

Talent Strategies for the

NEW NORMAL

HOW TO STRENGTHEN
RECRUITING AND
RETENTION DURING THE
GREAT REVITALIZATION

IN HOSPITALITY

Do your operations have the proper talent strategies in place to overcome the challenges of the *Great Revitalization*?

The hospitality industry continues to face extraordinary shifts almost three years into the pandemic. Restaurants, casinos, private clubs, and hotels are not only attempting to recoup economically from the effects of the pandemic but also struggling to remain properly staffed. The demand for higher wages continues to rise and so does inflation and expectations. Hospitality industry employees want better work conditions, career growth and expect more flexibility from employers for a better work life balance.

Aside from the post-pandemic effects, a new phenomenon referred to as the Great Resignation is spreading across various industries with tremendous impact. One of the hardest hit industries is our beloved hospitality industry. In the pursuit to decrease burn out, stress, and a better quality of life, employees are leaving in record numbers to pursue other positions or even new career paths.

Gecko Hospitality composed this informative piece to present hospitality leaders with the drivers of the Great Resignation. We will cover talent strategies to help strengthen recruiting efforts and retain current talent during this new Great Revitalization: labor market expectations, employee mental well-being, hiring gaps, strategic communication, and employee engagement. Gecko Hospitality is devoted and passionate about helping the industry become stronger and more successful than ever before.



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The Great Realization: Your Talent is Talking!

Employees Departing the Industry

If you've been reading headlines, it is no secret employee turnover is one of this year's biggest workforce headlines. The employee turnover rate across all industries is between 12-15%. But the hospitality industry has historically been much higher. Some hospitality businesses such as quick service restaurants (QSRs), routinely experience 150% annual staff turnover. The hotel and motel industry reports an employee turnover rate of 73.8%.

While it's impossible to point to one contributing factor, there are many to consider when determining why human capital in the hospitality industry is at an all-time low.

Some will tell you a quick fix would be to pay a higher wage however we need to start listening to the workers on the front line. What hospitality employees are really looking for is change.

Working in the hospitality industry has never been easy. The hours are long, customer interactions can be stressful, and wages are relatively low. While restaurants, hotels and every niche in the food service industry are starving for employees, employers need to do more if they intend to attract and retain staff.

Quiet Quitting

The Great Resignation is to blame for a large portion of the turnover rate. But unfortunately, there is a new phenomenon contributing to the great exodus: Quiet Quitting. This is the tag given to employees who only do the bare minimum of work. They simply gradually phase out of the job.

According to a McKinsey research report, the actual quit rate in the hospitality industry now outpaces the national rate by 70%. Employees may be gradually returning to work, but are they performing to previous standards? According to new data, the answer is no. Workers may have returned in body, but their hearts are not in their work.²

According to Fortune Magazine, current data shows more employees will be quitting in the near future.³ The Great Resignation may have simmered, but only to slide into the next phase; Quiet Quitting. Quiet Quitting is when employees no longer go the extra mile at work. As infuriating as Quiet Quitting might be, the hospitality industry needs to recognize it as a call to action. The best way to counter it is by developing an employment model fostering engagement and a desire to achieve.

Having been hit by the pandemic and then the Great Resignation, the hospitality industry has already taken a one-two punch. As a result of quiet quitting, hospitality job vacancies have grown every month. The industry is more likely than any other to experience recruitment challenges.

Quiet quitting is a new term for an old concept: employee disengagement. Employees don't completely hate their jobs, but they don't feel their job matters. They are not in tune with how their performance contributes to the overall success of the organization. If the quiet quitters are not too far gone, leaders can salvage them and bring them back into the fold.

In other words, Hospitality Employees Want Change!

If the employee finds the right job, manager, or company, they are likely to perform above and beyond expectations. Until then the quiet quitters will continue their lackluster performance.

Keeping good employees is a challenge within the hospitality industry.

To improve retention, management must begin making changes where necessary. If there are complaints about workload, look at ways to reduce or share tasks among other employees. If it is pay, survey the market and see where your company stands in comparison. If it is about fulfillment, open opportunities for employees to train, learn, and grow in the organization.

1. Dailypay, "Improve Employee Retention in the Hospitality Industry," May 17, 2022.

2. McKinsey & Company, "The Great Attrition in frontline retail-and what retailers can do about it," July 29, 2022.

3. Fortune, "The Great Resignation is starting to slow down, but bosses should pay attention to what employees are doing instead," Megan Leonhardt, August 22, 2022.

What Do Employees Want Now?

Employees are more interested in maintaining a good balance between their personal and professional lives. This shift to a better work/life balance allows hospitality employees the opportunity to enjoy what they do while also taking care of themselves. It's no wonder employees are seeking out companies that provide a healthy and enjoyable workplace.

- As of this writing, our research found: ⁴
 - Authenticity at work is important to employees. Building a culture of trust with your employees is essential to the success of any business. This can be done by encouraging honest dialogue, recognizing and rewarding positive behaviors, and showing empathy for difficult situations. Creating an environment where employees feel safe to express themselves without fear of retribution will help employers create a happier workforce and retain talent.
- First impressions are made by your company's public reputation. Over 66% of candidates today are researching companies before hitting the 'apply' button. To bring their genuine enthusiasm to the workplace, employees want to work for a company they're proud to support. Not only is your job posting the first step of the onboarding process, it's also the first impression your company gives potential employees.
- Employees want enhanced job transparency during the interview process. They are taking note of how often their employers are not following through on promises made during the interview process. Knowing they are in the driver's seat, the employee will not hesitate to part ways.

In years past, it was the task of the candidate to fit into the organization. Now it's the task of organization to be attractive to the candidate.

Workplace culture is a key contributor to attracting and retaining hospitality talent.

"Employees can tell if you're holding something back. When you take that transparency out of it, you're leaving space for insecurity, which means people are questioning things instead of being able to really flourish and contribute back to your organization."⁵
– Kieran Layton, Field People Officer, McDonald's

*Over 66% of candidates today are researching companies before hitting the 'apply' button.*⁶

It all comes down to culture. Companies need to look internally and ask themselves:
"Why would anyone want to join our company?"



4. Glassdoor, "An Exclusive Report on Employer Branding: Your Talent Is Talking," September 2022

5. Glassdoor, "An Exclusive Report on Employer Branding: Your Talent Is Talking," September 2022

6. Glassdoor, "An Exclusive Report on Employer Branding: Your Talent Is Talking," September 2022

A close-up photograph of a man with a beard and mustache, wearing a dark suit, white shirt, and dark tie. He is smiling and holding a blue smartphone to his ear with his right hand. The background is blurred.

Attract and Retain Talent

The Hospitality industry has experienced growth which, in some niches, exceeds pre-pandemic demand. For various reasons, a pandemic, the Great Resignation, and now the Quiet Quitters, it's difficult to keep quality candidates. During the best of times, it's challenging to find a way to keep good candidates working for a hospitality employer.

High turnover traditionally has been viewed as a necessary evil, but, the hospitality turnover rate has grown to well over 150% in some sectors.⁷ Keeping the good employees requires acting now, to retain employees, and attract new ones. Turnover can be expensive. Keeping quality employees because they perform well also saves money. On average it could cost six to nine months of an employee's salary to replace him or her.

So, how can you attract hospitality professionals to your company and retain them once hired?

There are several ways to motivate and attract candidates to apply for the positions you advertise, and some measures you can take to encourage and retain your team. Attention to the five strategies below will provide you stability with a core team you can train, develop, and use to provide better service in your restaurant, hotel, private club, or other hospitality venue.

1 Offer Expert Training

By providing meaningful training opportunities, hospitality employers can demonstrate to their employees they are valued and appreciated. Investing in employee development not only helps to retain talented staff, but also boosts morale and engagement by giving them the skills needed to take on greater responsibilities.

Cross training is equally important for your operations. It helps with succession planning, and it exposes a team to different areas of the business. It also allows employees from different departments to interact with each other and understand the different operations and jobs. Training not only helps develop better employees but increases employee engagement.

2 Create CREATIVE Wage & Benefits Plans

The role of today's hospitality manager is challenging, demanding, and at the same time rewarding. The hours are long and being on your feet all day, takes a physical toll on the human body. Therefore, it's important to offer your management team perks and incentives to stay. To this day, no "hospitality bible" exists defining a manager's workday must be a minimum of 10-12 hours. While the old mentality of giving up family time solely to meet commitments is still prominent, we are seeing an emergence of more flexible working arrangements allowing for greater balance between professional and personal life.

Why is a typical manager workday ten to twelve hours versus eight hours for, let's say, an electrical engineer? Well, the answer is elementary because simply put, it's "what's always been expected". Today we live in a different society where the employee has risen and drawn a line in the sand. For those companies willing to innovate, think outside the box and reward their employees for the demanding hours, they turn the heads of their competitors forcing them to follow suit to stay competitive for the war on talent.

7. U.S. Bureau of Labor Statistics, "Economic News Release: Table 16. Annual Total Separations Rates by industry and region, not seasonally adjusted," March 10, 2022.

3 Build an Attractive Culture & Branding

Having a positive, supportive company culture is one of the best ways you can retain employees and attract new talent. An attractive culture in a business is one in which employees are engaged in their work. It is a culture that attracts job candidates through word-of-mouth and social media. A business with an attractive culture is one that values and respects employees. It is a culture that solicits ideas from team members and empowers people to excel. To build an attractive culture, begin with recognizing and rewarding employees on a regular basis.

According to the Achievers Study, a lack of recognition was the number one reason why hospitality employees quit. The study also found over 65% of employees don't feel recognized at work.⁸ Hospitality companies who get employee recognition right, stand to gain a major competitive advantage.

Focusing on improving the company brand is another way to create an attractive culture. Many employer brands can be a little fuzzy. Classic signs some fine tuning is needed include rising recruitment costs, lost candidates during selection, and staff turnover rates. By making your company attractive to prospective employees, you are able to hire high-performing team members. Making your company attractive to work for may require you to make a few small changes or drastically overhaul your company's culture and policies.

4 Focus on Providing Great Leadership

You can't offer training, create an attractive culture, and continually communicate if you have poor leadership. Improving the skill, knowledge and talent of your managers and leaders should be job #1. A keen focus on making leaders sharp and excel in their roles will help retain your best employees. Turnover reduces, production increases, and the bottom line fattens under great leadership.

We've all heard it said before, "Employees don't leave businesses, they leave managers." The reason we've heard it so many times is because it happens too frequently. Changes in management leadership styles seem to remain the same. To reduce turnover and attract and keep good talent, we must provide consistently great leadership.

A study by Gallup found 75% of the reasons for voluntary employee turnover can be influenced by managers.⁹ Whether it is a lack of peoples kills or an unwillingness to help employees develop, bad leadership should not be tolerated.

Hospitality companies benefit strongly from programs which promote good management practices. Managers should be trained on how to delegate effectively, communicate expectations, recognize employee achievements, and more. Ultimately, focusing on good leadership might be one of the most effective employee retention strategies in the hospitality industry.

5 Communicate - All the Time!

According to Trade Press Services, effective internal communications motivate 85% of employees to become more engaged in the workplace.¹⁰

Unfortunately, poor communication runs rampant in the business world. Either due to a lack of training, lack of time, or fear of confrontation, communication falters, and with it, performance. The hospitality industry moves fast. Quick communication and problem-solving reduces stress for employees in a notoriously high-pressure industry.

While the industry has faced many challenges throughout the pandemic and since, there are plenty of things businesses can do to make both hiring and retaining employees easier. Providing a culture where people feel valued, offering true career progression, and perks for all their hard work, can foster a company culture encouraging employees to make a long-term commitment to your business, setting you up for future success.



8. Achievers, "Achievers Report Finds More Than Half of Employees Will Look for a New Job in 2021," Toronto, March 10, 2021.

9. Gallup Business Journal, "Turning Around Employee Turnover," Jennifer Robison, May 8, 2008.

10. Trade Press Services, "Using Internal Communications to Enhance Business Growth," Gerri Knilians, June 12, 2018.

Champion Employee Mental Health

A recent 2021 report from Gallup found 57% of US workers reported feeling daily stress. This is up by eight percentage points from the prior year.¹¹

The statistics have been increasing since the beginning of the pandemic in 2020. In fact, a study by BestPractice found that 68% of hospitality workers reported poor mental health in December of 2020.¹² The hospitality industry was among the worst hit during the pandemic, with government restrictions impacting restaurant, cafe, and recreation capacity.

Additionally, a recent study by Hospitality.net found four out of five hospitality workers reported increased stress from their work.¹³ According to the Royal Society for Public Health (RSPH), the mental stress is directly related to their jobs, as hospitality work is notoriously difficult, with many staff members working long hours while performing physically challenging tasks.¹⁴ Also, the isolated nature of many on-property roles, including maintenance staff and housekeeping, has resulted in an uptick in assault and harassment incidents. Over time, these scenarios destroy team morale, brand reputation, employee engagement, and eventually employee mental health.

Addiction, Burnout, and Depression

Our industry comes with many unique pressures. It is a stressful environment with concerns over food safety, customer service interactions and financial dependence on tips for many employees. It's understandable why substance abuse and mental health challenges can be prevalent in the industry. With the variability of income, lack of benefits and unusual working hours, workers feel the stress and eventually feel "burned out." They may not only be mentally fatigued, but their stress level is so high their bodies no longer function as they should.

Unfortunately, there is a high correlation between the mental well-being of a hospitality worker and depression and/or burnout. But often there is an in-between factor in some hospitality employees, addiction. Getting drunk or high in a restaurant or hotel after hours may seem like a fun way to pass the time after a long day of work. But for some people, it can become too much of a good thing. When everyone else is partying on a regular basis, it becomes even more difficult to make healthier lifestyle decisions. Hospitality workers may be hesitant to get help for behavior (drinking, drugs), others see as normal.

What Can Employers Do?

As the business owner you should provide outlets and resources for your staff if they choose to use them, and remove the stigma from those employees seeking outside guidance.

To help your hospitality employees with their mental issues and curb turnover, consider the following eight strategies:

11. Insider, "After a year of navigating COVID, American workers are among the most stressed-out in the world, a new poll shows," Sarah Jackson, June 15, 2021.

12. Bestpractice.biz, "68% of Hospitality & Retail Staff Report Poor Mental Health," December 17, 2020.

13. Hospitalitynet, "Are You Looking Out for the Mental Health of Your Hotel Employees?", Parminder Batra, September 8, 2022.

14. Royal Society for Public Health Vision, Voice and Practice, "One in Five Hospitality Workers Suffer from Work-Related Severe Mental Health Issues," May 20, 2019.

1 Strive for a culture change

Culture change requires both a top-down and bottom-up approach to succeed. In today's world, leaders must treat mental health as an organizational priority with accountability mechanisms such as regular pulse surveys and one-on-one meetings. Employers should provide organization-wide opportunities for connection and promote ongoing, deeper one-on-one conversations between managers and direct reports.

2 Relay your company's mental health philosophy to all employees

The Society for Human Resources Management (SHRM) suggests you create a policy and include three key points:

- Acknowledgement. It's okay to disclose a mental illness at work (without consequences)
- Offerings. An explanation of the company's benefits ensures that employees know what resources are available to them
- Accommodations. The policy also details how employees can ask for reasonable accommodations for a mental health condition and explains that their information will be kept confidential.¹⁵

3 Check in with employees

Instead of a simple, "Good morning," take a few minutes daily to talk with team members and find out how they are doing. It can take as little as five minutes to get an idea of their state of mind. Others might not reveal much, but over time these little chats add value to both you and your employees. Encourage employees to start a team text chain to create opportunities for chatting and bonding outside of work. You or someone you appoint should moderate it to ensure only safe, non-threatening messages are being exchanged.

4 Offer insurance coverage

Try to get policies with specific coverage for mental health related issues. Currently, two-thirds of Americans cite unexpected medical bills as their biggest worry.¹⁶ Find affordable packages, reasonably priced for your team members.

5 Provide mental health resources

Partner with a local office or use your company's Employee Assistance Program (EAP) to bring in guest speakers and explain the various resources available. Your business may not be able to offer the same but perhaps some local counselors may be able to offer discounted rates for your business so employees can set up appointments to discuss any mental health issues.

6 Grant time off

Add more PTO (Paid Time Off) or vacation days for employees to use for whatever reason they choose. Yes, this policy may be abused, and it's understood most segments of the hospitality industry are short staffed. In the long run, this strategy tends to lessen turnover and create more engaged employees.

7 Train managers to detect emotional distress

Managers trained in emotional distress detection might be able to notice any red flags and direct staff to the appropriate resources. Hospitality businesses must train leaders, managers, and all employees on how to navigate mental health at work. They must learn how to have difficult conversations and create supportive workplaces.

8 Create a healthy work environment

Opportunities to mentally recharge in quiet rooms and promoting effective use of breaks and time off are excellent ways to provide a comfortable environment for your staff. Supporting healthy behaviors and self-care such as healthy food options, and the use of fitness facilities should be encouraged. Additionally, opportunities for social connectedness like social gatherings, employee support groups, and company volunteer opportunities can be helpful.



15. Society for Human Resources Management. "Supporting Mental Health in the Post-Pandemic Workplace." Arlene Hirsch, May 11, 2021.

16. Newsroom, "A Polling Surprise? Americans Rank Unexpected Medical Bills at the Top of Family Budget Worries," February 28, 2020.

The Mental Health Challenge

Burnout is a growing problem leaders need to take seriously. Its prevention requires manager and organizational alignment – as hospitality employees are less likely to experience burnout when their holistic workplace needs are met.

Focusing on mental well-being is not an easy task. There are so many stressors in the hospitality industry which can lead to addiction, burnout, and depression. Removing most of those stressors, although a great idea, isn't possible. Your staff should not be held to an impossible standard of mental health in an environment where workers experience both physical and mental stress every day.

We can't control world events, (pandemic, war, national or local tragedies, etc.), but we can help team members develop coping skills and get the necessary help they need to ensure both a healthy mind and body.

Providing support, education, and resources shows your concern for the well-being of your staff. Awareness and the attention being paid to mental health issues is relatively new to this industry.

When hospitality employees are surrounded by a supportive manager, team and environment meeting their needs, not only will their engagement soar but they naturally flourish and perform well over the long term. Just as important, employees need to have clear, meaningful goals that are within their power to attain. A healthy engaging environment will lead to long-tenured employees – who enjoy healthier, happier lives.

According to Employee Benefit News, Kimpton Hotels & Restaurants has highlighted the growing need for mental health support among their frontline staff. The hotel chain is now partnering with Talkspace (an on-line therapy website) to offer its 4,000 employees a year of free access to therapy services on the platform.¹⁷

17. Employee Benefit News, "Kimpton and Talkspace bring mental health benefits to hospitality workers and hotel guests," Alyssa Place, March 9, 2022.



Scheduling: Thinking Outside, Above & Beyond the Box

In the past, finding quality hospitality employees was simply a matter of posting an open position on a job board and sitting back, waiting for the phone to ring. Unfortunately, due to the pandemic, market forces, and generous government handouts leading to the Great Resignation, it's not as easy to recruit talent. Today, creative innovation is required to keep businesses staffed with the necessary workers. Hiring full and part-time workers has become a more difficult task, but there are some alternatives to consider for filling voids.

A recent Deloitte Global Gen Z and Millennial Survey may shed some light on the quiet quitters. The survey found among the top concerns of the Gen-Z and millennial generation is finances. The Z and millennial groups are within the age bracket of those most hired by hospitality businesses.¹⁸ Revisit your market analysis and make sure your pay structure and benefits are in line, or above, those in the same hospitality sector your business serves. Here are some inspiring and creative examples of how some companies are paving the way.

Chick-fil-A's Thriving Three-Day Work Week

Chick-fil-A operator in Miami, Justin Lindsey, recently got 429 applications for a job within a week of posting. The Secret? A three-day work week! Although this three-day work week strategy began with great distrust among restaurant leaders, it is now thriving since it launched in February of 2022.¹⁹

According to Restaurant News, this innovative idea started with 18 managers being divided into two "pods": one pod worked three days of 13-14-hour shifts and had four days off while the second pod had a one seven-day stretch per month where they were off consecutively. The result? Both pods began working together every day for days on end and became a family unit. They even started a kickball game in the park and organized food for the event! This strategy not only brought retention up to 100% but removed countless email and Slack message attempts of asking employees if they'd want to join a company gathering. This strategy has been successful because of the consistency of scheduling for staff as well as building team unity through the pods.

"A lot of people do have a passion to work in the industry, but still want to have (their) time. (They) value their time, they value their family, they value school...whatever it may be. This schedule gives them that opportunity, and it takes out the guesswork. You know what times you work; you know what days you worked. They can look out in December right now and see, these are the three days of the week that I worked in December," says Lindsey.

18. Deloitte, "The Deloitte Global 2022 Gen Z and Millennial Survey," 2022.

19. Restaurant News, "How one Chick-fil-A Restaurant is making a three-day workweek work," Holly Petre, October 10, 2022.





Jersey Mike's Recruiting Strategy: Culture & Cars

Recruiting is as competitive as it can be, but Jersey Mike's Subs is choosing to be proactive instead of waiting for applicants to knock on their door. According to the Director of Jersey Mike's Franchise System Inc, their proactive approach "could be identifying someone that would fit with our culture as they come through the line or meeting someone during the regular course of the day at the bank or somewhere else."²⁰

According to Jersey Mike's and the Manasquan, N.J.-based brand, culture is also a key driver of the recruitment conversation. They go as far as "supporting its owners' recruiting efforts with TV ads featuring Jersey Mike's founder and CEO Peter Cancro and with in-store materials and digital ads inviting potential employees to Join a 'Winning Team'". The Director of Jersey Mike's Franchise System Inc. also emphasizes the importance of retaining crew members. He says, "we coach franchise owners and managers to take care of the ones they have and reinforce the cultural aspects of Jersey Mike's".²¹

Aside from maintaining an incredible culture, a Wisconsin franchisee of Jersey Mike's also buys cars for his employees. According to this franchisee, who owns four Jersey Mike's in the Pewaukee, Wisconsin area, he is "starting a program to buy at least two cars for his employees". He "noticed his employees were struggling to find transportation to work and would sometimes grab an Uber or Lyft to get there in time."²²

The solution? This franchisee decided to start a program where he bought two used cars and has them readily available for employees who need them. If needed, the initiative can expand but he wants to ensure "some baseline parameters" are established such as "how long have you been with me" or "do you have great attendance."²³

5th Street Group's Creative Approach to Gratuities

A multi-concept operator opened three restaurants in 2020-2021 and managed to maintain all five of his restaurants fully staffed as well as with a positive work environment. The secret? A creative approach to tipping!²⁴

According to this operator, "guests have a line on the bill to tip their servers, as is typical" and "another line on the bill allowing guests to tip the kitchen". Going one step further, "on the menu, the restaurants indicate the back-of-the-house workers who benefit from this second gratuity, including the line cooks and dishwashers who are not typically allowed to share in tips meant for servers".

Under this creative program launched in 2021, the multi-concept operator "matches the tips given to the kitchen up to \$500 per day at each location, further increasing hourly pay. He estimates kitchen tips have totaled about \$600,000 since April, and about half came from the company match". Additionally, to balance this for the front of the house, he says "the company also offers a 'backstop' wage to help support gratuities to servers. In the event that guests split the tip and give servers less, the company offers a supplement to bring server tips up to about 22%".

The result? It has massively improved this operator's ability to recruit and retain employees. It also helps maintain a more positive cooperative environment where the back of house and front of the house staff work together to ensure great service.

Another shocking revelation? Menu prices did not have to increase to support this initiative. He estimates the Tip the Kitchen program has cost him an additional 3.5% of the company's top line but reduced his payroll expense due to lower turnover.

20. Nation's Restaurant News, "Putting People First", Special Advertising Section, September 2022.

21. Nation's Restaurant News, "Putting People First", Special Advertising Section, September 2022.

22. Nation's Restaurant News, "Here's how 4 restaurants are addressing the labor crisis in creative ways," Joanna Fantozzi, October 20, 2021.

23. Nation's Restaurant News, "Here's how 4 restaurants are addressing the labor crisis in creative ways," Joanna Fantozzi, October 20, 2021.

24. Nation's Restaurant News, "How one multiconcept group solved its labor problem and is 'crushing it'," Lisa Jennings, September 28, 2021.



A Hotel's Annual Bonus Plan Changes

Many of our Gecko Hospitality partners who came from the hotel industry received only an annual bonus. One rapidly expanding, nationwide company consisting of select-service and a few full-service hotel properties has moved to a monthly bonus program payout instead of yearly. The result? They pay out \$750 to \$2,000 per month and help employees alleviate potential financial burdens instead of pushing them away to find a higher paid position with a competitor. Although it takes more financial planning up front, it decreases the long-term and constant expenses tied to recruiting and turnover.

Refrain from the Status Quo

To provide continuous superb service your hospitality business was meant to offer, you can't simply rely on the tried-and-true strategies of yesterday. For example, the Gen Zs and millennials are no longer about working unconditionally, but rather about creativity, personal responsibility, development, and breaking out of the status quo. Look for hiring alternatives to fill the voids in your staff.²⁵ Who knows? Some of these strategies may land you a talented rock star.

Gecko Hospitality is working with a well-known extended stay concept, winning the fight to retain management by rewarded tenure. General Managers have a bonus potential of \$4,400.00 per quarter plus a \$15,000.00 retention bonus payout, scheduled below:

***1- year anniversary - 25% (\$3,750.00)
2- year anniversary - 50% (\$7,500.00)
3- year anniversary - 25% (\$3,750.00)
The Cycle Restarts Every 3 Years***



Improve Employee Engagement in the Hospitality Industry

Many industry surveys show turnover rates in the hospitality industry decrease as employee engagement increases. So, it makes sense by concentrating on improving employee engagement, we reduce turnover. Many hospitality managers and leaders struggle with defining employee engagement, let alone trying to improve it.

In a nutshell, employee engagement is the emotional commitment the employee has to the company and its goals.

Engaged employees are excited about their company's mission and purpose. They understand how their work fits into the bigger picture and feel a sense of pride in contributing to something larger than themselves. Engagement also means employees are willing to take initiative, take ownership of their responsibilities, suggest creative solutions when problems arise, and go above and beyond.

According to CultureAmp, 71% of Hospitality employees are engaged. This is in the bottom 48% compared with other industries.²⁶

Rewards of Engagement

The benefits of employee engagement are many. They boil down to four general categories when an employee is engaged in his or her work. These include:

- ✓ Higher service - Better quality and productivity
- ✓ Higher customer satisfaction
- ✓ Increased sales - Repeat business and referrals
- ✓ Higher levels of profit

Though the benefits of increased employee engagement are many, some hospitality business leaders seldom focus on improving it. It can seem so overwhelming, but by consistently implementing just a few strategies over time, employee engagement will increase.



Drivers of Employee Engagement

Here are nine key strategies to begin implementing:

1 Create and Communicate a Clear Vision

Mission Statements and Vision Statements are typically found on the back wall behind the front desk of a hotel, or in the back office of a restaurant. If asked, most employees would not be able to recall the company's vision or mission statement. Companies rarely communicate it to all employees, other than a mention during orientation.

A successful full-service hotel posed two questions to their staff: Why do we do what we do? and What does the hotel mean to you? The hotel's Vision Statement was created from their answers. If you don't have a Vision Statement created yet, ask your employees for their input. Make your vision statement prominent, in daily meetings, on pay stubs, schedules or company bulletin boards. The point is to drive home what the company stands for.

2 Set Clear Expectations

Once your employees understand the vision of the company they will understand and appreciate what is expected of them. All your expectations of your staff should align with the company's vision.

3 Show You Care

Do this consistently across the board, with every employee. Managers who are seen as dependable, fair, honest, and genuinely caring by their teams can help drive employee engagement through interpersonal trust. You want to ensure all employees are held to the same standards. Make sure they receive the same chances to take part in special projects and are recognized equally for their efforts.

4 Solicit and Act on Feedback

Involve your workforce in important decisions when possible and regularly ask for their ideas and opinions. Empower them to offer suggestions for what could be done differently or better. Often the best ideas come from your front-line employees.

5 Set Goals

If you want to keep employee engagement high, give your staff meaningful goals to work toward. Get their input on company goals (Guest Satisfaction Scores, Cleanliness Scores) and post the goals where all can see their progress.



6 Show Them the Way

One of the reasons for high employee turnover in the hospitality industry is due to the lack of job growth. Employees want to know what the future holds for them. Provide a path for growth and show them the steps needed to take to get there.

7 Celebrate Milestones

Whether it is the reaching of a goal, a birthday or work anniversary date, celebrate! It doesn't have to be elaborate (a cake, balloons, or just a gift certificate for a free lunch). These types of recognition, done publicly, go a long way toward improving employee engagement.

8 Work-life Balance

Without work-life balance, even the most enthusiastic hospitality employees are at risk of burnout. A sustainable work-life balance, supported by a company culture honoring people's life inside and outside work is crucial for employee engagement which will lead to longer tenure.

9 A Sense of Worth with Effective Rewards

Take a closer look at what you currently offer your people. Is your compensation and benefits package compelling enough to attract and keep people with top-notch, specialized skills? You may need to broaden your benefits options to provide flexibility in tailoring compensation packages for new hires and existing employees. To standout, your rewards plan must consider employee preferences, and it needs to be direct, transparent, and competitive to effectively offer a fair exchange.²⁷

Restore & Restrengthen

To restore and restrengthen your connection with your people and to retain the deep and varied talents they possess – start with your business goals, mission, vision, and philosophy. Be honest about if and how your organization is exceeding the expectations of your people. Identify any gaps where you can do better, then create an action plan to address them. Your employees will appreciate your efforts and in turn, be more engaged with your business. This is the surest way to foster a healthy culture and build a successful organization for years.

Involved Employees Are Loyal Employees

Maintaining employee engagement is always a daunting task. It's even more challenging in the hospitality industry where we see ever-increasing turnover. You can't force an employee to be engaged, but you can take steps to help them along toward engagement. Employee engagement is the passion employees have for their work compelling them to put discretionary effort into what they do. Creating a strong culture through recognition, rewards, engagement, teamwork, good hiring, and management practices are all strategies to create the best environment for your employees.

*No matter how you manage to show your employees you care, the culture you create at your workplace is paramount to good employee retention.*²⁸

27. Korn Ferry, "5 Drivers of employee engagement that work," May 19, 2022.

28. Forbes Advisor, "15 Effective Employee Retention Strategies in 2022", Chauncey Crail and Rob Watts, September 19, 2022.

Gecko Hospitality takes the time to understand your company's culture, mission, and objectives. We have a national database of 100,000+ hospitality professionals who will leverage our vast network of contacts to find the best fit for your business and culture. Finding the right candidate is the most important thing we do.

Our exclusive network of top-tier recruiters and franchise partners delivers the real difference makers for your hospitality management positions. With offices in all 50 states including provinces in Canada, we have recruiting experts who are the 'best of the best' – they've all worked in the hospitality industry and understand what it takes to succeed.

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