



Human Resources

by Michael J. Jeswald

The new role of Human Resources will help the bottom line of hotels

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All of the internal customers of an organization are theoretically the customers of the Human Resources manager. This person, in essence, is the main contact for all employees when it pertains to benefits, career development, and internal customer relationships.

In many companies, the focus for the employer is on improving their relationship with the external (paying) customers. However, the internal customers (employees) should be of equal importance. The employees are the most important asset of the company and their attitude towards the customer will be affected by the internal customer relationships. Human Resources managers need to have a full understanding of the operation, the competition, and how the organization can develop a team environment that will ensure a positive bottom line for the hotel.

Start with employee retention and motivation

Recent studies reveal that the cost of turnover runs as high as 25-30% of an individual employee's annual salary and benefits package; not including hidden costs. This puts a tremendous amount of pressure on the individuals who do the hiring and firing because the turnover will have an immediate impact on the bottom line. The hotel's Human Resources department should be constantly brainstorming new ideas that focus on employee motivation and retention.

Surveys show that one of the biggest influences that motivate employees is being appreciated by their employer. While there are different methods that can be used to show appreciation, I believe that continuing to offer career development advice for high performing employees is very important. One of the greatest challenges faced by Human Resources professionals today is how to develop a long-term career management plan targeted at those employees considered as "high performers". These superstar employees are the foundation of the hotel's future and continued success; therefore, it is imperative to retain them through an investment in their future.

It is the responsibility of Human Resources managers to train management how to facilitate an effective performance review to help improve employee relations. Annual performance reviews should be utilized to help "set the tone" for the upcoming year and to also improve the communication between management and staff. A quality performance review also allows the employee the opportunity to discuss their individual performance, provide feedback on the operation and be encouraged to offer alternatives for standard operating procedures. Short-term and long-term goals should also be discussed to develop a path for career development.



Seek to develop leaders from within

Developing quality leaders within the organization is always a challenge and it should be the responsibility of the Human Resources department to monitor. Human Resources should be able to provide an unbiased opinion of an employee who demonstrates leadership qualities. If they communicate with management and understand the standard operating procedures, Human Resources should have an active role in recruiting the leaders of the company.

A quality leader needs to demonstrate good coaching skills to help teach and guide the staff to success; however, the development of a quality leader can be a long process. The three options are to promote from within, hire from the outside, or do nothing. Internally is generally the most efficient way because the organization already knows the person's work habits and that person also understands the company mission. It will also send a positive message to other staff that future growth is possible within the organization.

Train for excellence

Continuous training is the key to success in any organization. It should be the responsibility of the Human Resources department to coordinate the training programs with management and staff. A quality training program could also be measured based on the return it brings to the investment incurred or ROI. To justify any training expenditure, an effective trainer should have the ability to provide approximate cost savings to the hotel at the conclusion of a training program.

The challenge exists when a manager uses every excuse imaginable to cancel a training session. For instance, “we are too busy”, or “our employees are laid off”, or “once I train them, they will leave.” The question that should be asked is, “What if I don’t train them, and they stay?” Signing up an employee for a training session sends a positive message that the company is willing to invest in the individual and believes in their long-term development. A quality training program needs to be results driven and the benefits (both to the participant and the hotel) need to be clear and precise.

Resolve conflict systematically

Handling conflict in the workplace is an ongoing process and it will always be challenged. Specific procedures should be reviewed on a regular basis to make sure that all managers are handling conflicts similarly. Conflict resolution is the process that helps two or more parties resolve a disagreement or misunderstanding. There are quality training programs that help managers develop strategies on the key components of conflict resolution.

The Human Resources department should be responsible for the training and the consistency of conflict resolution. All situations should be well documented and filed with Human Resources. In an ideal situation, the Human Resources department should act as the jury for all internal conflict.

Every topic discussed in this article focuses the attention on Human Resources to become more creative and proactive in the decision process. It is critical that hotel managers place pressure on their staff to revise the HR budget and time allocation process to ensure that the most time and the largest percentage of the HR budget are spent meeting critical HR goals such as building and maintaining strong relationships, and addressing executive concerns, such as a primary emphasis on staffing.

HR’s involvement can drive bottom line profits

In today’s work environment, managers are required to multitask and to perform additional responsibilities. There is so much attention being placed on the daily activities of the operation that many of the internal relationship expectations are becoming an afterthought with the management team. The Human Resources department can help maintain their focus by becoming more involved in the day to day operation and communicating the mission to staff at all levels of the hotel.

Undoubtedly, maintaining a quality staff is the key to success for any property. Decreasing the turnover ratio should help the bottom line, and it should also increase the level of positive feedback, both from internal customers and our guests. Resultantly, Human Resources should have the ability to make the necessary changes in the organization because it will improve operating income. ✧

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