

June 2010

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Recommended Citation

Janes, Patty and Wisnom, Mary (2010) "Changes in Tourism Industry Quality of Work Life Practices," *Journal of Tourism Insights*: Vol. 1: Iss. 1, Article 13.

Available at: <https://doi.org/10.9707/2328-0824.1013>

Available at: <http://scholarworks.gvsu.edu/jti/vol1/iss1/13>

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Changes in Tourism Industry Quality of Work Life Practices

by

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Abstract

The tourism industry is not well known for high quality employment practices. However, little empirical evidence exists to support or refute this common conclusion. Tourism professionals were surveyed in 2009 to determine the quality of work life (QWL) practices at their current place of employment. Data were then compared to a previous study completed by investigators, analyzing professional opinions from 2003 on core variables noted for impacting QWL practices. The average number of weekly work hours, satisfaction with training, number and type of performance evaluations, variables that motivated employees, and satisfaction and dissatisfaction with organizational culture were similar in spite of distinct economic differences between these years. 2009 respondents, however, were less satisfied with job security, and the job itself. They were provided less training, and desired significantly more training. Challenges expressed by the 2003 respondents had not changed based on 2009 respondent data. Findings suggest the tourism industry had not addressed prevalent issues noted in 2003 including wages/benefits, full appreciation of work, working conditions, being involved in the organization, and loyalty provided to employees. Tourism employers should address these challenges and strive to be an employer of choice as they strive to recruit and retain a skilled workforce.

Introduction

The tourism industry is often considered one that requires long work hours and lower than average pay (Powell, 2009; Thrane, 2008). Yet, finding and retaining quality employees in the industry of utmost importance. Kuslivan and Kuslivan (2000) indicated that tourism employees leave the industry due to low job satisfaction, poor working conditions, and a lack of motivation.

It appears that regardless of the economic state, recruiting and retaining good employees is challenging (Deery, 2002). In the wake of the most difficult economic times of the century, noted downsizing and restructuring, increased competition, and decreasing demand within tourism organizations has necessitated the focus on employment practices. Employees are the lifeblood of any tourism organization and a motivated, committed, and loyal staff is considered a competitive advantage in the workplace. Employees who are provided a high quality of work life (QWL), are more productive, and effective.

Although the industry has a reputation for some challenging employment practices, it is also known as fun, and flexible. Anecdotal evidence suggests tourism professionals also state the industry as intrinsically beneficial, where providing a high quality of service to guests who enjoy their experiences as rewarding.

Both of these perspectives, however, of the industry lack empirical evidence to support or refute such opinions. Although there is an abundance of literature about work life practices, there is little about the tourism industry specifically. If the tourism industry is concerned about becoming an employer of choice, and recruiting/retaining high quality employees, ultimately improving customer satisfaction (Maxham, 2003), the QWL practices of the industry should be analyzed.

Literature Review

For the intent of this study, QWL literature is separated into five main content areas including: motivation/performance, compensation/benefits, training, performance evaluation, and organizational culture.

Motivation/Performance

If there is one thing that has been learned about motivating employees, it's that one size definitely does *not* fit all. Taking into account that employees are not all motivated in the same way, studies both in and out of the tourism industry have investigated the importance of offering diverse incentives and creative management strategies for motivating employees. Motivation has been identified as the force that impels people to choose a particular job, to stay with that job, and to try hard. A principle tenet of motivation is that it is

intrinsically derived. Nevertheless, Parfyonova (2009) stated that extrinsic motivation is what the industry should be concerned with as activities in the workplace have external consequences such as a pay check/bonuses.

Several management experts have proposed some basic strategies that can maximize employee motivation. For example, assigning meaningful tasks, showing employees how their work will contribute to the organization's overall goals, and giving them the autonomy and freedom to do their jobs in a supportive environment have proven successful in increasing employee performance. (Kidwell & Fish, 2006).

Other studies focusing on external motivators (Green 2000) have found that allowing employees to choose their own incentives, (cash, a customized trip, or even a celebrity encounter), is an effective way to boost employee performance and motivation.

In order to motivate employees, supervisors must understand what employees want from work. In one study, hospitality industry workers reported that the three things they most valued from their employers were good wages, job security, and opportunities for advancement (Simmons & Enz, 1995). While money, advancement, and job security are typically the most effective motivators, they may not work for everyone. Some employees are better motivated by praise, recognition, openness or honesty.

Knowing what employees want from their work and offering them opportunities to achieve their personal goals can lead to a more dedicated and motivated workforce. Creativity researchers find that people will be at their most creative when they are motivated primarily by interest, enjoyment, and satisfaction with the work being performed, rather than by external pressures.

Supervisors create a motivating environment by recognizing and adequately rewarding their employee's accomplishments as well as setting high standards and clear objectives, providing adequate training, and providing rewards that employee's value (Capozzoli, 1997).

The basis of motivation management is that an employee must feel confident that they can adequately perform the task assigned, have trust that their performance will be properly rewarded (that they will get what they deserve), and know that the outcomes for good performance will be satisfying (Green, 2000). Employees in the tourism industry, as with any field, become dissatisfied and stressed when they are forced to balance a heavy work load without feeling like they are receiving adequate recognition from their employer in return.

Compensation and Benefits

An employer's ability to offer their employees an attractive benefits package can play a key role in attracting and retaining talented employees. Across industries, pay and employee benefits consistently rank as the two most important factors considered in a job offer (Kline & Hsieh, 2007).

A current trend in compensation and benefits is the ala carte approach to benefit offerings. Allowing employees to choose which benefits are of most value to them has gained widespread appeal. In several fields, benefits such as telecommuting options, flexible hours, and overtime pay or comp time are common. One of the more unique trends in benefits is a concierge service that works just like in hotels. The concierge will arrange for a company to change your oil in the company parking lot, find the best deal on a vacation, and make arrangements for emergency child care or elder care - all at no cost to employees. (Hamblen, 2000). In a high demand career field, where skilled employees are a highly sought after commodity, it is special incentives such as these that can contribute to an employee's quality of work life and their commitment to the company.

While benefits do play a significant role in attracting and retaining employees, it is impossible to overlook the importance of straight pay. Studies show that one half of employees would leave their current job for a pay increase of 20% or less; one fourth for an increase of 10% or less (Trumble, 2000). In another survey, 58% of employees said that increasing direct pay is more important to them than improving benefits (What's the Matter with Compensation Systems Today, 2003).

Offering a desirable compensation and benefits package is important for a number of reasons, including increased morale and employee retention. When companies pay their employees wages that are below industry standards it sends the message that their work is not valued (Messmer, 2003). Benefit satisfied employees are three times more likely to be satisfied with their jobs and be more loyal than their peers with less satisfaction (Trani, 2005).

Training

Literature pertaining to training in the tourism industry is fairly limited; however, most existing research indicates that training is perceived positively by employees.

In a survey of hospitality industry workers, Berta (2001) found that workers believed training had a positive impact on the business, with 70 percent of survey respondents indicating that they felt training had improved their company's ability to improve occupancy and

profitability rates.

Performance Evaluation

Employee evaluations are performed for a variety of reasons: to determine pay raises and promotions, to set employee goals and objectives, and even to protect against legal action by providing documentation of poor performance when an employee is fired.

Yet despite their perceived usefulness, several investigators have refuted the validity of traditional employee appraisals; citing evidence that they may be more harmful than helpful. One reason for this may be evaluator bias. Gray (2002) found faults with the format of traditional performance evaluations, claiming that have four key flaws: 1) individual vs. team rewards, 2) little difference between good/great merit, and 3) the timing of performance appraisals. Since most fiscal years begin Jan. 1, the evaluations are taking place during the holiday season in which many are under a considerable amount of stress and time pressure. Conversely, it is also a time when employers may be feeling particularly charitable, which may result in positively inflated performance evaluations.

Due to the aforementioned flaws with traditional performance evaluations, many agencies have adopted improved evaluation methods, such as the 360 degree feedback evaluation, in which an employee completes a self evaluation and is also evaluated by those around them, including supervisors, peers, subordinates, and even customers.

Organizational Culture

Organizational culture has been defined as an organization's beliefs, knowledge, attitudes, and customs. Organizational culture is shaped not only by senior manager's beliefs, but also the beliefs of employees.

Creating a desirable organizational culture provides benefits to both the employee and the agency. For example, incorporating a sense of humor and fun into the workplace has been shown to reduce stress related sick days, and increase productivity, creativity, employee loyalty, and morale. Retaining and motivating valuable employees requires employers to evaluate their work environment. Employee turnover is expensive. The cost of exit interviews, severance pay, hiring costs, and lost productivity while training a new hire can exceed \$100,000 (Thompson, 2000).

A desirable organizational culture can help attract and retain employees as much as pay or benefits. When defining corporate culture goals, organizations included the following social skills as desired attributes of their

corporate culture: respect, communication, trust, cooperation, and common goals. (Cole, 2000).

Purpose of the Study

The purpose of this study was to understand quality of work life practices within the tourism industry and make a comparison of attitudes between 2009 and 2003.

Study Objectives

1. Compare demographic and organizational characteristics of respondents.
2. Compare the average number and type of hours, compensation, and benefits provided.
3. Compare the value (importance and satisfaction) placed on work life issues.
4. Compare the amount, type and satisfaction with employee training.
5. Compare the type, frequency, and satisfaction with performance evaluations.
6. Compare perceptions and satisfaction with organizational culture.

Methodology

One hundred fifty-nine members of a tourism based association were surveyed via Survey Monkey in 2009 to gain an understanding of QWL practices within the tourism industry. Nineteen hundred and twenty-six alumni of a tourism and recreation based program at a university were mailed a survey in 2003. Both initial studies yielded 60, and 511 respondents respectively. Datasets were reduced, however, to only those currently working full time in a strictly tourism profession. Based on the sample of interest to the investigators, the 2009 respondents were reduced to 43 respondents, and the 2003 dataset to 42 respondents. The 2003 dataset was significantly reduced as the respondents included half that were no longer working in an allied industry, and even less working in tourism specifically.

The QWL instrument was developed based on literature addressing work life practices. Section of the instrument included organizational culture, supervision, compensation/benefits, training, performance evaluations, work motivations, work values, and labor force issues. Questions on the 2009 and 2003 instruments were identical, however, as noted, different collection methods were utilized. In both 2009 and 2003, the samples were sent the QWL instrument on two occasions.

Measurement

In addition to preliminary analysis, Martilla and

James' (1977) Importance Performance Analysis (IPA) was utilized. Martilla and James (1977) developed the IPA instrument as a way to learn more about participant satisfaction and expectations. This technique assesses both the importance and performance participants place on specific attributes. The IPA involves three steps: 1) the selection of the attributes to be measured, 2) the measurement of importance and performance for each attribute, and 3) the plotting of the average score given to each attribute on a two-dimensional action grid.

According to Janes and Wisnom (2003), the IPA has been used throughout the last three decades by hospitality related researchers as a tool to evaluate the views of staff, facilities, areas or programs. Most often self-administered survey instruments have been distributed after an experience transpired. On average, 30 attributes were evaluated and placed on an action grid (matrix) to present the findings. The overall mean was used most often to determine which of the four categories an attribute was placed (Janes & Wisnom, 2003).

Once the attributes are selected, participants must respond to both the importance they place on these as well as their satisfaction with these same attributes. Martilla and James (1977) indicate that separating the importance and performance measures helps to minimize compounding and order effects. Janes and Wisnom's (2003) analysis of 42 studies using the IPA technique suggest that most all did this by placing the questions at two different points in the interview or questionnaire. Only three of these studies measured the attributes at two completely different times (before and after the experience) as Martilla and James (1977) suggest.

A useful component of the IPA is the way data is shared. Attributes are placed on an action grid that allows management to assess what steps should be considered by the agency to improve. The IPA matrix is "... easy to interpret..." and it provides "the agency with clear managerial direction." (Rossman, 1995, p.421).

Each attribute is placed into one of four quadrants: concentrate here, keep up the good work, low priority, and possible overkill. Attributes are placed in a quadrant based on the central tendency scores. From this point, a grand mean is used to position the vertical and horizontal axes (grid lines) on the grid. Martilla and James (1977) suggested mean importance values should be plotted against mean performance values, and others have subsequently followed this approach (Crompton & Duray, 1985). Grand mean (mean of all mean scores) was the most frequently used technique (34%) of 42 IPA studies analyzed (Janes & Wisnom, 2003). Janes and Wisnom (2003) further found, however, that grid line placement was often determined in various ways. Twenty-eight percent plotted the grid lines based on researcher

judgment, 25% used midpoint of the response range, and 12% used median plots.

Once the grid lines are determined, attributes are placed into one of four quadrants. Those attributes placed in the low priority quadrant need not be addressed by the agency. Those attributes are of low importance to participants and the agency is spending effort in this area as participants are not satisfied either. An attribute placed in the possible overkill quadrant suggests the agency may be expending resources in an area participants are not concerned about. Any attribute placed in the keep up the good work quadrant reinforces agency efforts as participants indicate these items are both important and the agency is doing well providing them. Finally, attributes placed in the concentrate here quadrant suggest these items are important to participants yet the agency is not doing well, therefore, should be a priority for management (Martilla & James, 1977).

Limitations

The sample size for both the 2009 and 2003 studies were small. Data was unable to be analyzed utilizing statistics that would allow for greater generalizations.

Reliability and validity

Investigators insured the instrument was valid by a thorough analysis of the literature. The instrument was further pilot tested in 2003 with colleagues, professionals not included in the sample, and research students. Changes were made in question wording and format based on feedback provided. Reliability was tested through the comparison of scales that included reverse positive/negative statements. In each instance, respondents accurately responded to said questions.

Findings

Respondents from the 2009 and 2003 studies resembled each other on several variables. Respondents were predominately female, with average ages in their early 30's, and over half single. One-fifth of respondents were upper level managers, and their mean salaries varied by less than \$1,000. The professionals geographic location and employer within the tourism industry varied more between the studies. This difference can be cited based on the different samples utilized. Tables 1 and 2 highlight demographic characteristics of respondents.

Employees in the 2009 and 2003 studies concurred that training was important to them. The same percentage of respondents received training (80%, n=34), and they were equally satisfied with the training they received. Respondents indicated in 2009 that they

received less training and would enjoy more if provided to them compared to 2003 respondents. Table 3 highlights these findings.

TABLE 1: Demographic comparison between 2009 and 2003 respondents

Characteristic	2009		2003	
	%	n	%	n
Female	60	26	68	29
Single	56	24	53	22
Upper level management	21	9	21	9

TABLE 2: Demographic comparison between 2009 and 2003 respondents

Cont.	2009			2003		
	n	M	sd	n	M	sd
Age	42	32	10.8	42	31	5.9
Salary	38	48,562	23,131	41	49,200	36,072

TABLE 3: Training practices compared 2009/2003

Training	2009			2003		
	n	M	sd	n	M	sd
Hours	38	16	10.7	41	31	39.0
Enjoy more	36	1.7	.72	38	2.1	.93
Satisfaction	38	2.1	.99	40	2.1	1.0

Respondents in both 2009 and 2003 indicated they found performance evaluations both important and motivating. In each of these year's, 75% (n= 32/31 respectively) of respondents indicated they were given some type of performance evaluation. These formats varied from their direct supervisor to peers, subordinates, and customers in both written and oral form.

A greater number of organizations had laid off employees in 2009 than in 2003 with 63% (n=27) indicating so in 2009, and 48% (n=20) in 2003. Data did not support this difference when respondents were asked about a labor shortage. In 2009/2003 a similar number of respondents indicated they were experiencing one (n=11/10 respectively).

When asked about benefits, 2009 respondents indicated their most valued to be: travel/amenity, health/dental, and paid time off. The most desired benefit was

time off, and pay. This question was not asked in 2003 in this same format.

Forty eight variables measured organizational culture and satisfaction work-life issues. Overall, both 2009 and 2003 respondents agreed that the greatest strengths of their respective organizations were their "open door policies", "quality orientation", and "successful" nature. They also concurred that tourism organizations were least likely to "reward accomplishments", "have employee concern", and "communicate effectively". The 2009 respondents also noted that "job security" fell into the IPA's concentrate here category. In an open ended question, respondents stated that what they enjoyed most about their career was "working with people", and "the job itself". Respondents indicated they least enjoyed benefits/compensation in both years, however, 2009 respondents again indicated they least enjoyed "the job itself", more specifically "control, pressure, reorganization, no days off, disorganized, and limited resources". 2003 respondents only difference was least enjoying staff/personnel issues.

Regarding direct supervision, 2009 and 2003 respondents concurred indicating their top four highest satisfaction was with supervisors "welcoming input", "respecting others", "working hard", and "allows us to have fun". Respondents in both years concurred again regarding their least satisfaction variables regarding supervision. These included their lack of "motivating employees", and "rewarding accomplishments". Table 4 highlights the IPA comparison of 2009/2003 respondents.

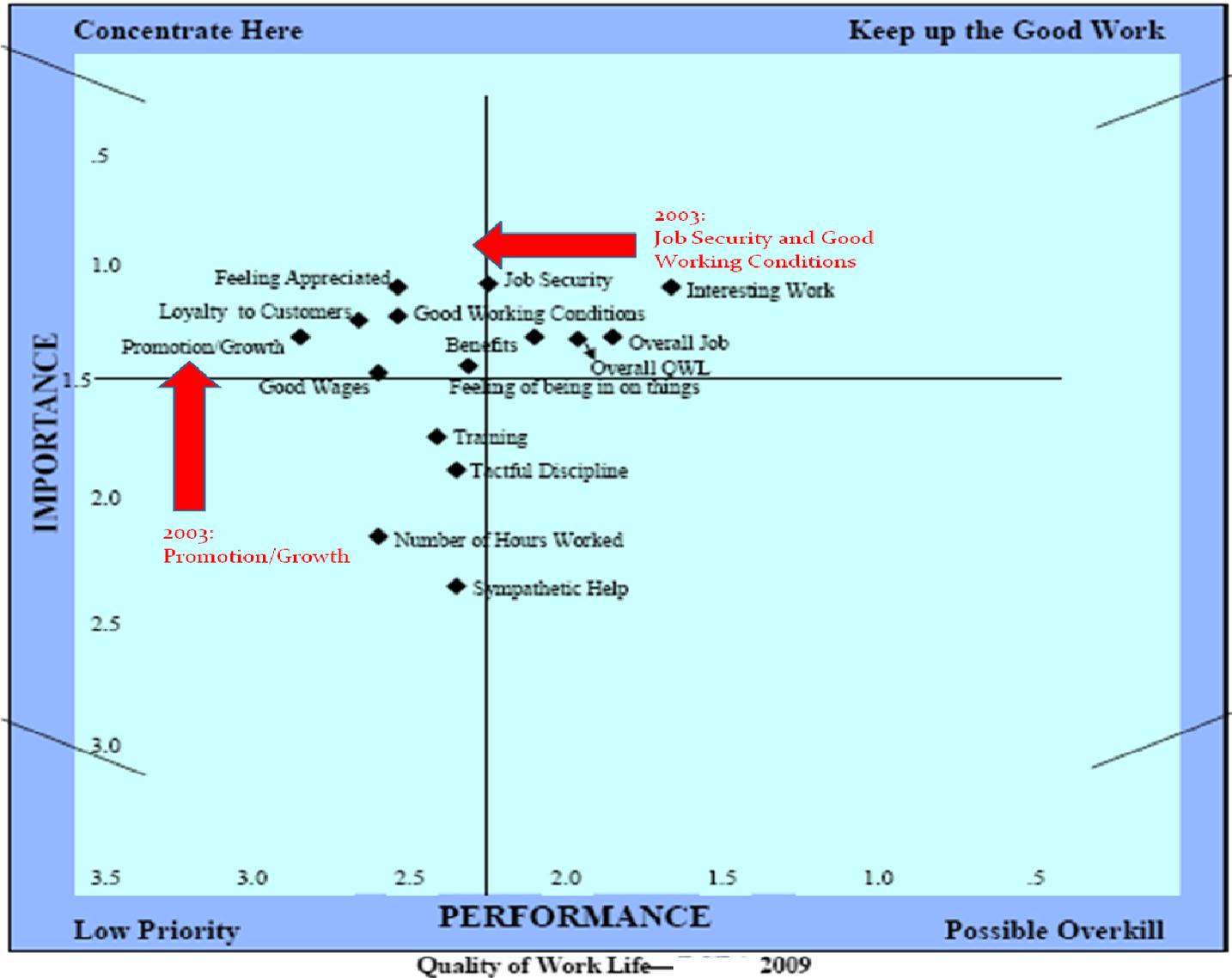
Discussion

In this small, exploratory study, it was determined that quality of work life practices in the tourism industry, by these respondents, has changed in just a few small ways from 2003 to 2009. Generally, the QWL in the industry is perceived as all right, not exceptional, but certainly not poor. In spite of recent economic challenges, the industry professionals responding to this survey have the same dissatisfaction with the industry as they did before such dynamic change. This indicates the industry has not yet addressed the needs of those professionals running these tourism organizations.

In an effort to become an employer of choice, and deal with continued labor shortages, and the ability to recruit and retain high quality employees, tourism organizations should take steps to improve. These improvements would be identifying problematic working conditions and taking steps to improve in these areas, and showing appreciation and opportunities for growth and promotion. Organizations need to involve employees and

TABLE 4: Importance Performance Analysis (IPA) of 2009/2003 respondent quality of work life attributes

IMPORTANCE PERFORMANCE ANALYSIS GRID



assess benefits and wages. Simmons and Enz (1995) concurred.

Employees largely desired increased time off and travel amenities/discounts. As Green (2000) suggested, allowing employees to determine their own incentives was valuable. These practices appear more reasonable than simply paying more. And, these employees would appreciate steps taken to allow them to recharge and be the type of employee they would prefer. Most all indicated a desire to remain in the industry (91% in 2009; 87% in 2003). These data were supported by Tipping (2009).

However, taking steps to increase employee satisfaction has been shown to increase productivity.

Training is desired and valued by employees and should not be cut when things get most difficult. Employees that remain to manage more than before must be invested in, not just taken advantage of.

In order to develop as an employer of choice, tourism organizations must address employee concerns. Employers should assess their current QWL practices, from the eyes of their employees, to determine what their thoughts are regarding training, performance evaluation,

supervision, compensation/benefits, and overall culture. People are motivated for their own reasons, and employers must understand what their own employees think.

The tourism industry must address misconceptions of employment in the tourism industry. A partnership between professional associations, educational institutions, and the industry must exist to promote the quality of work life in the industry. Employees found the industry to be interesting and an overall good quality of work life. Materials designed to educate others on the benefits of working in the industry may help to overcome misconceptions. In addition, associations and educational institutions could also assist the industry by providing education/training that deal with particular issues challenging organizations. This topic could be discussed and recommendations derived from planning councils, advisory boards, etc. These industry partners must find ways to directly assist with becoming an employer of choice and competing in a competition filled, global environment.

This study should be expanded to include a larger sample within the tourism industry. In addition, separating the various industries within tourism and studying specific aspects of the industry (e.g. amusement parks, resorts, clubs, spas) would provide data helpful for facets of the industry.

Finally, continued, longitudinal analysis of changes in employee perceptions and experiences with tourism employers will be vital to managing labor force issues in the future.

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