

Diversity and inclusion as indicators of sustainable human resources management in the international hospitality industry

Sjoerd Gehrels^{1*} and Javed Suleri²

¹*Innovation in Hospitality, Stenden Academy of International Hospitality Research, Stenden Hotel Management School, Stenden University of Applied Sciences, Leeuwarden, The Netherlands*

²*Stenden University of Applied Sciences, Leeuwarden, The Netherlands*

*Corresponding author email: sjoerd.gehrels@stenden.com

This research paper discusses the notion of sustainable human resources management (SHRM). In order to deal with current and expected talent deficiencies for the international hospitality industry, innovating approaches to HRM are highly needed. An important focus within SHRM in this research is put on the necessity for companies to consider a diversity and inclusion (D&I) policy as part of a wider sustainable HRM strategy. The literature on SHRM is still limited although particularly outside the hospitality industry in other sectors there is a growing sense for the importance to the approach. The De Prins SHRM Framework visualises four perspectives to the topic. To illustrate how an inside-out company analysis can provide the elements to further develop SHRM and specifically its D&I intentions, the case of Hotel X is presented. D&I management, action needed, leadership in D&I, organisational responsibility, D&I supporting business, and Hotel X's current paradigm are discussed in detail. Conclusions and recommendations for Hotel X and other companies in the hospitality industry include: implementing a sustainable HRM strategy including D&I policies, and setting up a monitoring mechanism to measure metrics that demonstrate if the strategy is successful. Metrics recommended to implement are: job yield, skills inventories, promotion rates, and external market share.

Keywords: case study, innovation, metrics, monitoring mechanisms, sustainable human resources management

Introduction

In this study the themes of diversity and inclusion as elements in sustainable human resource management are explored in the context of the international hospitality industry. A theoretical background is provided to diversity and inclusion, and the themes are brought to life by an international hotel company case study. The aim of this paper is to stimulate further exploration and debate. Recent findings from an employer branding project (Gehrels & Altan, 2015) confirm the necessity for the hospitality industry to critically evaluate its approaches to human resources management and leadership. The World Travel and Tourism Council revealed in its 2015 report "Global Talent Trends and Issues for the Travel and Tourism Sector" that there is a growing challenge for the hospitality sector to find talent (WTTC, 2015). Talented employees are considered to be talents because of their knowledge and ability to affect the culture of the organisation they work for and by being more than just an employee (Park, 2014). An important element to define "talent" is that it concerns authentic staff members who not only have the right skills and knowledge. They are also able not just to "play" a role when involved in a hospitality setting, but to be able to stay close to themselves and from that notion provide natural and good service.

Changes in global and local markets for talent affect the economy as a whole and in particular the hospitality sector. The

sector experiences increasing competition to attract talented employees. In this situation, it is crucial for the hospitality industry to shift its focus towards human resources leadership in order to maintain achieving business success. The growing shortage of skilled workers the hospitality industry experiences is related to the often negatively perceived image of the sector and competition from other sectors. Dutch Top Team Hospitality Economy's final report; "Find, connect and surprise" (Topteam Gastvrijheidseconomie, 2014) defined in its project Human Capital "to encourage excellent hospitality" as one of the main objectives. The experience of the guest can only be triggered by excellent service, craftsmanship and attention to the guest by the employee in the hospitality sector. An excellent hospitality offer is encouraged by an approach in which employees are regarded as human capital. A precondition for dealing with human capital is to provide benchmark "employer-ship" that organises good working conditions and perspective for employees. Staff turnover in the hospitality sector is relatively high and employers have the challenge to engage their employees and give them opportunities to develop. As priorities, Dutch Top Team Hospitality Economy's report stated: flexibility and lower labour costs. A potential tension between these two points is in the nurture of human capital while striving for "flexibility and lower labour costs". Employment in the hospitality industry is growing, and so the challenge of finding human capital to work in the hospitality industry is increasing. It will be essential to create organisations that are attractive for

employees. Most important is the behaviour and identity of the organisation that has a focus on the people in the process, to ensure that the organisation is a great place to work.

The “Virtuous Circle of Enlightened Hospitality” serves as a model for a sustainable employer’s vision on human resources (Figure 1). Meyer (2006) and later Gehrels (2013) visualise how stakeholders involved in offering hospitality are interrelated. Danny Meyer, a successful American restaurant entrepreneur for the past decades operating 20 restaurants in New York, presented an interesting proposition in his model. He argues that the entrepreneur should be aware of the order in importance of the various stakeholders involved in the business. The first stakeholder is the employees – the team, and then in descending order: guests, the community, suppliers and finally, investors. In terms of “hard” business management, one would expect the investors to be the dominant stakeholders. Meyer (2015), however, makes a firm statement that if an employer first focuses on the team and treats the team members well, the other parties involved, including the investors, will benefit as a result. This will have the effect that investors are most likely going to continue investing in the company.

Research into the actual situation in Dutch culinary restaurants shows a different reality than proposed in the virtuous circle of enlightened hospitality (Gehrels, 2013; Gehrels & Altan, 2015). In many cases either the investors or the guests are given the highest priority by entrepreneurs. Heskett and colleagues presented the “service profit chain (SPC)” and came up with similar relationships hinting at SHRM approaches in the nineties. In traditional HR measures, the main concern is about the direct cost of recruiting, selecting and training if employees are replaced. However, the SPC showed that the actual costs are in the loss of productivity and declining guest satisfaction when committed employees leave (Heskett et al., 1994). Hospitality organisations could best focus on what it means to work for them and what kind of experience they can deliver to their employees, who then in turn can deliver a welcoming experience to the guests. It is about the philosophy, and how an organisation shares this philosophy with employees. Following this directive, HR approaches are suggested that expand on the notion that there is a need to make them “sustainable”. In the literature, however, there seems not to be a lot of research on “sustainable human resources management”. Rompta

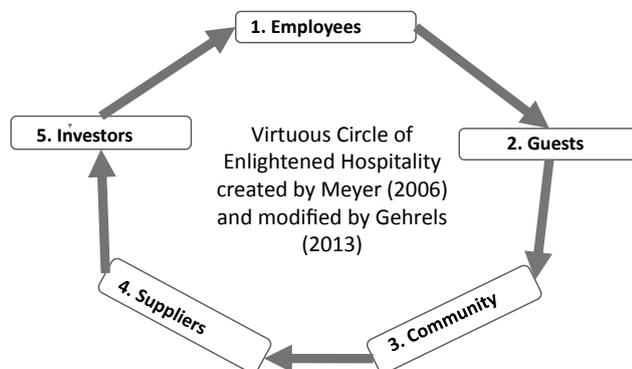


Figure 1: Virtuous Circle of Enlightened Hospitality (modified by Gehrels, 2013)

(2011) suggests that even though the literature shows that sustainable HRM is an upcoming topic, there is still limited research done on the concept, and refers to the De Prins four approaches of sustainable HRM model (Figure 2.).

De Prins postulates that sustainable HRM focuses on optimally utilising and respecting human workforces within the organisation, in which an explicit relationship is built between an organisation’s strategic policies and its environment. Long-term vision and integration with an organisation’s strategy and CSR-policy are key. Four approaches to the SHRM concept are offered:

1. Psychological approach: draws on what topics employees themselves find important. If people are the centre of a sustainable competitive advantage, then the knowledge and fostering of what drives and characterises them is of utmost importance. Themes are: work-life balance, autonomy, self-development, employability and dialogue.
2. Sociological approach: societalising HRM practices is long-term focused and aims at continuity, whereby the interests of the employer, the employee and society are explicitly connected. Themes are: engagement policies, health policies and diversity.
3. Strategic HRM approach: focuses on how sustainable HRM impacts on typical HR domains such as intake, employee turnover, appraisal and employability aspects of an organisation. Themes are: belief in human capital as a sustainable competitive advantage, social achievements and the sustainable management of HR sources.
4. Green HRM approach: the ways in which employees and employee management relate to the planet-component of the triple bottom line and which HRM aspects can help to “green” the organisation, and what the impact is of a green character on employer attractiveness and branding. Themes are: mentioning green behaviour as a competence, training in sustainability awareness, stimulating environmentally conscious behaviours and green employer branding.

As De Prins argues, the approaches are still under development, with 1, 2 and 4 having policy directions. For this paper and the case study offered, the focus is dominantly on approaches 1 and 2 as mentioned in De Prins’ model.

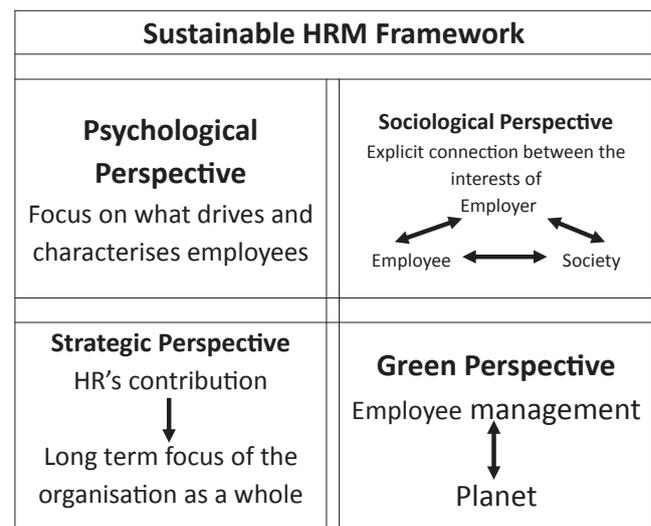


Figure 2: De Prins’ model of sustainable HRM (Rompta, 2011)

Theoretical background

In today's world with its increasing global workforce, a more effective approach towards people is needed. Hence, the viability and sustainability of a company in the hospitality industry in the 21st century depends to an ever growing extent upon its diversity and inclusion policies. The international market is rapidly changing, leading to a more resourceful world. ICT has transformed the world into a global village: with one click all sorts of information is accessible to everyone and everywhere. Diversity and inclusion as important elements of SHRM are drivers for how human resources, i.e. people, should be dealt with in the hospitality industry. The measures that the hospitality industry should take to further acknowledge and promote diversity and inclusion, in order to deal in a sustainable way with its most precious resource, people, will be explored here. A diverse organisation can build talent to commit to inclusion and add value to the organisation's productivity on the whole.

Accepting and managing diversity and inclusion are becoming essential to the present-day hospitality industry and bring pronounced openings and benefits to enterprises in that industry. Nevertheless, companies are still facing an immense task to commendably organise the diverse place of work. Because the hospitality industry is permeated with cultural diversity, it is essential for future managers to be educated with multicultural management knowledge and skills. A negative organisation perception will be provoked among stakeholders if diversity and inclusion are not properly dealt with and this would have a direct impact on loss of business (Gehrels, 2016). Hence, the focus of this paper is on possible measures that the hospitality industry can take to advocate diversity and inclusion, and through that endorse sustainable human resource management. Lim and Noriega (2007) define diversity and inclusion to be about ethnicity, gender, age, nationality, sexual orientation, disability, education or religion, and on the other hand, viewpoints, working experience, life styles and cultures.

Diversity and inclusion are the future and power in business and are unleashed when we respect and value transformations, and as Roberson (2006) notes, diversity and inclusion focus on the makeup of the population. Globalisation has turned out to be a driving force behind most international hospitality companies (Hadson, 2008), since more international employees are entering the hospitality industry. Additionally, Forbes (2012) states that the hospitality industry typically is represented by a very diverse workforce, while Gehrels (2016, 10) stipulates that a diverse workforce is an important factor for the success of "authentic hospitality". According to Melnyk (2014), diversity and inclusion are believed to be essential elements of achieving quality and reducing disparities. Holaday (2007) rightfully points out that the hospitality industry faces challenges on how to successfully manage cultural diversity and inclusion, such as how to ensure fairness for all members of the workforce, how to capitalise on the contribution of diverse teams, and how to promote harmony among a diverse workforce and achieve collective goals. An important definition of inclusion is provided by Roberson (2006), who calls it an encompassing involvement and engagement to realise the integration of diversity into organisational processes. Chavez and Weisinger (2008) add to this that inclusion is an attitudinal and cultural transformation.

Hilton Worldwide CEO, Christopher Nassetta, strongly expresses that diversity and inclusion are the future, and part of the company's legacy, fundamental to its success (Nassetta, 2013). SHRM (2009) confirmed that "workforce diversity and inclusion" is a concept that is prominent in companies worldwide. Most companies recognise that D&I are closely linked. Inclusion helps to ensure that employees from diverse backgrounds are able to contribute, remain with the company and flourish. Greater diversity in organisations is driven by elements such as equal-opportunity laws up to obeying moral imperatives to have a company achieve better financial results. Implementing greater diversity in the workforce is challenged by the scarcity of data on workforce composition, and the absence of a strong empirical proof about a link between greater diversity and an improved bottom line. In this paper the focus is on diversity and inclusion as indicators of sustainable human resource management and good employership in the hospitality industry. The case study used as the empirical part of this research provides a view of a hotel company that at the corporate level demonstrates awareness of the importance that diversity and inclusion have for the company's future in SHRM.

Method

This paper is based on an in-depth case exploration of what will be referred to as Hotel X. This company is a successful international hotel management company of European origin with approximately 100 operating hotel and resorts in the European, South-American, African, Middle East and Asian markets. Sitting in the upscale segment, Hotel X's competitors include Marriott, Hilton, Sofitel, Mövenpick, Steigenberger and Sheraton. Hotel X's first hotel opened in Western Europe in the previous century. From the first hotels in Europe, Hotel X expanded into other markets. It was under a new CEO's guidance that Hotel X began to experience rapid growth by switching from a leased model to a management model for all new properties. This change in policy was especially successful in the South American and Asian hospitality markets. In comparison to leased hotels (properties owned by Hotel X with full P&L responsibility), managed properties are owned by private investors or investment groups and Hotel X is contracted as the managing company.

Due to the flexibility Hotel X gives to the owners, the company is able to present a broad variety of hotels and resorts, each aiming to meet the upscale quality standards while delivering the respective cultural authenticity of the destination. Operating in this manner requires a clearly defined brand recognition value because the hotels themselves look different in every location. It was recognised that it is the frontline employees who provide the service, and therefore Hotel X's employees are the brand. Attracting, hiring, developing and retaining employees, and keeping the engagement level up is crucial for Hotel X. For the purpose of understanding Hotel X's vision on diversity and inclusion, a confidential future policy advisory document produced by one of the HR directors was studied. Hotel X preferred to remain anonymous and not to have its name published because, as the paper demonstrates, critical issues were revealed in the analysis which the company did not feel comfortable about. The company analysis was developed from an inside-out perspective because the narrative is from within the company.

Findings about the Hotel X case

In this section the specific findings related to the Hotel X case are presented. Where possible, they are put into a more general context for the hospitality industry as a whole. The findings focus on the themes of diversity and inclusion management, action needed, leadership, organisational responsibility, how diversity and inclusion practices can support business, and Hotel X's current diversity and inclusion paradigm.

Diversity and inclusion management

Currently, the theme of diversity and inclusion in Hotel X is addressed as a part of its global sustainability programme, which was launched in 2009. The company's code of conduct was re-worked and re-launched in early 2011 and includes general statements on Hotel X's stand on discrimination and harassment, along with definitions of both. The employer sustainability programme encourages the hiring and retention of a diverse workforce. It states that the organisation stands for equal opportunities, and that it works to maintain the highest level of employee engagement and job security. In addition, Hotel X commits to applying fairness in terms of hiring, promotion and compensation in line with the company corporate regulations and guidelines. Both the code of conduct and the sustainability programme are mandatory across all properties and area offices, and are aligned with the company values as defined in its strategic policy document. The hospitality industry typically is represented by a very diverse workforce in the front line, Hotel X's core human capital, which is of strategic importance, incorporating ethnic minorities, religious beliefs, sexual orientations and cultural origins. Hotels X's business success is dependent on the anticipation and successful delivery of the brand promise through a high quality upscale service in order to fulfil the expectations of customers, investors, stakeholders and employees.

The perception of each hotel, and therefore its success in the local market and the brand value recognition are very much based on high quality and reliable interactions between employees and the hotel's customers, vendors and local communities. The implementation of the brand values requires employees who are authentic and who deliver unique service. To realise this, a diverse workforce is an important success factor for the company. A negative perception about the company's ability to manage and respect diversity and inclusion has a direct impact on results and causes a loss of business. Although at the surface the hospitality industry may look diverse, the senior management and top 10% earners are typically of quite a homogenous composition. In the case of Hotel X, top management leading the majority of hotels consists of male Western European nationals who graduated with a degree in hospitality management from one of the European hospitality schools, and male Europeans between 45 and 58 years managing the corporate office and area offices.

With regards to the implementation and progress of Hotel X's diversity and inclusion activities, this means that a homogenous senior management team will benefit less from the individual perspectives, creativity, innovation, enhanced problem solving approaches and organisational flexibility of a more diverse leadership team. Hotel X's management may

lack the opportunity to understand and meet the expectations of a variety of customers and hotel owners/investors and therefore this may have a negative impact on achieving the business objectives. This current situation could also limit recruiting a diverse work force group that would be crucial in the hotels. Talent is representing and delivering the brand promise, and directly influences value creation through daily interaction with customers. It would be difficult to attract and retain this diverse talent pool due to a perception of limited career development perspectives and a non-inclusive company culture and management style. Hotel owners/investors could decide not to partner with Hotel X due to its negative reputation, which would damage the company's strategy to reach a substantial growth in the number of hotels.

Action needed: the way ahead

The policies themselves will not transform the organisation to become more diverse and change its management and leadership style. In order to make progress, the senior management team, starting with the CEO, must gain awareness and understanding of diversity and inclusion. It will be paramount that corporate leadership fully grasps and supports the rising importance of diversity and inclusion approaches in a highly competitive market and how they link and support the business strategy, as well as to see how they ultimately impact positively on Hotel X's financial performance. Management must demonstrate with actions and choices that they truly sponsor diversity and inclusion and that it is not just because of the current trend of promoting diversity and inclusion.

It is imperative to provide business management with concrete examples of actions to take, metrics and objectives but also to define what happens if someone fails to comply with the diversity and inclusion strategy and policy. How can a company be successful in the international market in a business model like Hotel X when it is not diverse, or does not respect and understand diversity and inclusion? For Hotel X it is crucial, in order to deliver the brand value and become a leading company in the hospitality upscale market, to embrace diversity and inclusion, implement it successfully and live it every day. As diversity and inclusion practices are on a very low level in Hotel X, the company would benefit from the following initiatives. First of all, Hotel X needs to start measuring workforce demographics with the focus on managerial roles and key positions in order to get a current picture of how diverse groups are represented within the organisation's 20% best paid jobs.

The metrics to evaluate the workforce demographics should be included in the monthly key performance indicator reporting and deliver up current data regarding diversity and inclusion. Hotel X's recruiting strategy needs to be aligned with the new requirements for employees delivering the brand promise to the guests. The selection process must be strongly linked to the company's core behaviour and values, together defining the company culture. This company culture must leverage diversity and inclusion to demonstrate why a diverse workforce is needed in order to deliver brand identity. For example: vacancies should also be advertised through alternative media and a variety of posting possibilities, reaching a more diverse labour pool and so ensure equal opportunities.

Leadership in diversity and inclusion

A key initiative should also be to launch diversity and inclusion training to raise awareness for diversity and inclusion at an early stage, to link it to the company's values and culture, and understand how it affect stakeholders, innovation and creativity, teamwork, organisational effectiveness, and at the bottom line the performance of every single employee and the related contribution to the business strategy. It is important that senior management and managerial leaders of the organisation understand the impact of being an inclusive business and what the company risks are if Hotel X ignores the fact that diversity and inclusion are going to be an even more competitive element on the labour market in the future. Furthermore, senior management should promote and sponsor voluntary business network groups. These voluntary business network groups should be set up by the employees with the full backup of management.

In addition to being a discussion forum for its members, the organisation needs to encourage input from these groups on recruitment, leadership, retention, consumer insights, and trends which would help the organisation to keep relevant in its product/service offers as well as marketing and customer communication. Furthermore, a diversity and inclusion council should be set up, chaired by a member of Hotel X's senior management team. The group should be formed by employees with various demographics: from across the organisation and working at various hierarchical levels, all ages, genders, educational and cultural backgrounds. The major task of this group would be to help develop and maintain a relevant diversity and inclusion strategy and policy. Due to their engagement and impact on the organisation's diversity and inclusion agenda, members of this group would also function as diversity and inclusion champions and liaisons in their area office or hotel.

Diversity and inclusion as organisational responsibility

Although diversity and inclusion should be positioned as an organisational responsibility to implement, one individual of senior management must, however, be allocated the accountability for driving the agenda, strategy and policy. This individual should be managing diversity and inclusion metrics and be Hotel X's diversity and inclusion spokesperson. Since the current organisation is lagging behind in diversity and inclusion best practice, recommending improvements are very difficult. However, by implementing a diversity and inclusion strategy the organisation will start to promote SHRM. From the resulting competencies, the company would benefit such as with understanding and awareness of cultural differences, teamwork culture, and conflict management. All Hotel X leaders need to be trained in understanding how people have various cultural and educational backgrounds and therefore might perceive or send information differently in conversations.

In order to understand others, Hotel X needs their leaders first to understand how their own national culture is made up, in terms of stereotypes, wrong and right, basic laws and manners, power distance, and concept of time. This helps leaders from the baby-boom generation to have a common reference point with other generations later. Discussions and exchange on generational behavioural differences within the "home culture" are crucial. Sessions with various cultural backgrounds about differences, biases and perceptions need

to be part of Hotel X's leadership development programme in order to open mind-sets. Finally, hands-on exposure through international transfers within the company and a philosophy where the company encourages multi-cultural (virtual) project teams, supports leaders and employees in understanding team effectiveness through diversity and inclusion. A teamwork culture needs to be implemented and lived as part of SHRM. Multicultural, diverse, cross-area and cross-departmental composed teams should be encouraged within Hotel X. Therefore, sourcing staff for global projects has to be done on the principles of the recruiting strategy.

Employees need to be intuitive and flexible, but most important of all they need to be able to be themselves. All managers should be encouraged to hire "non-conformist" individuals who are different from the other team members and the "average" Hotel X employee. This will bring drive, energy and a broad experiential background. However, it is first necessary for all employees to understand the different dynamics heterogeneous or homogeneous teams develop in terms of forming, storming, norming and performing process (Tuckman, 1965), and identify the positive impacts on performance for diverse teams. When dealing with diversity and inclusion it is also crucial to enhance the leader's knowledge and skills about conflict management in diverse teams. Dealing with uncertainty and ambiguous situations among diverse teams needs to be incorporated in the leadership development programme. Within Hotel X, a cultural change needs to be initiated that includes the huge shift from a male dominated, paternalistic management to a more flexible and open minded, diverse leadership style characterised by creativity, intuition, flexibility, and innovation.

How diversity and inclusion practices can support business

In order to become more relevant and current, Hotel X's corporate centre, area offices and hotel management teams need to become more diverse because of the uniqueness, intuitiveness and personalities needed to fulfil the brand promise. Hotel X's management and employees need to gain a better understanding of the core markets' customer needs and wants, especially in China, the Middle East and India. Hotel X's portfolio and offer within the hotels needs to be aligned to be more relevant for the guests and labour force of Generation Y that will be the next in the talent pipeline. To address that problem, diversity and inclusion practices need to be implemented. Revealing and discussing industry benchmarks, and the workforce demographics of successful organisations will give the direction where Hotel X needs to be in the future, related to customer satisfaction and feedback, market reputation, market competitiveness and being great place to work.

What are current skill deficiencies? Which diversity and inclusion practices have benchmark organisations implemented? By comparing best in class methodology and strategy with where Hotel X's organisation is currently and, most important, what the organisation wants to achieve with diversity and inclusion, answers can be generated. Only with a clear purpose, can Hotel X decide which diversity and inclusion strategy will be most successful. Hotel X needs to establish a compelling business case for diversity and inclusion implementation as elements in SHRM. It will be important to clearly outline the benefits and the risks if the organisation

decides not to implement diversity and inclusion strategy. What are the effects on stakeholders and the financial consequences? This requires strong cooperation within the top management team in order to receive commitment and sponsorship in a top-down approach.

First steps can be made by establishing a diversity and inclusion strategy and policy, and apply it through HR activities and practices, such as to analyse current workforce metrics, look at promotion rates, performance evaluation criteria, succession planning and employee satisfaction per demographic group. In terms of recruiting strategy, this requires hiring and promotion with the aim to match internal and external demographics. Through training, Hotel X can provide more insights on cultural understanding and awareness, management of diverse teams, and management through innovation and creativity to the management and other staff. In order to track the process of the first diversity and inclusion activities, a simple and easy to understand set of metrics needs to be implemented. Captured data should be integrated in Hotel X's business dash board and added to the organisational key performance indicators, such as customer satisfaction scores from Generation Y, organisational growth and financial results in core markets.

Hotel X's current diversity and inclusion paradigm

The organisation applies the access and legitimacy paradigm – the idea that diversity and inclusion should be implemented in order to gain market share in diverse markets. Due to the international nature of its guests, it is important that Hotel X's employees understand the culture, language, wants and specifics of the culture it serves. This is necessary in order to keep the brand promise. At a first glance it may appear that Hotel X is very diverse in its workforce. However, the matching of internal and external demographics only exists at the level of supporting (back of the house) staff and core human capital (frontline employees), whereas at the top management level of corporate centre, area office and hotels one finds a very homogenous group of Caucasian males in their mid-forties, of similar educational background and mostly European nationality.

Intimate awareness of the cultures Hotel X serves or the cultures where the organisation runs its hotels is actually very low among this group of managers and leaders. The diversity and inclusion paradigm is important for the company and achieving its strategic goals. Over the longer term, Hotel X will face the issue that it has not invested enough time and research on customer groups that are equally important to the near future. With other stakeholders, i.e. owners/investors, Hotel X needs to stay relevant, competitive and in tune with trends, needs and wishes. Therefore, stakeholders will expect Hotel X to pay attention to diversity and inclusion strategies. Hotel X also takes the risk of facing a severe skills deficiency, if the core employees are hired more based on their demographic membership rather than abilities, skills and attitude. In the next section, conclusions and recommendations for Hotel X and for the hospitality industry in general are formulated.

Conclusions and recommendations

Based on the findings of this case study, the main conclusion is that Hotel X should establish an explicit diversity and

inclusion approach. This approach should be aligned with a bigger vision and strategy promoting sustainable human resources management. In terms of the De Prins sustainable HRM framework (Figure 2), the strategic efforts suggested for Hotel X to make fit in the first three quadrants and add value from a psychological, sociological and strategic perspective. An implication of choosing for SHRM and an explicit D&I approach is the realisation of a metrics monitoring system. Within the metrics needed the following four categories can be distinguished:

- (1) *Job yield*: to understand how attractive the diversity and inclusion policy is for various demographic groups and in various jobs and job levels. Following up on the metrics and reasons why individuals accept or turn down a job offer will help Hotel X to understand which changes need to be made to employment practices, development, compensation strategies, performance and career management in order to become a preferred employer in the hospitality industry.
- (2) *Skill inventories*: to stay competitive in the hospitality upscale market and current in terms of trends and having the right knowledge, skills, abilities and other attributes that the organisation needs now and in the future.
- (3) *Promotion rates*: to understand how the diversity and inclusion policies are being implemented in the organisation, Hotel X needs to capture data on internal promotions (when, who, what?). These metrics need to be shared with employees, prospective employees and local communities, in order to have a bigger impact on levels of engagement, through indicating opportunities for career planning per group. Job satisfaction and employee engagement only unfold the true story when feedback results are analysed per employee group and displayed back to them together with concrete next action steps.
- (4) *External market share*: What business and revenue opportunities per population group is Hotel X not serving as well as it should? Why is this? What can Hotel X do to improve this relationship to increase market share for these particular groups? Is Hotel X's current piece of the market a reflection of how well/badly the company manages image and reputation with various consumer groups?

Looking at the Hotel X case, which was derived from a real world hotel corporation, it becomes clear that there are examples of growing awareness of what the importance and value of diversity and inclusion as elements of SHRM are for the international hospitality industry. Virtually all elements discussed in the Hotel X findings apply also to other companies in the international hospitality industry. Although the authors realise that this paper only constitutes a piece for further exploration and discussion, important points of reference are made. It is recommended to extend this research to other organisations within the hospitality industry in order to provide a broader perspective on SHRM, and the diversity and inclusion themes. Probably even more important is to trigger thoughts in the minds of strategy and decision makers within the industry. In terms of SHRM including D&I approaches, it seems not be the question "whether they are relevant", but more "when they should be implemented".

References

- Chavez, C. I., & Weisinger, J. Y. (2008). Beyond diversity training: A social infusion for cultural inclusion. *Human Resource Management, 47*(2), 331–350. <http://dx.doi.org/10.1002/hrm.20215>
- Forbes. (2012). *Top 5 industry sectors in workforce diversity*. <http://www.forbes.com/sites/claraknutson/2012/03/21/top-5-industry-sectors-in-workforce-diversity/>
- Gehrels, S. A. (2016). An international hotel company's employment brand." Chapter 19. In M. Ivanova, S. Ivanov, & V. P. Magnini (Eds.), *Routledge Handbook of Hotel Chain Management* (pp. 230–239). London: Routledge.
- Gehrels, S. A., & Altan, M. (2015). *Exploring the concept of employer branding for the Dutch hospitality industry. Report for the Centre of Expertise in Leisure, Tourism & Hospitality*. Leeuwarden, Breda: CELTH Publications.
- Gehrels, S. A. (2013). *The contextual characteristics of successful small upper segment culinary restaurant owners and their potential influence on hospitality management education*. (EdD Thesis), University of Stirling.
- Hadson, W. (2008). Alliance: World-wide, world-class. *Frozen Food Age, 56*(10), 34.
- Heskett, J. L., Jones, T. O., Loveman, G. W., Sasser, W. E., & Schlesinger, L. A. (1994). Putting the service profit chain to work. *Harvard Business Review*, (March–April): 164–174.
- Holaday, S. (2007). Diversity's many faces. *Food Service Director, 20*, 22–26.
- Lim, E., & Noriega, N. (2007). The need for leadership support in cross-cultural diversity management in hospitality curriculums. *Consortium Journal of Hospitality & Tourism, 12*(1), 65–74.
- Melnyk, B. (2014). *The case for diversity and inclusion in nursing*. <https://nursing.osu.edu/about-the-college/diversity-general/>
- Meyer, D. (2015). Explaining the virtuous circle of enlightened hospitality. Recorded at a Master Class in Restaurant and Hospitality Management, 13 November 2015. Dublin: Dublin Institute of Technology.
- Meyer, D. (2006). *Setting the table: The transforming power of hospitality in business*. New York: Harper Collins.
- Nassetta, C. J. (2013). *Diversity and inclusion, Hilton Worldwide*. <http://www.youtube.com/watch?v=lgauzKSoykk&hd=1>
- Park, J. (2014). *Retaining talented employees in the hotel industry in Stavanger: An interview-based qualitative research*. (Master's dissertation), Norwegian School of Hotel Management, University of Stavanger.
- Roberson, Q. M. (2006). Disentangling the meanings of diversity and inclusion in organizations. *Group & Organization Management, 31*(2), 212–236. <http://dx.doi.org/10.1177/1059601104273064>
- Rompa, I. (2011). *Explorative research on sustainable human resource management*. (Master's thesis, Work and Organizational Psychology), VU University, Amsterdam.
- SHRM. (2009). Global diversity and inclusion: Perceptions, practices and attitudes. *Report for the Economic Intelligence Unit – The Economist*. Alexandria: Society for Human Resource Management.
- Topteam Gastvrijheidseconomie. (2014). *Eindrapportage – Actieagenda & sleutelprojecten: Vinden, verrassen en verbinden*. Den Haag: Boercroon Business Creators.
- Tuckman, B. (1965). Developmental sequence in small groups. *Psychological Bulletin, 63*(6), 384–399. <http://dx.doi.org/10.1037/h0022100>
- WTTC. (2015). *Global talent trends and issues for the travel & tourism sector*. London: WTTC.

