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Lecturer: Jemma Smith

Student Name: Richard Antal Karai

Student ID: 2128170

Assigment: Analyse the impacts of socio-economic force on employees' performance management and monitoring in different work modes: Hospitality HR's perspective.

The next proposal discusses the socio-economic force on employees' performance management and monitoring in different work modes: Hospitality HR's perspective based on Hilton Worldwide Holdings Inc., commonly known as Hilton Hotels & Resorts, is a global hospitality company headquartered in McLean, Virginia, United States. Founded by Conrad Hilton in 1919, Hilton has grown to become one of the largest and most recognizable hotel brands in the world. Here's description of socioeconomic factors as part of PESTLE analysis: PESTLE analysis is a strategic framework used to evaluate the external environment affecting an organization. Stands for Political, Economic, Social, Technological, Legal, and Environmental factors. Within this framework, the socioeconomic factors fall under the Social and Economic categories. Economic Growth: The rate at which a nation's Gross Domestic Product (GDP) grows or declines. Economic growth influences consumer spending power, business investments, and overall economic stability. Impact on Business High growth periods typically increase demand for goods and services, while recessions can lead to reduced consumer spending and investments. Economic growth or decrease also impacts social factors like unemployment rates**:** The percentage of the labour force that is unemployed but actively seeking employment. High unemployment can reduce consumer spending and demand for products. Conversely, low unemployment can lead to a tight labour market, making it difficult to recruit and retain talent. The statistical characteristics of populations, such as age, gender, income levels, education, and occupation. Understanding demographics helps businesses target their products and services effectively. An ageing population may increase demand for healthcare, while younger demographics might drive tech and lifestyle

products. Cultural Trends, Education Levels, and Lifestyle Change continuously with younger generations getting included in the workforce. Cultural trends influence consumer preferences and behaviour. For example, increasing health consciousness can boost demand for organic foods and fitness services. Higher education levels typically correlate with a skilled workforce, driving innovation and productivity. It also influences consumer knowledge and expectations. **:** Lifestyle changes can drive demand for new products and services, such as remote work tools, wellness programs, and online shopping platforms. Socioeconomic factors into a PESTLE analysis helps businesses understand the broader context in which they operate. These factors influence market conditions, consumer behavior, and the competitive landscape. By analysing these aspects, businesses can develop strategies that are resilient to external changes, helps recognize potential opportunities and potential threats. This understanding is crucial for long-term planning and sustainable growth.

The hospitality industry is dynamic and constantly evolving, influenced by various factors such as economic conditions, technological advancements, and changing consumer preferences. Here’s an overview of some key industry trends, particularly focusing on significant developments: Retention rates in the hospitality industry have historically been a challenge due to the demanding nature of the work and competitive market dynamics.

Hotels and hospitality companies are increasingly focusing on employee engagement strategies. This includes offering career development opportunities, recognizing and rewarding performance, and fostering a positive work environment. With the rise of hybrid and flexible work modes, companies are able to offer better work-life balance, which contributes to higher retention rates. Flexible schedules, remote work options for certain roles, and increased support for employee well-being are becoming standard practices. Providing continuous training and development opportunities helps employees feel valued and invested in their careers, which in turn boosts retention. Programs like those offered by Hilton International are examples of how ongoing professional development can improve employee loyalty. Simon Sinek says in interview millennial mostly want promotions then salary rises and comprehensive benefits packages, including health insurance, retirement plans, and employee wellness programs. With Changing workforce demographics, employee and costumer

expectations from companies are changing as well. Automation and AI**:** The adoption of automation and AI technologies for routine tasks (e.g., check-in/check-out processes, room service requests) allows employees to focus on more complex and personalized guest services, improving job satisfaction and reducing burnout. Digital performance management systems enable better tracking of employee performance, provide real-time feedback, and facilitate continuous improvement, which enhances employee engagement and retention. The use of virtual training platforms allows for continuous skill development and knowledge sharing, which is particularly beneficial for hybrid and remote work environments. The workforce in the hospitality industry is becoming more diverse, with significant contributions from younger generations and a greater emphasis on inclusivity. Millennial and Gen Z Workforce younger employees prioritize work-life balance, career development, and meaningful work. Hospitality companies are adapting by offering more flexible work options, clear career progression paths, and corporate social responsibility initiatives that align with these values. Diversity and Inclusion Initiatives**:** There is a growing emphasis on diversity and inclusion within the hospitality workforce. Companies are implementing policies and programs to promote a diverse and inclusive work environment, which can enhance employee satisfaction. Global events, such as the COVID-19 pandemic, have significantly impacted the hospitality industry, leading to shifts in how companies operate and manage their employees. Enhanced health and safety measures have become a priority, impacting both guests and employees. Ensuring a safe work environment is crucial for maintaining employee trust. The pandemic accelerated the adoption of remote work for roles that could be performed off-site. This shift has led to the development of new policies and technologies to support remote employees effectively.

Over the past five years, Hilton has recognized the need to adapt to changing work dynamics, particularly in the wake of global disruptions such as the COVID-19 pandemic. The feasibility of implementing various work modes, including hybrid, office, and flexible arrangements, is explored through the lens of well-established management models. Hilton has seen significant shifts in work modes, driven by technological advancements, changing employee expectations, and the impacts of global events such as the COVID-19 pandemic. Various models have been applied to understand and optimize these work modes. Here’s a discussion of how different work

models, including The Gallup Model, The Kahn Model, The AON Hewitt Model, and The JD-R Model, have influenced the industry.

The Gallup Model emphasizes employee engagement as a key driver of performance. It focuses on elements such as employee recognition, development opportunities, and the alignment of individual roles with organizational goals. Gallup's engagement has led hospitality companies to adopt hybrid work models for administrative and managerial staff. By allowing flexibility and remote work options, hotels can maintain high engagement levels, particularly among employees who can perform their duties off-site. Regular feedback and surveys, as advocated by Gallup, help in understanding the needs and preferences of employees regarding work modes, leading to more personalized and effective arrangements. Employee engagement is a critical predictor of performance. Engaged employees are more productive, provide better customer service, and have lower turnover rates (Harter, Schmidt, & Hayes, 2002).

The Kahn Model focuses on the psychological conditions of meaningfulness, safety, and availability, which contribute to employee engagement and performance. Psychological safety, meaningfulness, and availability are essential for employee engagement (Kahn, 1990). Ensuring psychological safety and availability has led to the adoption of flexible work schedules in hospitality. This includes flexi-time and remote working options for roles that do not require constant physical presence. Creating a supportive work environment, as suggested by the Kahn Model, is critical in both in-person and remote settings. This includes providing mental health support and fostering a culture of inclusion. Hilton Hotels Implements flexible working hours and provides comprehensive mental health support to ensure employees feel safe and valued.

The AON Hewitt Model identifies key drivers of employee engagement, such as leadership, performance culture, and career opportunities. Leadership, performance culture, and career opportunities are key drivers of engagement (AON Hewitt, 2010). Effective leadership and a strong performance culture can significantly boost employee motivation. Emphasizing a strong performance culture, the model supports the integration of digital tools for monitoring and evaluating performance in various work modes, including hybrid and remote setups. The focus on career opportunities has led to the implementation of development programs accessible both on-site and

online, catering to diverse work arrangements. Hilton implements robust performance management systems and offers continuous development programs. These initiatives ensure that employees in various work modes remain motivated and aligned with the company's goals.

The JD-R Model The Job Demands-Resources (JD-R) Model balances job demands with job resources to prevent burnout and enhance engagement. It considers the physical, psychological, social, and organizational aspects of the work environment. The model's focus on balancing demands with resources has encouraged the hospitality industry to allocate resources such as technology, training, and support to employees working in hybrid or remote modes. By monitoring job demands and ensuring adequate resources, the JD-R Model helps in designing work modes that prevent burnout, particularly important in the high-stress hospitality environment.

Here's an overview of how Hilton has adapted its performance management practices to suit various work environments Comprehensive Training Programs Hilton provides extensive training and development programs for in-person staff to ensure they meet the company's high standards for guest service. Programs such as "Hilton University" offer on-site training sessions covering various aspects of hospitality, from customer service to operational efficiency. These initiatives help maintain consistent service quality and enhance employee skills, leading to improved performance and guest satisfaction. Regular Performance Reviews: Hilton conducts regular performance reviews for in-person staff to monitor and evaluate their performance. Supervisors conduct quarterly reviews, providing feedback and setting goals for improvement. This ensures employees receive continuous support and clear performance expectations, which drives better performance and engagement.

Hybrid Work Mode

Digital Performance Management Tools: For roles that can operate in a hybrid mode Description, such as administrative and managerial positions, Hilton uses digital tools to monitor performance. Platforms like Workday and Microsoft Teams are utilized to set objectives, track progress, and facilitate regular virtual check-ins. These tools enable effective performance management regardless of the employee's physical location, ensuring consistency and accountability. Hilton offers flexible scheduling

options to accommodate hybrid work arrangements. Employees can split their time between the office and remote work, with schedules tailored to individual needs and job requirements. This flexibility helps maintain work-life balance, reducing burnout and increasing overall job satisfaction and performance. Hilton has expanded its training programs to include virtual options for hybrid workers. Online courses and webinars are available through platforms like Hilton University, covering both job-specific skills and general professional development. Continuous access to training resources ensures that hybrid employees remain competent and engaged, contributing to sustained high performance. Hilton employs outcome-based performance evaluations for employees in flexible work arrangements. Instead of focusing on hours worked, evaluations are based on the achievement of specific objectives and deliverables. Room satisfaction percentage by weekly monthly and quarterly reviewers. Guest complaints increase or decrease statistics. Hilton uses various communication tools like Slack, Zoom, and Microsoft Teams to keep employees connected and engaged. Regular communication helps in setting clear expectations, providing feedback, and maintaining team cohesion, which is essential for high performance. Hilton has effectively managed employee performance across different work modes by mixing them together. Technology, offering flexible scheduling, and focusing on outcome-based evaluations. By providing comprehensive training and development opportunities, maintaining regular communication, and supporting employee wellness, Hilton ensures that its staff can perform at their best, regardless of their work arrangement. These strategies not only enhance employee satisfaction and retention but also maintain the high standards of service that Hilton is known for.

The hospitality industry is witnessing significant trends that impact employee retention and turnover rates, driven by advancements in technology, changing workforce demographics, and the ongoing effects of global events. By focusing on employee engagement, competitive compensation, training and development, and flexible work arrangements, hospitality companies can address these challenges and improve overall employee satisfaction and performance. This adaptive approach not only helps in retaining talent but also ensures the delivery of high-quality service in a competitive market. The emergence of different work modes in the hospitality industry over the past five years has been significantly influenced by models like The Gallup Model, The Kahn Model, The AON Hewitt Model, and The JD-R Model. These models provide

frameworks for understanding employee engagement, psychological safety, performance culture, and the balance of job demands and resources. By applying these principles, hospitality companies can design work modes that enhance employee satisfaction, productivity, and overall organizational performance. This approach not only addresses the current challenges in the industry but also prepares it for future shifts in work dynamics.

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