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Retaining Management Talent:

What Hospitality Professionals
Want from Their Jobs

By Masako A. Taylor
and Kate Walsh, Ph.D.

RETAINING MANAGEMENT TALENT: WHAT HOSPITALITY PROFESSIONALS WANT FROM THEIR JOBS

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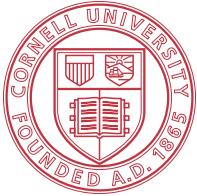
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RETAINING MANAGEMENT TALENT:

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ONE OF THE PRIMARY CHALLENGES THAT THE HOSPITALITY INDUSTRY CONTINUES TO FACE IS HIGH levels of turnover. With an eye toward finding ways for the industry to reduce unwanted turnover, we examine turnover intentions of one the most critical groups of employees: namely, management staff. Using a sample of 401 graduates of the Cornell University School of Hotel Administration (with graduation dates of 1987 through 2002), this study identifies the job features that enhance managers' commitment levels to their organizations and to the industry generally, as well as reduce their likelihood of leaving both. A key finding of this study is that these hospitality professionals are actively managing their careers. To that end, they are looking for challenging jobs that offer growth opportunities, competent leadership, and fair compensation. Foremost among those factors is the chance to gain career growth through increasingly challenging assignments. While a substantial number of respondents were motivated by external factors, such as compensation, most of the respondents find the greatest motivation from the internal aspects of the job, including the opportunity for personal and career growth and the chance to make a contribution to the organization. To the degree that those desired jobs features are in place, hospitality managers' commitment levels will rise. Managers' commitment to performing challenging work especially reduces their likelihood of leaving their companies and the industry.

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Retaining Management Talent:

What Hospitality Professionals Want from Their Jobs

By Masako S. Taylor and Kate Walsh, Ph.D.

There are several things I believe to be important in my career, such as contact with other people, growth opportunities, constant learning opportunities, and a good salary. My current job does not provide me most of these items. ...I'm currently looking for another job.

HUMAN-CAPITAL ISSUES, SPECIFICALLY TURNOVER, remain a priority in the global hospitality industry. In a survey of industry leaders from 25 countries, over 50 percent cited human-capital challenges—that is, recruiting, retaining, motivating, training, and developing the work force—as the problems that “keep them awake at night.”¹ Indeed, at 60 percent on average,² employee turnover is a thorny problem in hotels—one that most operators unfortunately accept as a “cost of doing business.”³ In a roundtable meeting of hospitality human-resources executives and faculty held at Cornell University, participants lamented not only the turnover challenge, but specifically the fact that many Cornell graduates were unwilling to remain in the industry for the requisite number of years to put their management training and financial skills to use in high-level positions.⁴ With a lack of a foreseeable career ladder, these employees were leaving their organizations within a year or two of their graduation. So, too, many women and men leave their jobs in their hospitality organizations simply because they cannot commit to the long hours and unpredictable schedules and at the same time maintain a satisfying family and personal life.

¹ C.A. Enz, “What Keeps You Up at Night? Key Issues of Concern for Lodging Managers,” *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 42, No. 4 (August 2001), pp. 38–45.

² B. A. Worcester, “The People Problem,” *Hotel & Motel Management*, Vol. 214, March 1999, p. 38.

³ M.A. Deery and R. Shaw, “An Investigation of the Relationship between Employee Turnover and Organizational Culture,” *Journal of Hospitality & Tourism Research*, Vol. 23 (1999), pp. 387–400; and R.D. Iverson and M.A. Deery, “Turnover Culture in the Hospitality Industry,” *Human Resource Management*, Vol. 7 (1997), pp. 71–82.

⁴ Cornell University Human Resources/Organizational Behavior Industry Roundtable, April 20, 2001.

In this report, we examine the challenge of retaining managerial talent, both in organizations and in the industry. Applying ideas from career and commitment theories to the results of a survey of managers who graduated from Cornell University’s School of Hotel Administration between 1987 and 2003, we identify the job features that keep “high value” management employees from leaving their organizations and the industry. Specifically, we examine (1) what job features are important

I need something challenging, and I need to work for people who recognize my effort. I don't necessarily need to be compensated monetarily. But I do need people to say “good job” a lot.

to these types of employees, and (2) how these features are related to employees’ commitment level to their organizations and to the industry. In addition, we examine the impact of commitment on employees’ intentions to leave their organizations or the industry. In doing so, we consider to what degree managers in the hospitality industry take charge of their careers, and we address what hospitality companies can do to retain their management talent.

This report has four sections. In the first section we review relevant literature to suggest which specific job features would enhance the commitment levels of hospitality managers. We then consider the impact of commit-

ment to these job features on the responding managers' turnover intentions. In the next two sections, we present the methodology used to explore these issues, along with the results of our research. We conclude with a discussion of the implications of our findings for leaders wishing to hold on to their managerial talent.

Turnover in the Hospitality Industry

Research suggests that turnover strongly affects both an industry's and an organization's success—and we believe that most practitioners would agree with that proposition. The ability of the industry to retain talented individuals influences its future leadership, direction, and growth. At the organization level, high levels of voluntary turnover interrupt the flow of business, damage the bottom line, and affect companies in three major ways.⁵ First, with the continuous change in front-line employees that high turnover brings, maintaining service quality (not to mention relationship-marketing programs) becomes a challenge. A great deal of an organization's implicit service-based knowledge resides in its employees. For example, specific and personalized knowledge about customers' preferences and habits may exist only in the minds of seasoned service employees. When those employees walk out the door, so does the company's valuable knowledge base.⁶ Second, turnover is expensive. The cost of losing one line-level employee is estimated at between \$1,300 and \$7,600,⁷ while the cost of managerial-level turnover is argued to be equivalent to the individual's annual base salary.⁸ Costs may

include wasted efforts in hiring and training and the additional time required by remaining staff to cover shifts. Finally, high turnover can harm employee morale. In a workplace that relies heavily on teamwork and commitment to service, high turnover and low morale can reduce employees' emotional and cognitive investments in their organizations. These sorts of investments are essential for the success of team and service-based organizations and can potentially be disastrous for those companies that require employees to professionally manage customer-based interactions.⁹

While most turnover in the hospitality industry occurs among nonexempt employees, the revolving door is also an issue for management talent. As we just indicated, the highest estimated costs of turnover are for employees who hold management positions.¹⁰ The reasons managers quit are different from why other employees voluntarily leave their organizations. Current thinking is that managerial turnover occurs because individuals no longer put their careers—and their career paths—in the hands of one employer in an exchange of job security for loyalty.¹¹ Instead, top-level employees proactively manage their careers and control their professional development by

⁵ T. Simons and T. Hinkin, "The Effect of Employee Turnover on Hotel Profits," *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 42, No. 4 (August 2001), pp. 65–69.

⁶ R.W. Coff, "Human Assets and Management Dilemmas: Coping with Hazards on the Road to Resource-based Theory," *Academy of Management Review*, Vol. 22 (1997), pp. 374–402.

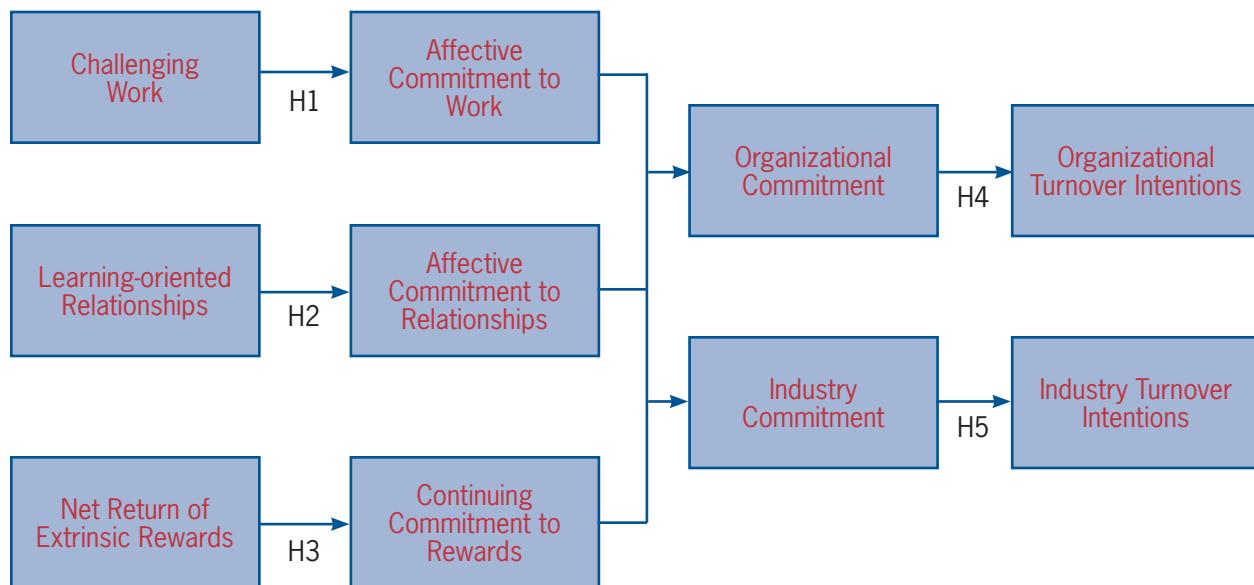
⁷ T. Hinkin and B. Tracey, "The Cost of Turnover," *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 41, No. 3 (June 2000), pp. 14–21.

⁸ M.C. Sturman, C.O. Trevor, J.W. Boudreau, and B. Gerhart, "Is It Worth It to Win the Talent War? Evaluating the Utility of Performance-Based Pay," *Personnel Psychology*, Vol. 56 (2003), pp. 997–1035.

⁹ Hinkin and Tracy, pp. 14–21; A. Hochschild, *The Managed Heart: Commercialization of Human Feeling* (Berkeley: University of California Press, 1983); J.L. Heskett, W.E. Sasser, and L.A. Schlesinger, *The Service Profit Chain* (New York: The Free Press, 1997); and B. Schneider and D.E. Bowen, *Winning the Service Game* (Boston: Harvard Business School Press, 1995).

¹⁰ Hinkin and Tracey, pp. 14–21; and Sturman et al., pp. 997–1035.

¹¹ D.T. Hall and P.H. Mirvis, "The New Protean Career: Psychological Success and the Path with a Heart," in *The Career Is Dead—Long Live the Career: A Relational Approach to Careers*, ed. D.T. Hall (San Francisco: Jossey-Bass, 1996), pp. 15–45; D.T. Hall and J.E. Moss, "The New Protean Career Contract: Helping Organizations and Employees Adapt," *Organizational Dynamics*, Winter 1998, pp. 22–37; V.M. Roehling, M.A. Cavanaugh, L.M. Moynihan, and W.R. Boswell, "The Nature of the New Employment Relationship: A Content Analysis of the Practitioner and Academic Literatures," *Human Resource Management*, Vol. 39 (2000), pp. 305–320; S.E. Sullivan, "The Changing Nature of Careers: A Research Agenda," *Journal of Management*, Vol. 25 (1999), pp. 457–484; and J.W. Tansky and D.J. Cohen, "The Relationship between Organizational Support, Employee Development, and Organizational Commitment: An Empirical Study," *Human Resource Development Quarterly*, Vol. 12 (2001), pp. 285–300.

EXHIBIT 1**Hypotheses relating to industry and organizational commitment and turnover**

Note: For a discussion of the hypotheses, see: H1, page 9; H2 and H3, page 10; and H4 and H5, page 11.
For results of hypothesis tests, see pages 24 through 26.

seeking out jobs and organizations that meet specific criteria that they define for themselves.¹²

The key issue that we investigate here is whether this idea of self-managed careers is relevant for hospitality managers. If they do take charge of their own careers, we wanted to determine how they do so. Recent research seems to suggest that, if nothing else, hospitality managers do not rely on their organizations for long-term employment. In a study of management turnover in the hotel industry, 86 percent of the managers who left their companies found employment with other organizations in the industry.¹³ Another study identified the so-called "hobo effect" of the hotel industry, whereby

seemingly satisfied employees leave their organizations to join other companies.¹⁴ We wanted to know what made those managerial employees leave their companies—and often the industry. Are these employees the ones whom hospitality organizations should work to retain? If so, how can organizations retain those employees and simultaneously protect the industry's future? We suggest that retention may be linked to specific job features that enable professionals to develop their careers "in-house." These features enhance individuals' organizational and industry commitment levels and reduce their turnover intentions. We next discuss our ideas, which are depicted in Exhibit 1.

¹² D.T. Hall, *Careers In and Out of Organizations* (Thousand Oaks, CA: Sage, 2002).

¹³ L.D. Stalcup and T.A. Pearson, "A Model of the Causes of Management Turnover in Hotels," *Journal of Hospitality & Tourism Research*, Vol. 25 (2001), pp. 17–30.

¹⁴ S.J. Hartman and A.C. Yrie, "Can the Hobo Phenomenon Help Explain Voluntary Turnover?" *International Journal of Contemporary Hospitality Management*, Vol. 8 (1996), pp. 11–16.

Organizational Commitment

Organizational commitment refers to the psychological attachment that employees develop toward membership in their organizations.¹⁵ There are two ways in which individuals can express their commitment.¹⁶ The first is affectively, or what we call becoming emotionally attached to an organization. Individuals who are emotionally committed are loyal to their organization; they identify with its goals and mission and even become willing to take on their companies' challenges as though those

The most important thing to me about my career is that I continually learn and improve. I like to be challenged, and I like to be surrounded by smart, experienced people from whom I can learn.

challenges were their own. Alternatively, individuals can be what we call calculatively committed, which means that they engage in a resource exchange with their organizations (i.e., they exchange a job well done for a competitive salary and benefits package). These individuals remain with their organizations because they

¹⁵ N.J. Allen and J.P. Meyer, "The Measurement and Antecedents of Affective, Continuance and Normative Commitment to the Organization," *Journal of Occupational Psychology*, Vol. 63 (1990), pp. 1-18; R.T. Mowday, R.M. Steers, and L.W. Porter, "The Measurement of Organizational Commitment," *Journal of Vocational Behavior*, Vol. 14 (1979), pp. 224-247; and C. O'Reilly III and J. Chatman, "Organization Commitment and Psychological Attachment: The Effects of Compliance, Identification, and Internalization on Prosocial Behavior," *Journal of Applied Psychology*, Vol. 71 (1986), pp. 492-499.

¹⁶ The multi-dimensional conceptualization of organizational commitment is based on the three-factor model found in: J.P. Meyer and N.J. Allen, "A Three-Component Conceptualization of Organizational Commitment," *Human Resource Management Review*, Vol. 1 (1991), pp. 61-89; and J.P. Meyer and N.J. Allen, *Commitment in the Workplace: Theory, Research and Application* (Thousand Oaks, CA: Sage, 1997).

find it too costly to leave. For example, individuals may be committed to stay with their companies because they have garnered seniority or a network of contacts that would be lost if they left. They may also be receiving benefits and perks that cannot be matched by other companies. Then again, individuals could be calculatively committed to their organizations because comparable jobs are not available with competing organizations. In a broader framework, individuals may also be simultaneously committed to membership in their profession or industry.¹⁷ The primary difference between the two forms of commitment is that those who are emotionally committed stay with their organizations because they *want* to, while those who are calculatively committed remain with their organizations because they *need* to.

While the term organization may refer to one of many different conceptual structures, researchers have suggested that differentiating among the features of work to which individuals are committed would be helpful to understand the effect of that commitment on such organizational outcomes as turnover intentions.¹⁸ For example, managers might be committed to their executive team, their job title, or the career track within their companies. If these features are present, they may be more inclined to remain with their current companies, as well as in the hospitality industry. Next, we discuss the job features that we believe support individuals' career development.

¹⁷ P.C. Morrow, "Concept Redundancy in Organizational Research: The Case of Work Commitment," *Academy of Management Review*, Vol. 8 (1983), pp. 486-500; and A.E. Reichers, "A Review and Reconceptualization of Organizational Commitment," *Academy of Management Review*, Vol. 10 (1985), pp. 265-476.

¹⁸ T.E. Becker, "Foci and Bases of Commitment: Are They Distinctions Worth Making?" *Academy of Management Journal*, Vol. 35 (1992), pp. 232-244; T.E. Becker, R.S. Billings, D.M. Eveleth, and N.L. Gilbert, "Foci and Bases of Employee Commitment: Implications for Job Performance," *Academy of Management Journal*, Vol. 39 (1996), pp. 464-482; S.D. Hunt and R.M. Morgan, "Organizational Commitment: One of Many Commitments or Key Mediating Construct?" *Academy of Management Journal*, Vol. 37 (1994), pp. 1568-1587; and M.A. Siders G. George, and R. Dhawadkar, "The Relationship of Internal and External Commitment Foci to Objective Job-performance Measures," *Academy of Management Journal*, Vol. 44 (2001), pp. 570-579.

Self-directed Careers

We suggest that a key to retaining high-value managers and developing their commitment levels is to understand the ways in which these employees manage their careers. Research on careers indicates that rather than rely on the organization, today's professionals are more likely to drive and define their own careers and to manage the path they take.¹⁹ As such, notions of being on a "fast track" or defined career path no longer hold. Instead of seeking job security (which many doubt exists), individuals work to develop portable skills.²⁰ Thus, individuals will seize jobs with organizations that provide opportunities to perform work that is meaningful to them.²¹ In that regard, it is not uncommon for these individuals to switch organizations and careers in search of these opportunities.²²

As a consequence, determining the components of "meaningful work" becomes essential. Research suggests that, in the context of managing their careers, individuals look for their companies to offer the following job features: intrinsically challenging work that provides individuals with opportunities to learn and grow;²³ learning-oriented relationships with colleagues, supervisors, and clients;²⁴ and valued extrinsic rewards in exchange for the work performed.²⁵ We briefly discuss each of those features.

¹⁹ P.H. Mirvis and D.T. Hall, "Psychological Success and the Boundaryless Career," *Journal of Organizational Behavior*, Vol. 15 (1994), pp. 365-380.

²⁰ Hall, *op.cit.*; S.E. Sullivan, W.A. Carden, and D.F. Martin, "Careers in the Next Millennium: Directions for Future Research," *Human Resource Management Review*, Vol. 8 (1998), pp. 165-185.

²¹ B.W. Altman and J.E. Post, "Beyond the Social Contract: An Analysis of the Executive View at Twenty-five Larger Companies," in *The Career Is Dead—Long Live the Career: A Relational Approach to Careers*, ed. D.T. Hall (San Francisco: Jossey-Bass, 1996), pp. 46-71.

²² P. Cappelli, "Career Jobs Are Dead," *California Management Review*, Vol. 42 (1999), pp. 146-167.

²³ Hall, *op.cit.*

²⁴ *Ibid.*; and K.E. Kram and D.T. Hall, "Mentoring in the Context of Diversity and Turbulence," in *Managing Diversity: Human-resource Strategies for Transforming the Workplace*, ed. E.E. Kossek and S.A. Lobel (Cambridge, MA: Blackwell, 1996), pp. 108-136.

²⁵ M.A. Cavanaugh and R.A. Noe, "Antecedents and Consequences of Relational Components of the New Psychological Contract," *Journal of Organizational Behavior*, Vol. 20 (1999), pp. 323-340; and Roehling *et al.*, pp. 305-320.

Challenging work. Intrinsically challenging work enables individuals to acquire and apply new knowledge and skills. This form of learning can be related either to the technical aspects or to the managerial aspects of a job. Individuals may acquire new knowledge and skills in a variety of ways—from participating in special-project groups to attending formal and informal training sessions, as well as

I am looking for challenge and change all the time. I never want to have a job that requires repetition of the same tasks day after day.

from opportunities to lead others and direct the department's activities. Individuals look to be continuously challenged from their work because it enables them to apply complex cognitive skills, such as problem solving, broad-picture visioning, and long- and short-range planning. Offering intrinsically challenging work can be a double-edged sword, however, because even as it adds value to an individual's skill base it increases the individual's marketability to the competition. We argue, however, that if individuals are continuously challenged and learning within their organizations, they actually become committed to this aspect of their jobs, their organizations, and the industry. This is because individuals will find their jobs meaningful, and they will want to continue employment with the organization and the industry that provide these opportunities. This logic leads to our first hypothesis:

Hypothesis #1: Individuals who are offered intrinsically challenging work will exhibit greater commitment to their organizations and to the industry. This effect occurs through individuals' becoming emotionally committed to their jobs.

Learning-oriented relationships. Learning-oriented relationships involve developing meaningful connections with others at work

such that individuals capitalize on acquiring new knowledge and skills.²⁶ Employees can form connections with other colleagues, superiors, subordinates, or clients. Yet those employees who form meaningful relationships learn more from interacting with these people than they would if they were performing their jobs single handedly. Relationships of this kind are built

I was looking for growth potential and the ability to learn within a highly motivated company...but now I'm looking for nothing from them.

on the notion that individuals learn best in dialogue with others and they provide opportunities for individuals to broaden their knowledge base, refine their skills, and obtain feedback on their performance. They are characterized by their reciprocity, meaning that both parties in the relationship contribute to the other's learning, while they remain open to examining ways in which they can change and grow.²⁷ Whether that reciprocity comes through creating a trusting relationship with a manager, subordinate, or client, we suggest that individuals who have developed learning-oriented relationships with others at work will be more committed to their jobs, their organizations, and the industry. This is because employees become loyal to the valued relationships and will want to continue employment with the organization and the industry that provide these opportunities. This rationale leads to our second hypothesis:

Hypothesis #2: Individuals who are offered opportunities to work with others from whom they can learn will exhibit greater commitment to their organizations

²⁶ J.K. Fletcher, "A Relational Approach to the Protean Worker," in *The Career Is Dead—Long Live the Career: A Relational Approach to Careers*, ed. D.T. Hall (San Francisco: Jossey-Bass, 1996), pp. 105–131; Hall, *op.cit.*; and Kram and Hall, pp. 108–136.

²⁷ Fletcher, pp. 105–131.

and to the industry. This effect occurs through individuals' becoming emotionally committed to these work relationships.

Net return of extrinsic rewards. In a reciprocal framework, individuals who self-manage their careers view their jobs as exchange relationships with their employers. Instead of accepting job security in return for loyalty to the organization, these employees trade their skills for salaries and benefits that are important to them.²⁸ Their mindset is a "fair day's work for a fair day's pay,"²⁹ and they look for organizations that offer the highest extrinsic net return in exchange for the work they do. Pay can include compensation, bonuses, insurance, flexible work schedules, and even status associated with working for the organization. Within this framework, these individuals view themselves almost as contingent "in-house temporary workers," meaning that their expectations for employment duration are undefined.³⁰ They continuously weigh the net return or costs and benefits associated with their job in their current organization against other potential opportunities. As long as individuals continue to receive the specific rewards that are valuable to them—in exchange for working hard and well—they will remain committed to receiving these rewards and committed to the organizations and industry that provide them. This logic leads to our next hypothesis:

Hypothesis #3: Individuals who are offered valued extrinsic rewards that provide the highest net return in exchange for the work they do will exhibit greater commitment to their organizations and to the industry. This effect occurs through individuals' becoming calculatively committed to these rewards.

²⁸ Cavanaugh and Noe, pp. 323–340; S.L. Robinson and D.M. Rousseau, "Violating the Psychological Contract: Not the Exception but the Norm," *Journal of Organizational Behavior*, Vol. 15 (1994), pp. 245–259; and Sullivan, pp. 457–484.)

²⁹ D.M. Rousseau and K.A. Wade-Benzoni, "Linking Strategy and Human Resource Practices: How Employee and Customer Contracts Are Created," *Human Resource Management*, Vol. 33 (1994), pp. 463–489.

³⁰ J. McLean-Parks, D. Kidder, and D.G. Gallagher, "Fitting Square Pegs into Round Holes: Mapping the Domain of Contingent Work Arrangements onto the Psychological Contract," *Journal of Organizational Behavior*, Vol. 19 (1998), pp. 697–730; and Sullivan *et al.*, pp. 165–185.

Self-directed Careers, Commitment, and Turnover Intentions

Given that hospitality managers may be self-managing their careers, the next question we consider is: how does commitment to the three job features that we just discussed drive individuals' turnover intentions? We have suggested that to the degree to which individuals are offered jobs that provide challenging work, opportunities to develop learning-oriented relationships, and the highest net return in exchange for the work performed, they will be more committed to these job features and their organizations. Building on these ideas, we argue that when individuals are more committed to these job features, they will be less inclined to want to leave their organizations. That is, when individuals are committed to the features just described, they will be less likely to search for opportunities at other organizations. Our ideas are similar to earlier research, which has shown that commitment to specific organizational factors is negatively related to individuals' turnover intentions.³¹ This rationale leads to our fourth hypothesis:

Hypothesis #4: To the degree that individuals are committed to intrinsically challenging work in the context of learning-oriented work relationships and to the highest net return of extrinsic rewards, they will be less likely to want to leave their organizations. This effect occurs through individuals' becoming committed to their organizations.

Finally, we also argue that if these job features are in place, individuals also will be less likely to leave the industry. If individuals can find satisfying work, such that they perceive adequate opportunities for advancing their careers, they will be more committed to the industry, and they will see less of a need to find opportunities in other industries. In other words, to the degree that individuals are more com-

³¹ For example, see: Siders, George, and Dhawadkar, pp. 570-579; and F. Stinglhamber and C. Vandenberghe, "Organizations and Supervisors as Sources of Support and Targets of Commitment: A Longitudinal Study," *Journal of Organizational Behavior*, Vol. 24 (2003), pp. 251-270.

mitted to job features in their organizations, they are less likely to want to leave the industry. This argument leads to our final hypothesis:

Hypothesis #5: To the degree that individuals are committed to challenging work, in the context of learning-oriented work relationships, and to the highest net return of extrinsic rewards, they will be less likely to want to leave the industry. This effect occurs through individuals' becoming committed to the industry.

We tested these hypotheses using a sample of alumni of Cornell University's School of Hotel Administration, as we discuss next.

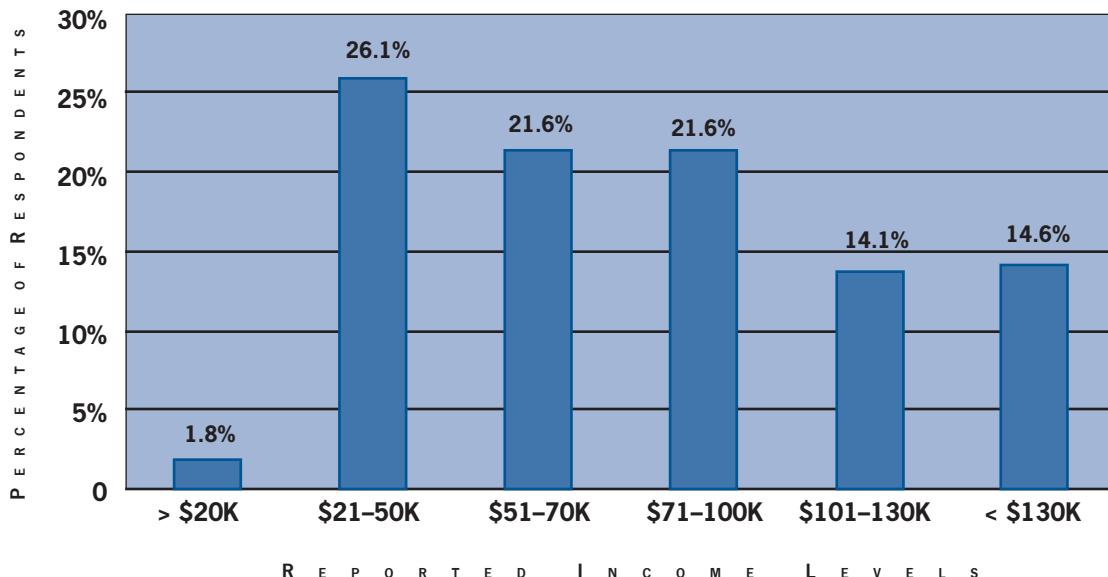
Methodology

Data for this study were collected in two waves using a web-based survey instrument. In October 2003 the first survey was sent to 2,951 Cornell University School of Hotel Administration alumni (from both the undergraduate and graduate programs), who graduated from 1987 through 2003. Within two weeks, we received

A job must be a specific and concrete work role, for a temporary phase in your career. The fundamental expectation is that each job contributes to the personal and social growth of an individual engaged in a career.

718 replies, reflecting a response rate of 24.3 percent. In January 2004, four months after the original survey date, we sent a follow-up survey to the 718 alumni who responded to the first survey. Of these 718 alumni, 401 responded, representing a response rate of 55.8 percent (or 13.6 percent of the original sample).

The survey comprised a number of scale items. We used a five-point Likert-type scale to measure the degree to which respondents believed that eight aspects of their jobs were challenging to them and to what degree those

EXHIBIT 2**Distribution of respondents' earning levels**

eight features were important to them.³² We included similar measures examining to what degree respondents' work relationships with their managers, subordinates, and clients were learning oriented.³³ We also examined the degree to which these features are important

³² Scales ranged from 1 = does not provide to 5 = completely provides and 1 = definitely not important to 5 = definitely important. These scales were adapted from one used and validated by: J. Kickul, "Promises Made, Promises Broken: An Exploration of Employee Attraction and Retention Practices in Small Business," *Journal of Small Business Management*, Vol. 39 (2001), pp. 320-335. The scales measure the degree to which organizations offer challenging work. Scale reliabilities are .88 for currently providing and .76 for importance.

³³ These scales were adaptations of one used and validated by: K.P. De Meuse, T.J. Bergmann, and S.W. Lester, "An Investigation of the Relational Component of the Psychological Contract across Time, Generation, and Employment Status," *Journal of Managerial Issues*, Vol. 13 (2001), pp. 102-114. Those scales measured the degree to which organizations offer opportunities to develop meaningful work relationships. Scale reliabilities are .94 for currently receiving opportunities from relationships with managers, .91 with subordinates, and .89 with clients; and .84 for importance of relationships with managers, .89 with subordinates, and .84 with clients.

to respondents. As a next step, we presented respondents with a list of thirteen different types of possible monetary and nonmonetary rewards and asked them to rate the importance of those items, in addition to their satisfaction levels in receiving them.³⁴ Monetary rewards included salary, bonus, insurance, and vacation; nonmonetary rewards included status and perks such as free dining, laundry service, or parking privileges that accompany affiliation with their job or company.

In addition to the above, also using a 1-to-5 scale, we asked respondents to rate the degree to which they agreed with the statements that their employers and managers were responsible for their career development.³⁵ Finally, we collected basic demographic data (i.e., age, gender, salary, job location, number of years

³⁴ Scale reliabilities for extrinsic rewards are .83 for currently receiving and .74 for importance.

³⁵ This scale was used and validated by Cavanaugh and Noe, pp. 323-340. Reliability is .71.

in current job, number of jobs since graduation, and number of companies since graduation) and asked respondents to indicate what was important to them about their career, in addition to what they were looking for from their current job, employer, and industry.

In the second survey we measured respondents' commitment levels to their jobs, work relationships (with their managers, subordinates, and clients) and the rewards they were currently receiving. We also measured respondents' overall commitment to their organizations and the industry, as well as their turnover intentions for both their companies and the industry.³⁶ If respondents reported that they were no longer working in the hospitality industry (or had never worked there), we asked them to indicate why they chose other forms of work. In addition, we asked them to identify their work status (that is, full-time, part-time, employed by company, self-employed, contractual employee) and to indicate whether that status had changed since they completed the previous survey.

We analyzed the data using the SPSS statistical software program. First, we determined the reliability of the scale measures. Once scale items were checked, we calculated an overall mean for each variable and tested our hypotheses using multiple regression. Finally, we content analyzed our open-ended questions, looking for specific common categories of answers that emerged from the data. These categories were used to create overarching themes, as we discuss later.³⁷

³⁶ Emotional commitment to the job and work relationships was measured adapting Meyer and Allen's affective commitment scale (reliability is .76 for job, .90 for manager, .97 for subordinates, and .96 for clients; see: Meyer and Allen, *op.cit.*). Commitment to rewards was measured adapting Meyer and Allen's continuance commitment scale (reliability is .83). Overall organizational commitment was measured using a scale modified from Mowday *et al.* (scale reliability is .93). Industry commitment was measured using a modified version of Blau's scale (reliability is .81). See: Mowday *et al.*, *op. cit.* Organization and industry turnover intentions were measured using Becker's scale (see: Becker, pp. 232-244; reliabilities are .89 for organization turnover intentions and .88 for industry turnover intentions).

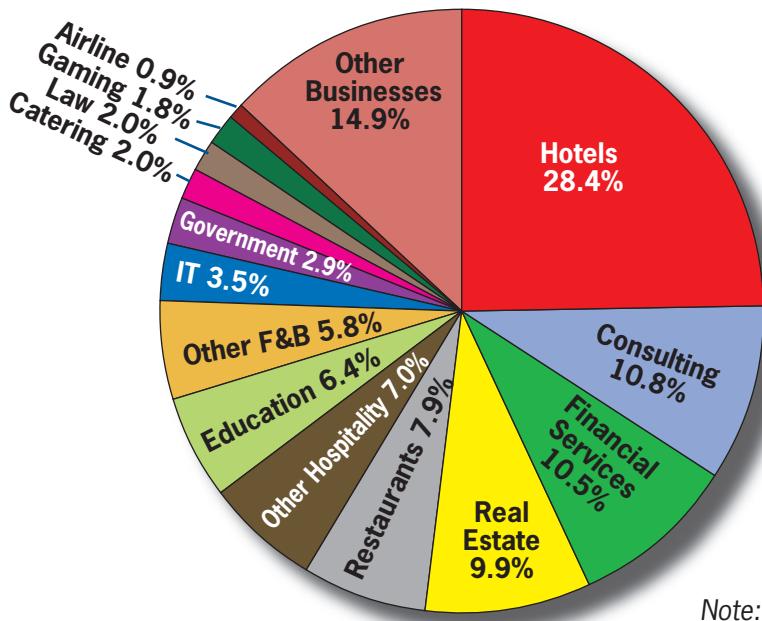
³⁷ Content analysis was performed using the approach outlined by: M.B. Miles and A.M. Huberman, *Qualitative Data Analysis: An Expanded Sourcebook* (London: Sage, 1984).

Results

The final sample consists of the 401 graduates who responded to both surveys. Of these, 341 (84%) live in the U.S. and Canada, 29 (7.2%) live in Asia and the South Pacific, 26 (6.5%) live in Europe, and five (1.2%) live in South America and Mexico. The average age of respondents is 31.6 years old, and 50.3 percent

[I am looking for] support and assistance in moving me to the places and positions I need or want to go so I can achieve my career goals.

are male. The mean year of graduation is 1994, and the median is 1997. Earning levels vary widely; 43 percent of respondents reported earning between US\$51,000 and \$100,000, 14 percent reported earning between \$100,000 and \$130,000, and 14 percent reported earning over \$130,000 (see Exhibit 2). Of the 401 respondents, 125 (31%) hold a master's or J.D. degree, and 10 (2.5%) hold a Ph.D. Close to 54 percent of the respondents work directly in the hospitality industry, and an additional 31 percent work in support and ancillary industries such as real estate, consulting, financial services, IT, and law. Just 15 percent identified their industry as "other" (see Exhibit 3, on the next page). Two hundred four (51%) are employed by an organization, 34 (8.5%) are self-employed, 11 (3%) work on a contractual basis for their company, and six (1.5%) report being unemployed. On average, respondents have been working for their current employer for 3.8 years—in 2.5 different jobs—and have been in their current job for 2.6 years. Since graduation, they have worked an average of four jobs for three different companies. However, there are some respondents who skewed the data with a high number of jobs since graduation. The median number of companies worked since graduation is two, and most respondents have held only one job since joining

EXHIBIT 3**Respondents' industry segment**

Note: Based on 342 responses.

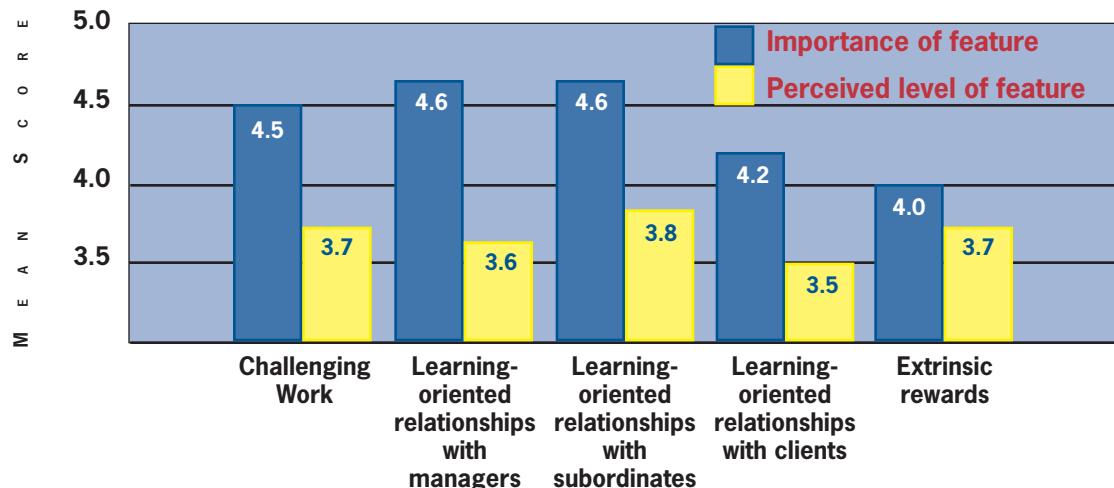
their company. Since completing the first survey four months prior, 86 (21.4%) respondents indicated that their job status had changed.

Important Work Features and Job Satisfaction

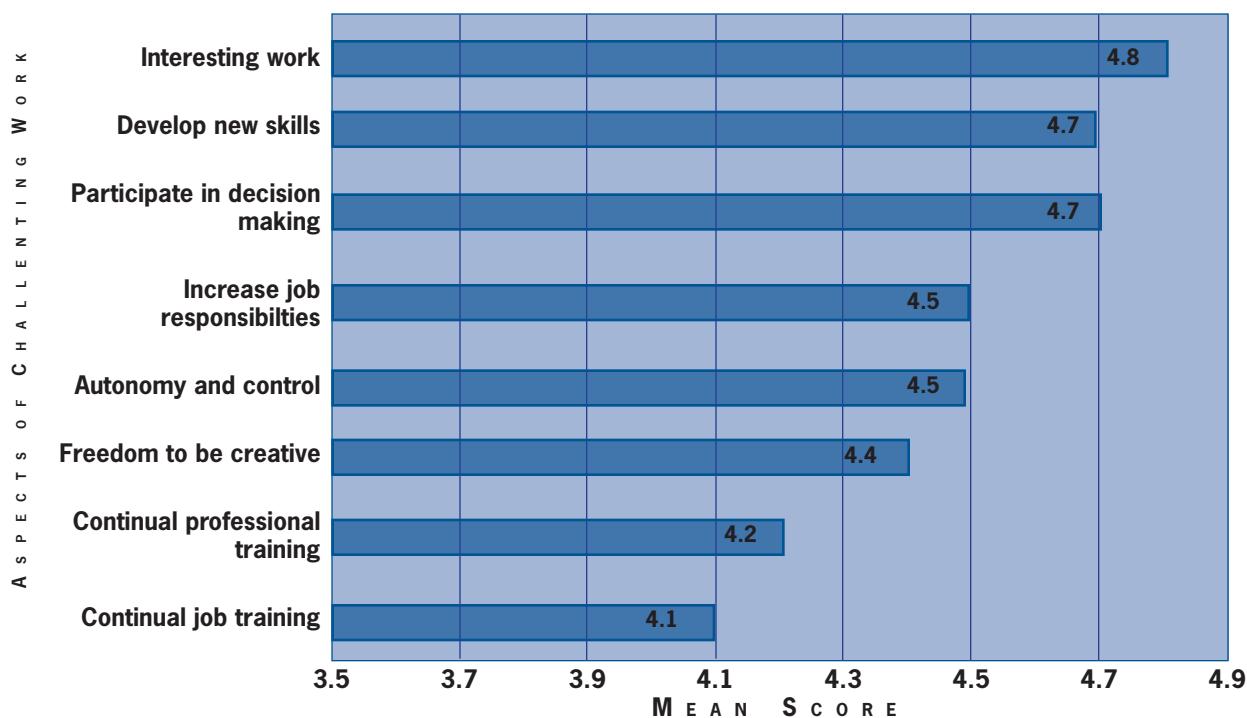
When asked to rate the features of work important to them, respondents focused more on the intrinsic aspects of their jobs than on extrinsic rewards. Exhibit 4 shows that respondents assign a high value to challenging work (mean score 4.5) and learning-oriented relationships with managers and subordinates (both 4.6; all scores are on the 5-point scale).³⁹ They assigned slightly lower importance scores to learning-oriented relationships with clients (4.2) and extrinsic rewards (4.0).

³⁸The results reported in the following analyses all represent statistically significant differences ($p < .05$) in mean scores.

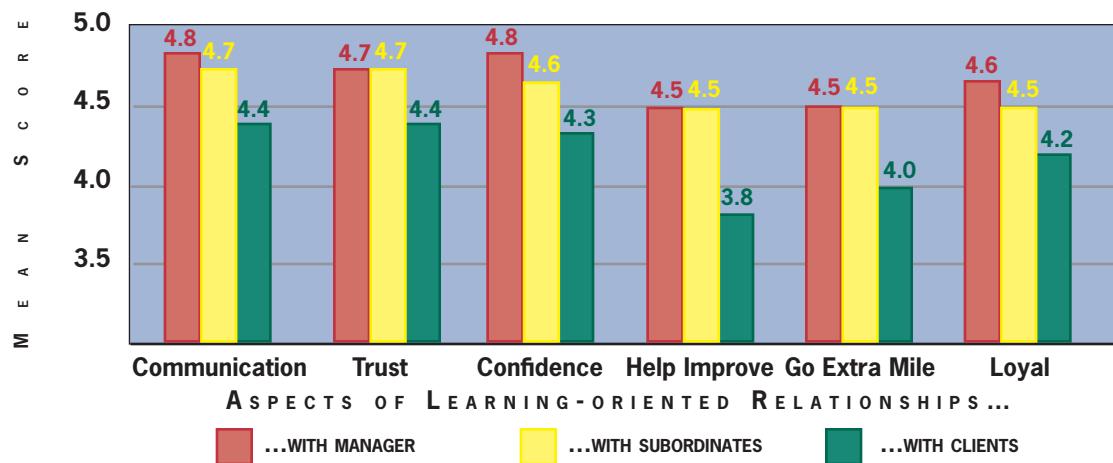
We asked respondents to rate both the importance of each feature and the degree to which their current job provides that feature, with the results also shown in Exhibit 4. We found what we considered to be a remarkable degree of disconnect between these two measures. The largest difference (0.8) was between the importance of having challenging job responsibilities and the degree to which the respondents' current job offers such challenges (4.5 versus 3.7). A similar disconnect occurred between the importance of learning-oriented relationships and the degree to which they exist (4.4 when relationships with managers, subordinates, and clients are averaged, versus an average of 3.7). Interestingly, the difference between the degree to which rewards were important to respondents and the level of rewards in their current job was much smaller, at 0.3 (4.0 versus 3.7). In other words, there is a sig-

EXHIBIT 4**Importance and current level of job features**

Note: Importance scores are based on five-point Likert-type scales in which 1 = unimportant and 5 = very important; for current level, the scale is 1 = very low and 5 = very high.

EXHIBIT 5**Features important to challenging work**

Note: Scores are based on five-point Likert-type scales in which 1 = unimportant and 5 = very important.

EXHIBIT 6**Importance of aspects of learning-oriented relationships**

Note: Scores are based on five-point Likert-type scales in which 1 = unimportant and 5 = very important.

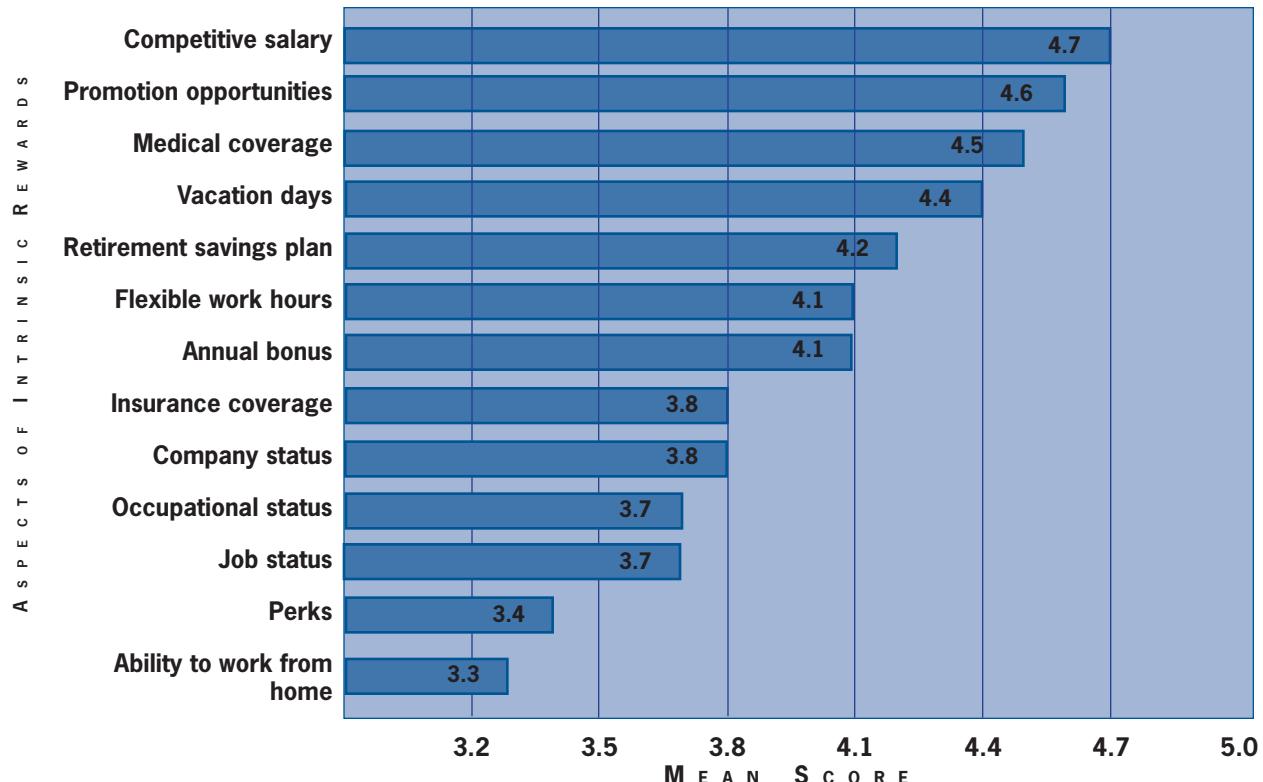
nificant gap between what respondents value and what organizations offer, but that does not involve the level of extrinsic rewards, as many would think. Rather, the gap between what's important and what the job delivers occurs with the intrinsic aspects of individuals' jobs.

To break the results down further, when we examined the components (i.e., scale items) of each feature, specific findings emerged. Exhibit 5 (previous page) shows that the most important features of challenging work are that it be interesting (mean score 4.8) and provide individuals with the opportunities to develop new skills (4.7), as well as participate in decision making (4.7). On the other hand, job training (4.1) and professional training (4.2) were rated among the lowest components. This may suggest that while individuals value learning in their job, the kind of learning that they seek is the kind that occurs through actual work experience and not through formal job training. In other words, individuals are looking for a type of job that allows them to be continuously chal-

lenged, as opposed to learning through discrete, isolated training and development activities.

When asked about learning-oriented relationships, respondents rated communicating openly, trusting one another, and having confidence in the other's ability (all 4.6) as most important to their work relationships. Interestingly, helping one another to improve was rated the lowest in terms of overall importance (4.3). The critical relationships are those with managers or superiors. In those relationships, communicating openly (4.8), having confidence in these relationships (4.8) and trusting one another (4.7) were rated as most important (see Exhibit 6). In relationships with subordinates the scores were 4.7 for communicating openly, 4.6 for confidence, and 4.7 for trusting one another. Those three factors drew even lower importance ratings in relationships with clients (4.4 for open communication, 4.3 for confidence, and 4.4 for trust).

When asked about rewards, the most important feature for respondents was, not sur-

EXHIBIT 7**Importance of extrinsic rewards**

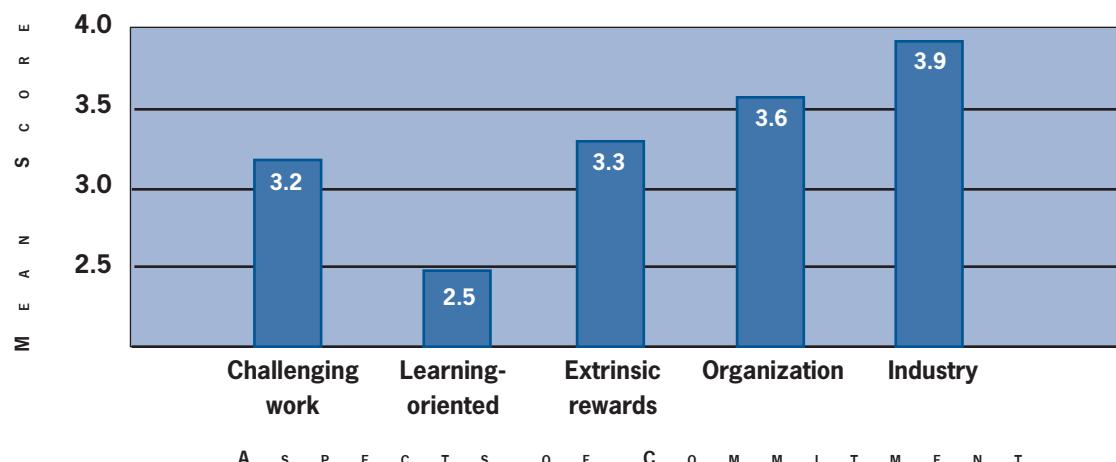
Note: Scores are based on five-point Likert-type scales in which 1 = unimportant and 5 = very important.

prisingly, compensation (4.7). Yet, interestingly, the second-most-important feature was promotion opportunities (4.6) and, following that, health insurance (4.5) and retirement savings plans (4.4). As Exhibit 7 indicates, respondents clearly value payment-based rewards over status and perks. While it is obvious that money is highly valued, it may also be the case that the individuals are less interested in non-portable rewards that are relevant only within their own organizations. For example, rather than receive a private parking space or dining

privileges, individuals value more the payment-based rewards that reflect their work's value.

How Committed Are Industry Professionals?

To determine the job features to which individuals are most committed, we compared results for challenging work, learning-oriented relationships, and rewards. Results indicated that employees are most committed to their extrinsic reward levels (3.3) and having challenging job

EXHIBIT 8**Commitment to job features**

Note: Scores are based on five-point Likert-type scales in which 1 = unimportant and 5 = very important.

responsibilities (3.2). Commitment to learning-oriented relationships was significantly lower, at 2.5. It is interesting to see that while respondents report that rewards are not as important to them as having challenging work and learning-oriented relationships, they are, nevertheless, committed to receiving rewards (see Exhibit 8).

In addition to examining features of the job, we compared respondents' commitment levels to the organization and industry and found that overall, respondents are more committed to the industry (3.9) than to their organizations (3.6). Turnover intentions were slightly higher for the organization, at 2.4, than for the industry at 2.1 (where 5 equals strong agreement with statements about intentions to leave).

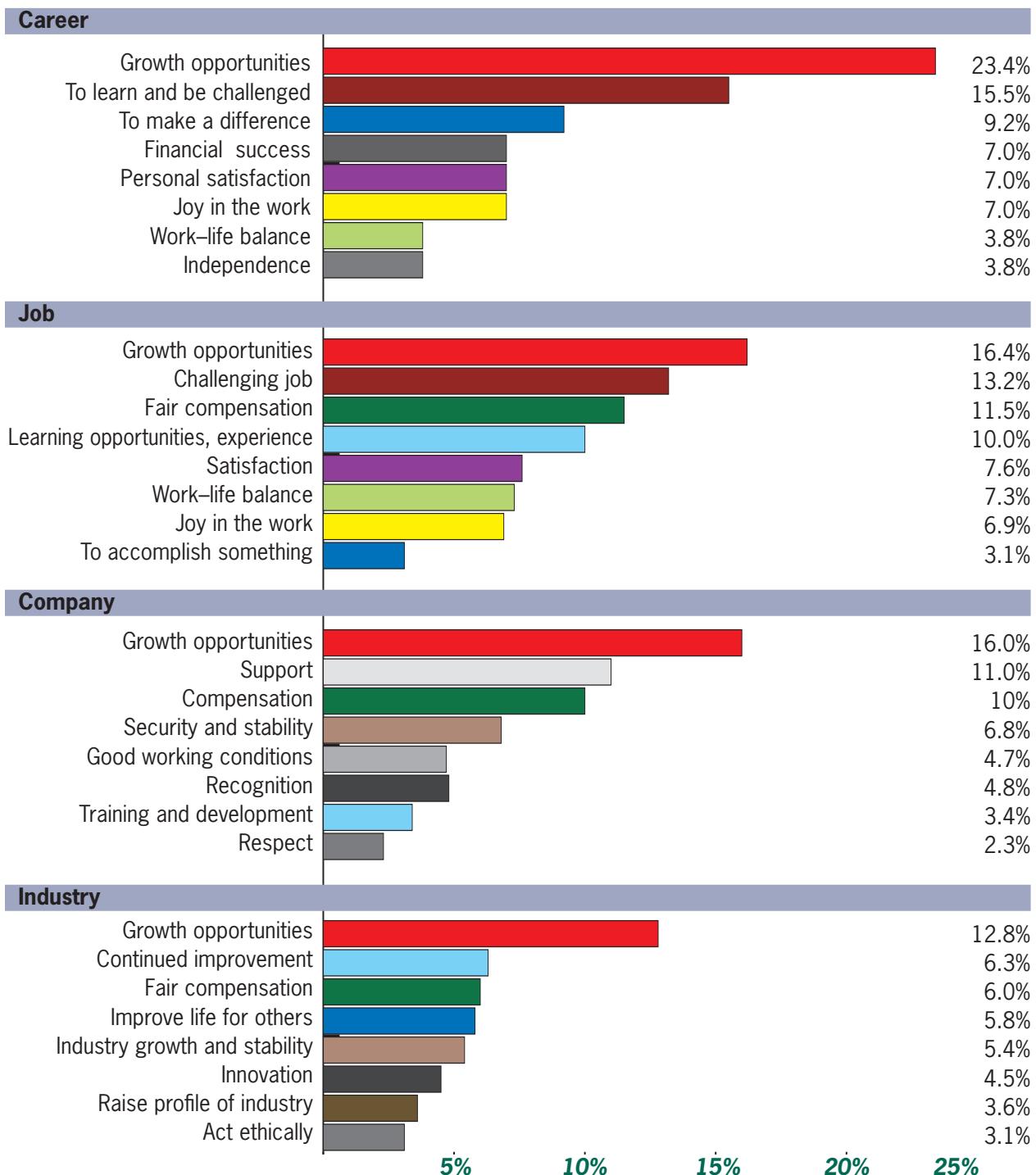
These findings support the idea that hospitality professionals are actively managing their careers. In fact, when we asked respondents to rate the degree to which they agreed with the statements that their employers and managers were responsible for their career development, results were lukewarm. The mean score for agreement that employers are responsible is 3.0, and the mean score for managers is 2.7. These results suggest that hospitality professionals be-

lieve that they are controlling their own future and are looking for their employers to provide the opportunities and support for them to do so.

What Do Industry Professionals Have to Say?

A review of the qualitative findings confirmed the survey results. We report these findings from the open-ended questions presented in the first survey. Consequently, the number of respondents varies by question, representing those who provided answers to a particular question. Exhibit 9 summarizes the themes from these questions.

When asked what was important to them about their careers, respondents focused most on obtaining growth opportunities (130 out of 555 responses, representing 23.4 percent of those who responded to this question). In a similar manner, 86 respondents (15.5%) reported constantly needing to learn and be challenged in the work they do. Some quotes that represent these themes include: "[It is important that I am] doing interesting work in an industry I care about...building the foundation for continued growth and development for any

EXHIBIT 9***What respondents want from the workplace***

Note: We report themes represented by 2 percent or more of the sample. Totals do not equal 100 percent due to the varied responses. Reported themes represent $\frac{3}{4}$ of respondents' answers for what they are looking for from their careers and jobs and approximately $\frac{1}{2}$ of respondents' answers for what they are looking for from their company and industry.

of a number of career paths I may choose"; and "The most important thing to me about my career is that I continually learn and improve. I like to be challenged, and I like to be surrounded by smart, experienced people from whom I can learn." Other prominent themes included making a difference (55 responses, or 9.2 percent of those responding),

My company needs to support me and fellow employees. They need to take care of employees with good benefits and competitive compensation.

obtaining financial success (43, or 7.7%), obtaining personal satisfaction from their careers (40, or 7.2%), and finding joy in their work (also 40), as well as achieving a satisfying work-life balance (21, or 3.8%) and maintaining independence (also 21). A sample of quotes from the open-ended questions is provided in Exhibit 10 and throughout this report.

Similar findings emerged from content analysis of answers to the question, "What are you looking for from your job?" Once again the most prominent answer was having opportunities for growth and development (86, or 16.4 percent of the 523 answering this question). As one respondent mentioned, "A job must be a specific and concrete work role, for a temporary phase in your career. The fundamental expectation is that each job contributes to the personal and social growth of an individual engaged in a career." Another said, "It should be the stepping stone for bigger and better opportunities." A second prominent and related theme was finding jobs that are challenging (69, or 13.2%). As one respondent mentioned, "I am looking for challenge and change all the time. I never want to have a job that requires repetition of the same tasks day after day." A second re-

spondent stated: "[I am looking for] the opportunity to be constantly challenged while being supported by a manager who believes in constant growth for employees and the business." In addition, respondents reported that they are looking for recognition in terms of a fair salary for their work or enough compensation to provide for their families and "make a decent living" (60, or 11.5%). An additional 52 (10%) discussed looking for learning opportunities and experience from their jobs. As one respondent pointed out, "[I am looking] to learn as much as I can so I can move onto a better job with more responsibility." Other themes that emerged include finding satisfaction from the work itself (40, or 7.6%), achieving a work-life balance (38, or 7.3%), finding joy in the work (36, or 6.9%), and having jobs where respondents can accomplish something important to them (16, or 3.1%). The following quote summarizes the high expectations respondents have from their jobs: "To be appreciated, to learn from it, to enjoy it, to feel that it matters."

When asked what they are looking for from their employers, the prominent themes were that employers provide opportunities (90, or 16 percent of the 562 who answered this question), support (62, or 11%), and compensation (59, or 10.5%). As one respondent commented: "[I am looking for] support and assistance in moving me to the places and positions I need or want to go so I can achieve my ultimate career goals." A second respondent wrote: "I am looking for my company to help nurture all of my needs through their own vision. In other words, I should not have to leave my company to get what I want out of my career." On a more cautionary note, a third reported: "I was looking for growth potential and the ability to learn within a highly motivated company...but now I'm looking for nothing from them." Other representative comments from respondents include the following: "I am looking for a company that understands that employees are the number-one asset—and this is reflected in their salary, benefits, perks, vacation and sick time, etc." and "My company needs to support me

Sample quotes from responding managers

What Is Important about Their Careers...

Continuous opportunities for advancement, ability to retire at a reasonable time in my life, always learning something.

That I am doing something challenging and making a significant contribution.

Currently, being out of college for two years, the most important aspect of my career is the opportunity to have exposure to numerous industries, variety of deals, clients, markets, etc. Any and all exposure assists me in developing my career path.

Working in a growing, challenging, and dynamic industry where you can continually make interesting changes and see continued improvement in your company, sales, staff, service, etc.

Doing interesting work in an industry I care about. Building the foundation for continued growth and development for any of a number of career paths I may choose.

The following are some of the aspects I consider important: fulfilling and challenging tasks, having goals with a stretch, adequate rewards for due completion on tasks, and the opportunity to constantly develop and enhance new and current skills.

The most important thing to me about my career is that I continually learn and improve. I like to be challenged, and I like to be surrounded by smart, experienced people from whom I can learn. Being able to trust my co-workers and work well together as a team is very important to me.

What They Want from Their Companies...

An environment that fosters growth, teamwork, and an emphasis on staff retention and training rather than staff burn-out and re-hiring. Appropriate compensation. Strong policies and support for difficult decisions made in accordance with those policies.

Recognition, opportunities to learn and improve my skills, good leadership.

Acknowledgment for a job well-done, decent compensation, understanding of family demands and commitments, assistance with career development and direction.

The opportunity to develop—personally and professionally—a competitive salary, guidance, and recognition for my work.

Recognition when I do a good job; career advancement as well.

I need an employer who will provide the training to increase my skills and guide me on my career path. My employer needs to trust in my abilities and give me the freedom to work with my own ideas.

Stability in hours. An employer willing to recognize the worth of hard-working individuals and who views promotion as a means to greater responsibility and delegation, not as a means to make that person do more work. Employers should never be allowed to hire persons with multiple skills [to assign them] the work normally assigned to three or four positions. People should never be worked like cattle simply to meet the employer's profit goals.

What They Want from Their Jobs...

The opportunity to be constantly challenged while being supported by a manager who believes in constant growth for employees and the business.

Challenging work and an opportunity to expand my current knowledge and skills.

To be in a job where I can learn a lot and improve my skills. I am the type of person who likes to be challenged. Working in a team with a good team spirit is also very important to me.

It should be the stepping stone for bigger and better opportunities. I expect to be challenged and given the right support to succeed.

To be challenged; to learn and progress; increased responsibility and with that, increased compensation. To have a strong foundation in what I do and always take that with me going forward.

Freedom for creativity, trust, and friendly environment. Salary is important, too, but if the opportunity is good, it's not the top thing on my list.

To continue to add to my track record of success. To give me more and more rounded food-service experience that makes me more marketable.

What They Want from the Industry...

To challenge me to continue learning, be more creative, find new solutions, and present growth opportunities along the way. I want for the hospitality industry to continue to be seen in a favorable light, and I hope to always be valued member.

An environment in which I can contribute and make a difference.

I wish that the understanding of working in the industry was a little different. It is currently highly accepted for hotel managers to work 12 hours day and either not have or to neglect their families. I wish there could be a refocused effort to make careers and personal lives balanced in this industry.

[Opportunity] to concentrate broader aspects of my career and talents into a smaller niche, thus making me even more valuable.

Fair hours and compensation. Overall, the hospitality industry is at a far lower salary than comparable jobs, with typically longer hours. This industry is going to continually lose good people because they are better compensated in other industries.

To have the chance to keep evolving and getting to the point where I am able to contribute to that evolution.

More quality leadership. Much higher levels of intelligence at all levels. Willingness to move from past operating patterns to consider new tools and methods. More diversity!!!!!!

and fellow employees. They need to take care of employees with good benefits and competitive compensation.” Many respondents’ viewpoints are reflected in this comment: “[I am looking for] an employer willing to recognize the worth of hard-working individuals and who views promotion as a means to greater responsibility and delegation—not as a means to make that person do more work.” Other themes that emerged from the data include providing security and stability (38, or 6.8%), a good working and learning environment (28, or 5%), recognition (27, or 4.8%), training and development (19, or 3.4%), and respect (13, or 2.3%).

Finally, when asked what they are looking for from their industry, the overall themes were that the industry provides personal growth opportunities (57, or 12.8 percent of the 447 who responded to this question), continued improvement (28, or 6.3%), and industry growth and stability (24, or 5.4%). In addition, respondents are looking for the hospitality industry to offer fair compensation (27, or 6%), to serve a higher purpose, such as improve life for others (26, or 5.8%), and to be innovative

working in the industry was a little different. It is currently highly accepted for hotel managers to work 12 hours a day and not have or neglect their families. I wish there could be a refocused effort to make careers and personal lives balanced in this industry.” Others focused on improving the image of the industry and the way it works. One respondent commented: “[I am looking for the industry to be] raising the profile of those who work in it, ...changing the perception that what we do is not real business.” Another respondent stated: “I am looking for an industry that continues to make advances and changes”; and a third wrote: “To always be open to new ideas—the hotel industry is an old one, and most hotel operations are not always open to new ways of doing things.”

Having examined the respondents’ comments about the hospitality industry, we now examine how the respondents’ attitudes and commitment levels relate to turnover intentions, by testing our hypotheses.

Which Job Features Affect Organizational and Industry Commitment?

H1. The first hypothesis predicted that if individuals were offered intrinsically challenging work, they would exhibit greater commitment to their organizations. A similar effect would occur for industry commitment. The results of the multiple regression analysis supported this hypothesis.³⁹ The more the individuals perceive their jobs to include challenging work, the more they are committed to their

I should not have to leave my company to get what I want out of my career.

(20, or 4.5%). Raising the profile of the industry (16, or 3.6%) and acting with integrity and strong ethics (14, or 3.1%) were also mentioned. Summarizing the chief industry problem that prompted this study, one respondent commented: “Due to the less-competitive salary base as well as the long required hours of work, I do not believe the system retains talented individuals for a long period of time. Many have left the industry because it simply ‘pays better’ outside the hotel industry.” Another commented, “I wish that the understanding of

³⁹ The equation yielded significant ($p < .001$) beta coefficients of .65 for organizational commitment regressed on emotional commitment to challenging work and .15 for the regression on the degree to which the current job has challenging work. The R-square for the equation was .52 and the F-statistic was 204.64 ($p < .001$). Using the Baron and Kenney method, we tested for and found that emotional commitment to challenging work partially mediates the relationship between challenging work and organizational commitment. When the mediator variable was included, the beta coefficient dropped from .40 to .15 but the significance level did not change. (See: R.M. Baron and D.A. Kenny, “The Moderator-Mediator Variable Distinction in Social Psychological Research: Conceptual, Strategic, and Statistical Considerations,” *Journal of Personality and Social Psychology*, Vol. 51 (1986), pp. 1173–1182.)

organizations. This statistically significant relationship partially exists because individuals become emotionally committed to this feature of their jobs and, as a result, their organizations. The presence of challenging work influences industry commitment in a similar way, albeit with less predictive power.⁴⁰

H2. The second hypothesis proposed that a positive relationship exists between the presence of learning-oriented work relationships and commitment to the organization, as well as to the industry. Results suggested that, indeed, this relationship exists—but only for relationships with bosses or managers.⁴¹ The presence of these types of learning-oriented relationships both directly and indirectly (through emotional commitment to this job feature) affects individuals' organizational-commitment levels. So, too, the presence of learning-oriented relationships with managers directly affects industry commitment levels (but again with much less predictive power).⁴²

H3. The third hypothesis was that if individuals are satisfied with the net return of

rewards in exchange for their work, they will exhibit greater commitment to their organizations. This hypothesis was also supported.⁴³ The difference in this result, however, is that the effect of the current net return of rewards on organizational-commitment levels is direct and does not happen through commitment to

I am looking for an industry that continues to make advances and changes.

the rewards themselves. We also predicted that to the degree that respondents were satisfied with their net return of rewards, they would be more committed to the industry. This hypothesis was also supported. Once again, the impact on industry commitment is direct.⁴⁴ The effect of receiving an extrinsic net return of rewards is much stronger for industry commitment than for organizational commitment.

Taken together, our results suggest that all three job features influence employees' organizational-commitment and industry-commitment levels, both directly and indirectly through commitment to the job's features. The job feature that most strongly affects commitment to the organization is performing challenging work, while the feature that most strongly drives commitment to the industry is obtaining a net return of rewards. Having man-

⁴⁰ The equation yielded significant ($p < .001$) beta coefficients of .28 for **industry** commitment regressed on emotional commitment to challenging work and .20 for the regression on the degree to which the current job has challenging work. The R-square for the equation was .16 and the F-statistic was 36.42 ($p < .001$). Again using the Baron and Kenney method (*Ibid.*), we tested for and found that emotional commitment to challenging work partially mediates the relationship between challenging work and organizational commitment. When the mediator variable was included, the beta coefficient dropped from .31 to .20 but the significance level did not change.

⁴¹ The equation yielded significant beta coefficients of .42 ($p < .001$) for **organizational** commitment regressed on emotional commitment to learning-oriented relationships and .18 ($p < .05$) for the regression on the degree to which the current job has learning-oriented relationships with managers. The R-square for the equation was .25 and the F-statistic was 25.51 ($p < .001$). Again applying the Baron and Kenney method (*Ibid.*), we tested for and found that emotional commitment to work relationships partially mediates the relationship between current level of learning-oriented relationships with managers and organizational commitment. When the mediator variable was included, the beta coefficient dropped from .30 to .18 and the significance level dropped from $p < .001$ to $p < .05$.

⁴² The equation yielded a significant beta coefficient of .16 ($p < .01$) for **industry** commitment regressed on degree current job has learning-oriented relationships with managers. The R-square for the equation was .03 and the F-statistic was 9.0 ($p < .01$). Using the Baron and Kenney method (*Ibid.*), we tested for and found that emotional commitment to work relationships does not mediate the relationship.

⁴³ The equation yielded a significant beta coefficient of .20 ($p < .01$) for **organizational** commitment regressed on net return of current rewards. The R-square for the equation was .04 and the F-statistic was 3.74 ($p < .05$). Using the Baron and Kenney (*Ibid.*) method, we tested for and found that calculative commitment to rewards does not mediate the relationship between current level of rewards and organizational commitment.

⁴⁴ The equation yielded a significant beta coefficient of .32 ($p < .001$) for **industry** commitment regressed on net return of current rewards. The R-square for the equation was .10 and the F-statistic was 19.68 ($p < .001$). Using the Baron and Kenney (*Ibid.*) method, we tested for and found that calculative commitment to rewards does not mediate the relationship.

agers from whom individuals can learn also strongly affects organizational commitment.

Which Types of Commitment Affect Company-turnover Intentions?

H4. We next examined the impact of commitment to each of these job features on turnover intentions. The results provide partial support for our fourth hypothesis, which predicts that commitment to these features would drive turnover intentions.⁴⁵ The results indicate that

I need to be in a job where I can learn a lot and improve my skills. I am a person who likes to be challenged. Working in a team with a good team spirit is also very important to me.

commitment to challenging work is the strongest negative, significant predictor of turnover intentions. This is partially a consequence of organizational-commitment levels. That is, the more respondents find their jobs to include work that challenges them, the more likely it is that they will be committed to their organization and the less likely that they will want to leave it. That said, commitment to receiving a net return of rewards is a positive predictor of

turnover intentions, although not as strong as challenging work. The more committed respondents are to receiving a net return of extrinsic rewards, the more likely it is that they intend to leave the company for better offers—given that other organizations can meet or exceed the extrinsic rewards offered in a particular workplace. Commitment to learning-oriented relationships was a weak, positive predictor of turnover intentions ($Beta = .08, p < .10$).

These results suggest that employees who are more committed to challenging job responsibilities and to their organizations are less likely to leave the current employer, while employees who are more committed to their net return of rewards are more likely to leave. In addition, contrary to our expectations, employees' commitment to learning-oriented relationships has only a weak influence over their willingness to leave the employer.

Which Types of Commitment Influence Industry-turnover Intentions?

H5. Finally, we examined the fifth hypothesis, which predicted that commitment to the three job features would influence respondents' intention to leave the industry altogether. We proposed that such commitment would strengthen the individual's allegiance to the industry. This hypothesis was partially supported.⁴⁶ Results indicated that the sole—and negative—predictor in this regard was having challenging work. This job feature directly affects industry turnover and also indirectly affects it via commitment to the industry. That is,

⁴⁵ The equation yielded significant beta coefficients of -.36 for organizational turnover intentions regressed on emotional commitment to challenging work, .18 for calculative commitment to net return of rewards, and -.34 for organizational commitment (all $p < .001$). Emotional commitment to learning-oriented relationships was not a significant predictor. The R-square for the equation was .36 and the F-statistic was 52.01 ($p < .001$). Using the Baron and Kenney (*Ibid.*) method, we tested for and found that organizational commitment partially mediates the relationship between commitment to meaningful work and organizational turnover intentions. When the mediator variable was included, the beta coefficient dropped from -.58 to -.36 but the significance level did not change.

⁴⁶ The equation yielded significant beta coefficients of -.28 for industry turnover intentions regressed on emotional commitment to challenging work and -.46 for a regression on industry commitment (both $p < .001$). Emotional commitment to learning-oriented relationships and calculative commitment to net return of rewards were not significant predictors. The R-square for the equation was .36 and the F-statistic was 50.53 ($p < .001$). Using the Baron and Kenney (*Ibid.*) method, we tested for and found that industry commitment partially mediates the relationship between commitment to challenging work and industry turnover intentions. When the mediator variable was included, the beta coefficient dropped from -.45 to -.28 but the significance level did not change.

to the degree that individuals find their jobs to include challenging work, they are more likely to develop a sense of commitment to the industry and be less inclined to want to leave it to pursue other opportunities. Commitment to work relationships was not a significant predictor, and commitment to rewards was a weak, positive predictor ($\text{Beta} = .079$, $p < .10$).

When we asked respondents why they left the industry—or never entered it upon graduating—83 of the 401 respondents (21.4%) offered a reply. Twenty-seven (one-third) indicated that they were interested in other types of work—often work that they found to be more challenging and stimulating. Nineteen respondents (about one-fourth) indicated that they left the industry because of the long, inflexible hours, while another 17 (one-fifth) reported they left because of the poor compensation. Finally, an additional 17 left to pursue better opportunities that companies in other industries were offering them.

Implications for Hospitality Leaders

Our findings reveal that hospitality professionals are actively managing their careers, and whether they remain with their companies and with the industry depends, in large part, on the degree to which organizations are responding to their career needs. This finding takes some of the weight from the common argument that the critical factors driving professional turnover are compensation and burnout. There's no question that obtaining a good salary and benefit package is important. So, too, is having a reasonable work-life balance. It is also highly likely that when asked, hospitality managers will state that to be the case. At the same time, it is tempting to attribute high management turnover levels to factors outside the company's or industry's control, such as the argument that "hospitality is a low-margin business that offers lower compensation and requires long, inflexible hours." Those who buy that argument try to find employees who "love" service-based work despite marginal working conditions. This line of thinking can lead

many employers to lament "the lack of passion" that current hospitality management graduates show and may even encourage some employers to adopt a turnover-oriented burnout strategy, in which they attempt to "get as much work as possible out of new managers before they quit."

Our findings indicate that while compensation and work-life balance are important, having challenging responsibilities builds managers' commitment to an organization and the industry. The managers we surveyed want opportunities to continue to learn through developing their skill base and participating in decision making. Indeed, when asked about what they want from their careers, jobs, companies, and the industry, the number-one response—across the board—is that managers want to see growth opportunities through challenging jobs. The industry seems to be falling short here. When we asked managers to rate the degree to which their current jobs actually have such growth opportunities, the disconnect was substantial. Respondents gave the presence

Overall, the hospitality industry is at a far lower salary than comparable jobs, with typically longer hours. This industry is going to continually lose good people because they are better compensated in other industries.

of such opportunities a much lower rating than they did the importance of having them.

While not every managerial job can be challenging all the time and most jobs have repetitive aspects, one key aspect of challenging work is that it presents opportunities for managers to learn and develop their "tool kit" of conceptual and leadership skills. Thus, one suggestion we have for decision makers is to ensure that ex-

ecutive-team leaders are training and developing their managers to take over their own jobs eventually. To do so, executive-team leaders need to have the appropriate skills to develop their managers so that they can take on increas-

The most important aspect of my career is the opportunity to have exposure to numerous industries and a variety of deals, clients, and markets to assist me in developing my career path.

ingly challenging tasks. Leaders must also maintain the courage and wherewithal to let those managers assume the requisite responsibility. In addition, our findings also suggest that if executive-team members can communicate well and act as trustworthy leaders to the managers they supervise, their managers will be more committed to the organization and industry.

To encourage managers to develop their careers “in-house,” we suggest that leaders be explicit about the career paths their managers can take within their organizations. One strategy would be to outline a potential path with new managers and commit to revisit progress on a regular basis. This path could indicate possible jobs, as well as the expected time-frame for each position. In addition, leaders should be ready to show how initial jobs represent learning opportunities that will prepare managers for greater challenges. Some recent Cornell graduates reported feeling forgotten in their jobs as assistant housekeeper or assistant banquet manager, commenting that they have been in these positions far longer than promised. This lack of attention has prompted them to begin to search for opportunities at other organizations. We argue that if these managers can see a career path ahead of them, with a succession plan that their company

has committed to implementing, they will be more willing to wait for the next opportunity in-house, rather than look for it elsewhere. Indeed, as our qualitative findings point out, some managers reported that to advance in their careers they are ready to relocate and even make lateral career moves within their organizations. Our results suggest that managers do not expect their companies to take responsibility for their careers and career management—only to provide the support and opportunity for managers to develop their own careers.

None of this means that money is unimportant. Our findings indicated that extrinsic rewards do drive organizational and industry commitment, but not as strongly as having the opportunity to perform challenging work. We also found that there is not a huge disconnect between the importance of extrinsic rewards and managers’ perceptions of their current levels. In addition, many managers reported they are not driven to make as much money as possible. Rather, they are looking to earn enough to adequately provide for their families, live a comfortable life, and be equitably compensated and fairly treated. This is not to say that compensation levels within the industry could not be improved. However, to encourage a perception of fairness, we suggest that decision makers be explicit about both external and internal salary levels. In other words, managers should know how their salaries compare against industry averages (for the hospitality industry and for other service and manufacturing industries) for the areas in which they live. They should also be aware of the range of performance increases within their organizations, as well as why any increase they receive represents a fair reward for their performance, relative to the other managers at their level within the organization. If this information is not made explicit, leaders run the risk of their managers’ drawing their own erroneous conclusions in ways that will affect their commitment levels and turnover intentions.

Our findings also suggest that compensation is not the only important feature of

extrinsic rewards. Many managers reported looking for a flexible schedule, less time commitments, and more opportunities for time to devote to their family and non-work interests. The presence of these types of rewards may more than compensate for the opportunity to earn a higher salary working elsewhere.

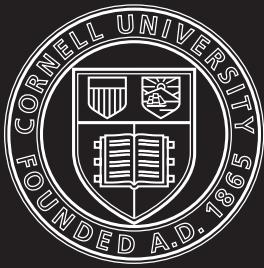
Our primary message is that hospitality managers are actively managing their careers. To do so, these managers are shifting among jobs and companies. In the four-month time lag between our first and second surveys, over 20 percent of respondents had changed jobs. While we found that those managers who are most committed to receiving a net return of extrinsic rewards are those most likely to leave their companies for better opportunities, we also found that the strongest driver of commitment and turnover intentions by far is the intrinsic nature of the job. That is, those employees most committed to performing

challenging work are the ones most likely to remain with their companies and with the industry. Because they intrinsically identify with their work, their performance is also likely to be higher. Thus, our advice for leaders is to reconnect with those high-potential managers to ensure that the company is addressing their career and development needs and that it provides opportunities to develop in-house careers. According to these Cornell alumni, if these job features are in place, the likelihood of their leaving their companies will dramatically fall. These managers will be staying with their companies not because they need to, but because they want to. The commitment levels of these managers—and their increased retention levels—could potentially be a source of differentiation and competitive advantage. They also represent an important way to address the hospitality industry's human-capital challenge and help industry leaders sleep better at night. ■

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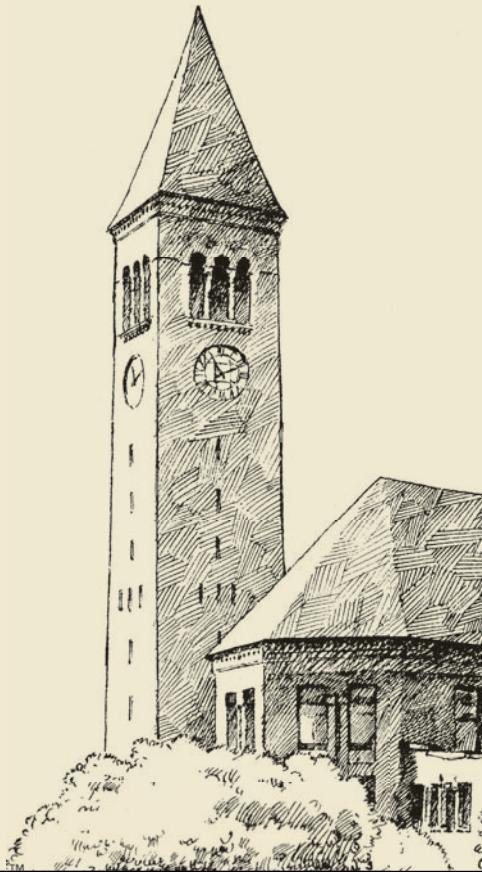
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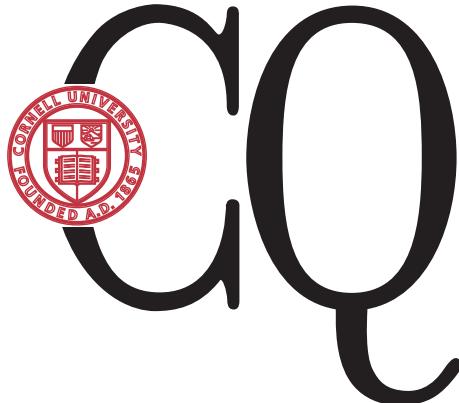
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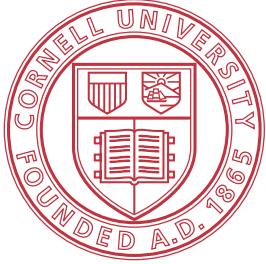
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