robert Fox

November 30, 2011

Re: Employee Retention Issues in the Hospitality Industry (11-007)

The Ho-Chunk Nation Institutional Review Board (IRB) congratulates and issues you the HCN IRB permit for your project. Please keep this permit with your work products. As the principal investigator, you also have responsibilities associated with holding this permit.

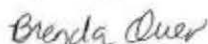
Throughout the duration of permit, you are obligated to present reports about your project, minimally after raw data is collected, and to file a final report upon completion of your survey. Manuscripts and abstract proposals for a conference or convention or meeting, shall be submitted to the IRB prior to publication or presentation. Also, should there be any procedural changes as amendments to your research proposal you will make yourself available in person to present the modifications to the IRB. Should any problems arise during the course of your work, you will not proceed until the problems have been addressed and reviewed by the IRB.

The permit is granted for one year. Upon the expiration of the permit, you must return to the IRB for presenting a final report. Should you need more time than the one year, you must present an updated report and request to renew your research. At the time you submit the final report, all studies, reports, publications, and/or manuscripts are turned over to the IRB. As all data collected as a result of this research is property of the Ho-Chunk Nation.

When the IRB convenes HCN Research Conference, you will be expected to make a presentation. The IRB will notify you when this Conference is scheduled.

If you have questions about this appointment, please call Joan Greendeer-Lee, Secretary for the Board at 715/284-9851, extension 5008.

Respectfully,



Brenda Owen
HCN IRB Chairperson



HCN IRB 11-007



HO-CHUNK NATION INSTITUTIONAL REVIEW BOARD PERMIT
HCN IRB GIVES APPROVAL FOR THE FOLLOWING PROJECT:

Employee Retention Issues in the Hospitality Industry
Robert Fox

Date of Expiration: November 30, 2012

Brenda Oley
Chairperson HCN IRB

John Brocklebury
Secretary HCN IRB

Stanley J. Rayman
Board Member HCN IRB

Elizabeth Hallen
Board Member HCN IRB

Ben Brundage
Vice-Chairperson

Paula Cleveland
Board Member HCN IRB

Board Member HCN IRB

Board Member HCN IRB



Appendix D: Employee Retention Survey

This project has been reviewed by the UW-Stout IRB as required by the Code of Federal Regulations Title 45 Part 46

This survey is designed to collect your opinions regarding employee retention in the hospitality industry.

Directions: Using the key below, please circle your best response to the following statements.

Key: 1. Strongly Disagree 2. Disagree 3. Agree 4. Strongly Agree

1	My pay meets my needs.	1	2	3	4
2	My job has good promotions.	1	2	3	4
3	Compared to the same job at other companies, my pay is the same.	1	2	3	4
4	I understand the goals of my organization.	1	2	3	4
5	My supervisor keeps me well informed on work issues.	1	2	3	4
6	I feel secure in my job.	1	2	3	4
7	My job is interesting to me.	1	2	3	4
8	I feel rejected at work.	1	2	3	4
9	I feel I am appreciated at work.	1	2	3	4
10	My job has good working conditions.	1	2	3	4
11	I understand the goals of my department.	1	2	3	4
12	I have the ability to grow in my job.	1	2	3	4

13	I feel my employer has a sense of loyalty to me and my fellow employees.	1	2	3	4
14	My supervisors use tactful discipline.	1	2	3	4
15	My promotion opportunities are equal to other companies.	1	2	3	4

16	My employer is sympathetic of my personal problems.	1	2	3	4
17	I feel respected in my job.	1	2	3	4
18	My benefits package is equal to other companies.	1	2	3	4
19	My benefits package meets my needs.	1	2	3	4
20	I feel I have input on the job.	1	2	3	4
21	My benefits package is something I do not use.	1	2	3	4

What is the best thing you like about your job?

What is the worst thing you dislike about your job?

Retention:

What is important to you about keeping employees? Please number in order of importance, with one being the most important and ten being the least important.

1	6
2	7
3	8
4	9
5	10

Table #1: My pay meets my needs

N= 27

Response	Frequency	Percentage %
Strongly Disagree	5	18.5
Disagree	11	40.7
Agree	7	25.9
Strongly Agree	4	14.8

Fifty-nine percent of respondents disagree and strongly disagree that their pay meets their needs.

Table #2: My job has good promotions

N= 27

Response	Frequency	Percentage %
Strongly Disagree	8	29.6
Disagree	11	40.7
Agree	6	22.2
Strongly Agree	2	7.4

Seventy percent of respondents disagree and strongly disagree to this statement.

Table #3: Compared to the same job at other companies, my pay is the same

N= 26

Response	Frequency	Percentage %
Strongly Disagree	8	30.7
Disagree	13	50
Agree	5	19.2
Strongly Agree	0	0

Eighty percent of respondents indicated disagree and strongly disagree that their pay was not comparable to other companies.

Table #4: I understand the goals of my organization

N=27

Response	Frequency	Percentage %
Strongly Disagree	1	3.7
Disagree	1	3.7
Agree	14	51.8
Strongly Agree	11	40.7

Ninety-two percent of the employees responded agree and strongly agree to understanding the goals of their organization.

Table #5: My supervisor keeps me well informed on work issues

N=27

Response	Frequency	Percentage %
Strongly Disagree	7	25.9
Disagree	9	33.3
Agree	4	14.8
Strongly Agree	7	25.9

Almost sixty percent of the respondents disagree and strongly disagree that their supervisors kept them well-informed on work issues.

Table #6: I feel secure in my job

N=27

Response	Frequency	Percentage %
Strongly Disagree	7	25.9
Disagree	8	29.6
Agree	9	33.3
Strongly Agree	3	11.1

Fifty-five percent of the employees disagree and strongly disagree about feeling secure in their jobs.

Table #7: My job is interesting to me

N=27

Response	Frequency	Percentage %
Strongly Disagree	1	3.7
Disagree	2	7.4
Agree	14	51.8
Strongly Agree	10	37

Eighty-nine percent of employees agree and strongly agree that their jobs are interesting.

Table #8: I feel rejected at work

N=27

Response	Frequency	Percentage %
Strongly Disagree	10	37
Disagree	9	33.3
Agree	6	22.2
Strongly Agree	2	7.4

Seventy percent of employees disagree and strongly disagree about feeling rejected at work.

Table #9: I feel I am appreciated at work

N=27

Response	Frequency	Percentage %
Strongly Disagree	7	25.9
Disagree	9	33.3
Agree	7	25.9
Strongly Agree	4	14.8

Fifty-nine percent of employees disagree and strongly disagree about feeling appreciated at work.

Table #10: My job has good working conditions

N=26

Response	Frequency	Percentage %
Strongly Disagree	1	3.8
Disagree	9	34.6
Agree	12	46.1
Strongly Agree	4	15.3

Sixty-one percent of the employees agree and strongly agree to having good working conditions.

Table #11: I understand the goals of my department

N=27

Response	Frequency	Percentage %
Strongly Disagree	2	7.4
Disagree	1	3.7
Agree	16	59.2
Strongly Agree	8	29.6

Eighty-nine percent of the employees agree and strongly agree to understand the goals of the department in which they were employed.

Table #12: I have the ability to grow in my job

N=27

Response	Frequency	Percentage %
Strongly Disagree	8	29.6
Disagree	12	44.4
Agree	6	22.2
Strongly Agree	1	3.7

Seventy-four percent of respondents disagree and strongly disagree to have the ability to grow in their jobs, with almost thirty percent strongly stating this.

Table #13: I feel employee loyalty in my job

N=27

Response	Frequency	Percentage %
Strongly Disagree	8	29.6
Disagree	8	29.6
Agree	10	37
Strongly Agree	1	3.7

Sixty percent of employees disagree and strongly disagree to have a sense of loyalty to their jobs.

Table #14: My job uses tactful discipline

N=27

Response	Frequency	Percentage %
Strongly Disagree	6	22.2
Disagree	8	29.6
Agree	11	40.7
Strongly Agree	2	7.4

Fifty-one percent of employees disagree and strongly disagree that discipline on the job was tactful.

Table #15: My promotion opportunities are equal to other companies

N =27

Response	Frequency	Percentage %
Strongly Disagree	6	22.2
Disagree	13	48.1
Agree	5	18.5
Strongly Agree	3	11.1

Seventy percent of the employees disagree and strongly disagree that their promotion opportunities were not equal to other companies.

Table #16: My job is sympathetic with my personal problems

N=27

Response	Frequency	Percentage %
Strongly Disagree	5	18.5
Disagree	5	18.5
Agree	13	48.1
Strongly Agree	4	14.8

Sixty-two percent of employees agree and strongly agree on finding found sympathy on the job for their personal problems.

Table #17: I feel respected in my job

N=27

Response	Frequency	Percentage %
Strongly Disagree	4	14.8
Disagree	11	40.7
Agree	8	29.6
Strongly Agree	4	14.8

Fifty-five percent of employees disagree and strongly disagree that they were respected in their jobs.

Table #18: My benefits package is equal to other companies

N=26

Response	Frequency	Percentage %
Strongly Disagree	4	15.3
Disagree	3	11.5
Agree	16	61.5
Strongly Agree	3	11.5

Seventy-three percent of employees responded agree and strongly agree that their benefits package is in comparison with other companies.

Table #19: My benefits package meets my needs

N=27

Response	Frequency	Percentage %
Strongly Disagree	1	3.7
Disagree	4	14.8
Agree	17	62.9
Strongly Agree	5	18.5

Eighty-one percent of employees agree and strongly agree that their benefits package met their needs.

Table #20: I feel I have input for my job

N=27

Response	Frequency	Percentage %
Strongly Disagree	5	18.5
Disagree	10	37
Agree	8	29.6
Strongly Agree	4	14.8

Fifty-five percent of employees disagree and strongly disagree about having input in their jobs.

Table #21: My benefits package is something I do not use

N=27

Response	Frequency	Percentage %
Strongly Disagree	13	48.1
Disagree	13	48.1
Agree	1	3.7
Strongly Agree	0	0

Ninety-six percent of employees disagree and strongly disagree that they do not use the benefits package. Stating that they use their benefits package.

Table #22: What is the best thing you like about your job

N=27

Response	Frequency	Percentage %
Benefits	3	11.1
Co-Workers	7	25.9
Freedom	3	11.1
Guests	7	25.9
Appreciated	1	3.7
Solving Problems	1	3.7
Working Day Shift	1	3.7
Close to Home	1	3.7
Last Hour of Work	1	3.7
New Things to Learn	1	3.7
Schedule	1	3.7
Pay	1	3.7

Of the twelve different areas that employees listed as the best things they liked about their jobs, interacting with Guests and Co-Workers ranked highest, both at 25.9 percent. Benefits on the job and a sense of freedom on the job tied at 11.1 percent.

Table #23: What is the worst thing you dislike about your job

N=27

Response	Frequency	Percentage %
Communication	1	3.7
Cost of Living/Pay	3	11.1
Disrespect	5	18.5
Guests	3	11.1
Management	8	29.6
No Job Security	1	3.7
Politics	3	11.1
Schedule	1	3.7
Unfair Work Environment	1	3.7
None	1	3.7

Of the ten different areas that employees listed as the worst things about their jobs, management was the most frequently written response at 29.6 percent. At 18.5 percent was disrespect on the job. Three areas tied at 11.1 percent: cost of living/pay, interaction with guests, and the politics surrounding the job.

Table #24: Retention Ranking 1

N=25

Response	Frequency	Percentage %
Pay	9	36
Respect	6	24
Good Management	10	40

The number one written response from employees as to what is most important for employee retention was Good Management at 40 percent, Pay at 36 percent and Respect at 24 percent.

Table #25: Retention Ranking 2

N=24

Response	Frequency	Percentage %
Benefits	5	20
Pay	5	20
Respect	5	20
Communication	4	16.6
Good Management	4	16.6
Teamwork	1	4.1

Ranked number two in importance was Benefits, Pay and Respect all tied at 20 percent.

Communication and Good Management tied at 16.6 percent.

Table #26: Retention Ranking 3

N=19

Response	Frequency	Percentage %
Benefits	2	9.5
Respect	4	19
Pay	1	4.7
Confidentiality	1	4.7
Dependable	1	4.7
Fairness	2	9.5
Listen	1	4.7
Loyalty	1	4.7
Growth	1	4.7
Constructive Criticism	1	4.7
Good management	4	19

Ranked number three in importance was Good Management and Respect tied at 19 percent.

Benefits and Fairness were tied at 9.5 percent.

Table #27: Retention Ranking 4

N= 19

Response	Frequency	Percentage %
Benefits	3	15.7
Pay	5	26.3
Fairness	1	5.2
Respect	3	15.7
Good Management	3	15.7
Seniority	1	5.2
Job Security	1	5.2
Listening	1	5.2
Meetings	1	5.2

Ranked number four in importance was Pay at 26.3 percent followed by Benefits, Respect, Good Management tied at 15 .7 percent

Table #28: Retention Ranking 5

N=18

Response	Frequency	Percentage %
Appreciated	1	5.5
Benefits	1	5.5
Pay	2	11.1
Teamwork	3	16.6
Job Stability	1	5.5
Profit-sharing	1	5.5
Respect	3	16.6
Good Management	3	16.6
Scheduling	2	11.1
Work Conditions	1	5.5

Ranked number five in importance were Team Work , Respect, and Good Management tied at 16.6 percent, followed by Pay and Scheduling at 11.1 percent.

Table #29: Retention Ranking 6

N=16

Response	Frequency	Percentage %
Training	2	12.5
Respect	2	12.5
Appearance	1	6.2
Equal Opportunities	2	12.5
Fairness	2	12.5
Rules	1	6.2
Hire more people	1	6.2
Sympathetic Bosses	1	6.2
Good Workers	1	6.2
Good Management	3	18.7

Ranked number six in importance was Good Management at 18.7 percent. Training, Respect, Equal Opportunities and Fairness were tied at 12.5 percent.

Table #30: Retention Ranking 7

N=14

Response	Frequency	Percentage %
Adequate Working Materials	1	7.1
Age	1	7.1
Benefits	1	7.1
Distance from Home	1	7.1
Freedom to Make Decisions	1	7.1
Good Management	1	7.1
Happy Customers/Happy Employees	1	7.1
Less Stress	1	7.1
More Vacation Times	1	7.1
No Favoritism	1	7.1
Responsibility	1	7.1
Vacation	2	14.2
Working Conditions	1	7.1

Ranked number seven in importance was Vacation at 14.2 percent.

Table #31: Retention Ranking 8

N=13

Response	Frequency	Percentage %
Attitude	1	7.6
Do my Job Freely	1	7.6
Employee Discounts	1	7.6
Equality	1	7.6
Good Co-workers	1	7.6
Good Working Conditions	1	7.6
Honesty	1	7.6
Leisure Dress Code	1	7.6
Pay/Raises	1	7.6
Security	1	7.6
Training	1	7.6
Treated Fairly	1	7.6
Work Environment	1	7.6

Ranked number eight in importance were thirteen different responses from thirteen different employees.

Table #32: Retention Ranking 9

N=12

Response	Frequency	Percentage %
Attitude	1	8.3
Employee Feedback	1	8.3
Fair Deadlines	1	8.3
Fairness	1	8.3
Family Parties	1	8.3
Flexibility	1	8.3
Location	1	8.3
Loyalty	1	8.3
Relationships with Bosses	1	8.3
Respect my Loyalty	1	8.3
Shifts	1	8.3
Treated Equally	1	8.3

Ranked number nine in importance were twelve different responses from twelve different employees.

Table #33: Retention Ranking 10

N=8

Response	Frequency	Percentage %
Better Air Conditioning	1	1.2
Cost of living increase	1	1.2
Empowerment	1	1.2
Flexibility	1	1.2
Good advancement	1	1.2
Good management	1	1.2
Shift preference	1	1.2
Work related benefits	1	1.2

Ranked number ten in importance were eight different responses from eight different employees.

Good Management, Pay, Respect, and Benefits were consistently repeated in the rankings.