New Zealand Hotel Industry Post-Pandemic Perspectives: Human Resource Management

Siddharth Baijal, Robin Hill, Ee Lin Tan and Michael Potroz

Siddharth Baijal is a senior lecturer and postgraduate programme coordinator at the Pacific International Hotel Management School (PIHMS). With expertise in hospitality service, departmental and operational management, training methods, e-learning, performance appraisals, and staff turnover. His research interests span various aspects of the industry. As the stream leader of operations, he brings a wealth of knowledge and experience to his role, contributing to the advancement of hospitality education and practice.

Robin Hill is a senior lecturer and stream leader at the Pacific International Hotel Management School (PIHMS) with a background in psychology and human resources. He is an organisational psychologist

Introduction

Human resource management (HRM) plays an important role in the acquisition, development, and motivation of employees in an organisation [1]. Humans are complex beings and tend to focus on negatives rather than positives (positive-negative asymmetry) [2], typically undertaking a deficit-remedial, rather than an appreciative approach [3, 4]. Following the Covid-19 Pandemic, the image of employment in the hospitality industry has taken on a negative connotation; organisations who wish to overcome this and promote resilience and success in their employees are paying greater attention to their management practices, especially in terms of employee motivation and mental well-being [1].

Context

In December 2022, The PIHMS Hotel Leader Conference was held in Auckland, hosted by the Pacific International Hotel Management School, in collaboration with the AUT (Auckland University of Technology) School of Hospitality & Tourism. Six industry leaders participated in a focus group to discuss post-pandemic human resource management practices in the hotel industry. The discussion was recorded and transcribed using a web-based application. Thematic analysis of the transcript revealed four key themes: employment practices, human resource trends, staff attraction and retention, and creation of a hospitable work environment.

Employment Practices

Employment practices in the NZ hotel industry have improved because of COVID 19. More hotels are aligning with the United Nations Sustainable Development Goals, by prioritising fair work practices such as, setting objectives to pay a living wage to 80% of their workforce), and reducing the gender pay gap. This

and at PIHMS specialises in postgraduate research and is the research stream leader. His previous research has focussed on emotionally toxic workplaces and applications of personal construct psychology.

Ee Lin Tan is a research assistant and is involved in academic quality assurance. With a background in engineering and information technology, her research interests revolve around exploring the use of technology in innovative management practices, leveraging technology for enhanced educational experiences, and the impact of ICT in the hospitality industry.

transformation can be attributed to a combination of factors, including increased competition for talent within the industry, growing consumer and employee awareness of labour rights, and the changing social and economic landscape. In the current climate, consumers and employees are more willing to support companies who treat their workers better. The group proposed the establishment of a certification programme for labour sustainability, the aim being to further improve working conditions by (1) facilitating informed consumer choices, (2) incentivising ethical behaviour, and (3) ensuring company accountability through greater transparency in employment practices.

Human Resource Trends

Human resource practices continue to improve, with a growing emphasis on employee well-being, cultivating a positive work culture through leadership, and diversifying recruitment channels. To address staffing shortages and resulting issues re work-life balance and burnout, employee well-being is being prioritised by fostering honest communication with staff. To foster a positive work culture, leaders should cultivate approachability, empathy, communication, and gratitude towards employees, and provide support mechanisms beyond contracts, especially for new hires. Diversifying recruitment channels requires engagement with schools and communities, and recognising the growth potential of non-traditional candidates, e.g., new parents wishing to return to the workforce, and those who lack industry experience or qualifications.

Staff Attraction and Retention

The attraction and retention of staff continues to be a challenge, as the hotel industry strives to find a 'new normal', following the Covid-19 pandemic. As well as increasing base salaries, a range of other initiatives are being utilised. Non-salary practices that incur a direct cost include investment in staff development and ensuring individualised training. Practices which incur no direct cost, include improving leadership, promoting a positive work environment, and where possible, offering job flexibility. In addition, it was agreed that leaders should promote a positive mindset within their teams by encouraging employees at all stages of their career to continue to learn, to seize opportunities for advancement, and to seek new pathways within the industry.

Creating a Hospitable Work Environment

Many in hospitality recognise the importance of a hospitable work environment. Practices that underpin excellent customer service, e.g., 'personalisation', and 'surprise and delight', are being applied

Michael Potroz is the Master's programme coordinator, research coordinator, and dean of academics at the Pacific International Hotel Management School (PIHMS). With a focus on management practices, e-learning, and education, to advancing knowledge and expertise in organisational management. Through research and leadership roles, he contributes to the development of effective management strategies, innovative educational approaches, and the continuous improvement of academic programmes.

internally to provide a more positive work culture. An effective method of demonstrating appreciation of an employee is through the use of personalised recognition that considers individual preferences, i.e., takes into account the employees' wider family and social commitments. At a basic level, genuine verbal recognition, whether significant or small, formal or informal, has become increasingly crucial for motivating and showing appreciation towards employees. The utilisation of innovative and unexpected recognition strategies which provide surprise and delight, can prove to be more effective than anticipated, or routine rewards.

Conclusion

The post-pandemic era has spurred transformations in human resource management practices within the NZ hotel industry. These have been driven by a multitude of factors, including increased competition for talent, heightened labour rights, raised awareness among consumers and employees, and a shifting social and economic landscape. Notably, there has been a marked prioritisation of fair employment practices, sustainability, and diversity, with many hotels setting ambitious goals, such as paying a living wage and reducing gender pay gaps. Simultaneously, to tap into non-traditional candidate pools, the industry's focus has shifted towards prioritising employee well-being, fostering a positive work culture, and diversifying recruitment channels. These changes reflect an industry that is not only adapting to evolving employee and consumer expectations but is also taking crucial steps to address the well-being and motivation of its post-pandemic workforce. These insights are instrumental in guiding the future of HRM practices within the New Zealand hotel industry, while fostering a more resilient and successful work environment.

Corresponding author

Michael Potroz can be contacted at mikep@pihms.ac.nz

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