INNOVATION MINDS

Hospitality Industry Benchmark Report 2024

[EMPLOYEE ENGAGEMENT]

INTRODUCTION

We are delighted to present Innovation Minds' first Engagement Analytics Report tailored for the Hospitality Industry. While Innovation Minds is recognized for its groundbreaking work across various sectors, this report focuses on the unique dynamics within the Hospitality sector.

Over the years, we have collaborated with a diverse range of industries, gaining valuable insights into the drivers of employee engagement. In examining the Hospitality Industry, we acknowledge the distinctive factors influencing and motivating employees in this domain. By drawing comparisons with our experiences in other sectors, we aim to shed light on the subtle nuances that contribute to engagement levels within the Hospitality landscape.

Understanding the drivers of employee engagement is paramount, especially in an industry where the competition for talent is as critical as the pursuit of excellence. As the Hospitality sector evolves, recognizing and addressing these nuances becomes integral to fostering a work environment that not only attracts top talent but also ensures long-term commitment and enthusiasm.

This report serves as a benchmark, offering industry-related insights and providing a comparative analysis with other sectors. We believe that gaining a comprehensive understanding of your industry's employee engagement landscape, coupled with insights from leaders in other domains, can empower your organization to make informed decisions and stay ahead in the competition for skilled professionals.

As each workplace has its unique dynamics, individual research is imperative. The aggregated and anonymized data presented in this report aims to complement your internal efforts, offering a broader industry context. We have seen time and again in our client's work that the factors influencing engagement can vary significantly from one organization to another. This report, while providing general industry trends, underscores the importance of individualized approaches to employee engagement and retention strategies.

We trust that this report will not only be informative but also serve as a valuable tool in shaping your organization's employee engagement initiatives. Should you have any questions or if Innovation Minds can assist you further, please feel free to reach out.

In the ever-evolving landscape of 2024 within the Hospitality Industry, where the importance of engaging employees is paramount, we are delighted to share the latest insights drawn from our experiences with Hospitality organizations. As the sector increasingly recognizes the crucial role of employee engagement, we witness a transformative shift toward data-driven decision-making.

Here are five key trends that we anticipate will shape the Hospitality landscape in 2024:

I. Responsive Urgency: Hospitality organizations are embracing a heightened sense of urgency in addressing engagement results. Proactively correcting and enhancing outcomes, coupled with meticulous re-measurement, reflects a strategic commitment to cultivating a responsive and dynamic work environment in the ever-evolving hospitality sector.

II. Task-Specific Survey Designs: Departing from generic surveys, the Hospitality industry is moving towards crafting tailored surveys designed for specific tasks and objectives. This departure from continuous pulsing ensures that feedback is purposeful and contributes meaningfully to addressing the unique challenges and opportunities within the dynamic world of hospitality.

III. Diverse Survey Strategies: Hospitality establishments are diversifying their survey approaches, incorporating an annual engagement survey alongside strategically timed pulse surveys. These focused surveys not only pinpoint areas for improvement but also foster an ongoing, intelligent conversation with employees, creating a dynamic and responsive engagement strategy tailored to the fast-paced nature of the industry.

IV. Employee-Centric Collaboration: Actively involving staff in the feedback process is a priority for Hospitality organizations. Innovative approaches are being explored to encourage employees to contribute ideas and insights in response to survey results. This inclusive and collaborative approach recognizes surveys as part of a broader feedback loop, enhancing the overall experience for hospitality professionals.

V. Holistic Metric Integration: Building on past trends, the Hospitality industry is integrating survey data with essential metrics. This reflects a keen interest in understanding the intricate relationship between engagement data and factors such as Guest Satisfaction Scores, Employee Turnover Rate, Net Promoter Score (NPS), Occupancy and Revenue Impact, and Employee Satisfaction Index, providing a comprehensive perspective on the health and effectiveness of the Hospitality industry's workforce.

ENGAGEMENT SCORES

In evaluating the engagement landscape within the Hospitality Industry, we employ a comprehensive approach using 10 key themes to derive an overall score that reflects the level of engagement among employees. These themes provide a nuanced understanding of the factors influencing work experience within Hospitality organizations. It's crucial to recognize that engagement dynamics can vary significantly not only between different sectors but also within the industry itself.

In our approach to survey scores and engagement metrics at Innovation Minds, we prioritize simplicity and transparency. To ensure clarity in comparisons, we utilize a five-point scale where the top two responses signify agreement and strong agreement. The resulting scores straightforwardly represent the average percentage of individuals who have agreed or strongly agreed, fostering an easily understood and replicable method. This transparent approach aims to minimize confusion and provide organizations in the Hospitality Industry with clear, actionable insights into their employee engagement landscape.
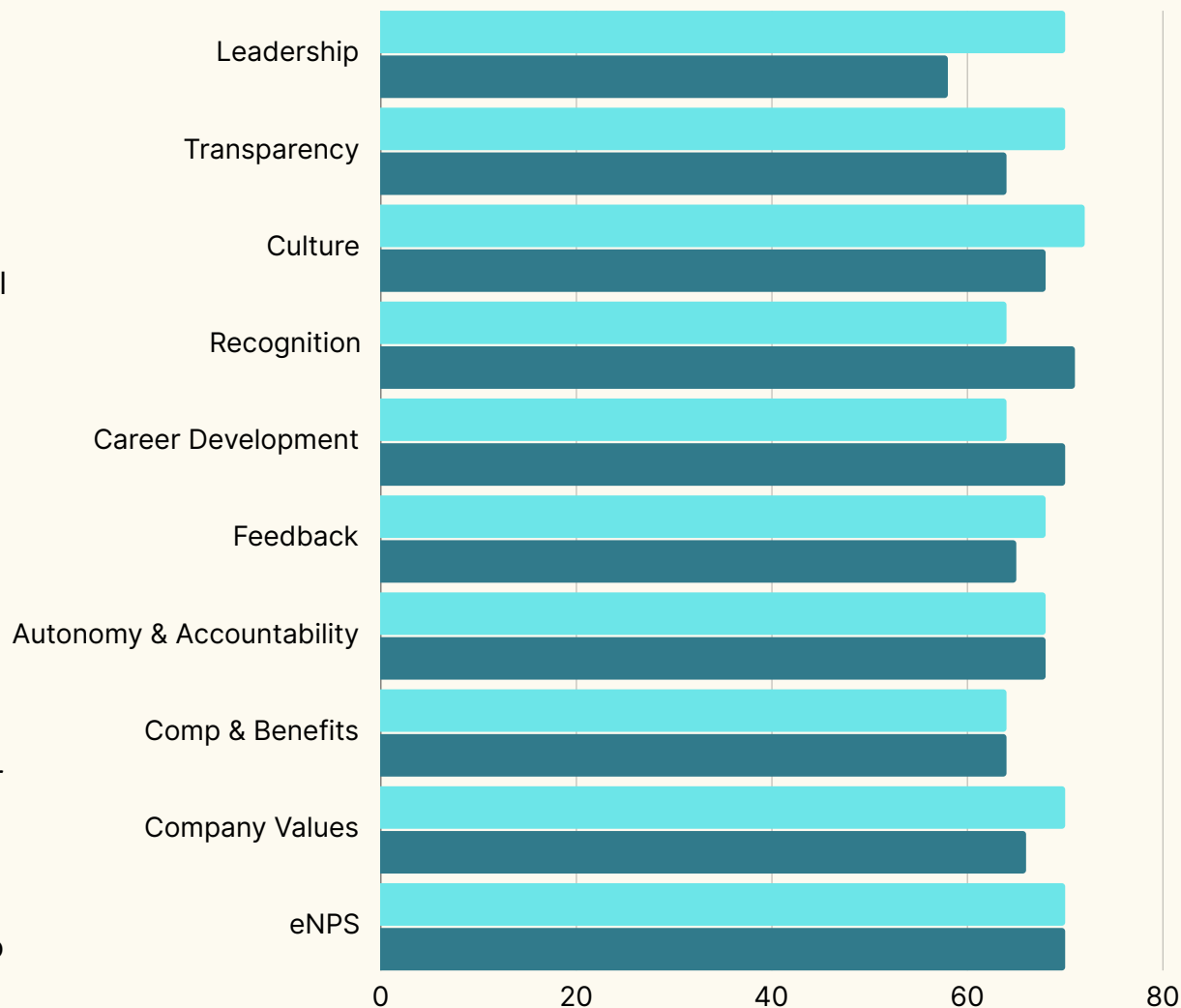
The data highlights differences in engagement between **Hospitality** *and* **Food & Beverage**.

KEY DRIVERS OF ENGAGEMENT

The following data illustrates the thematic attributes representing the delta or gap between the **Hospitality** Industry and the **overall benchmark**.
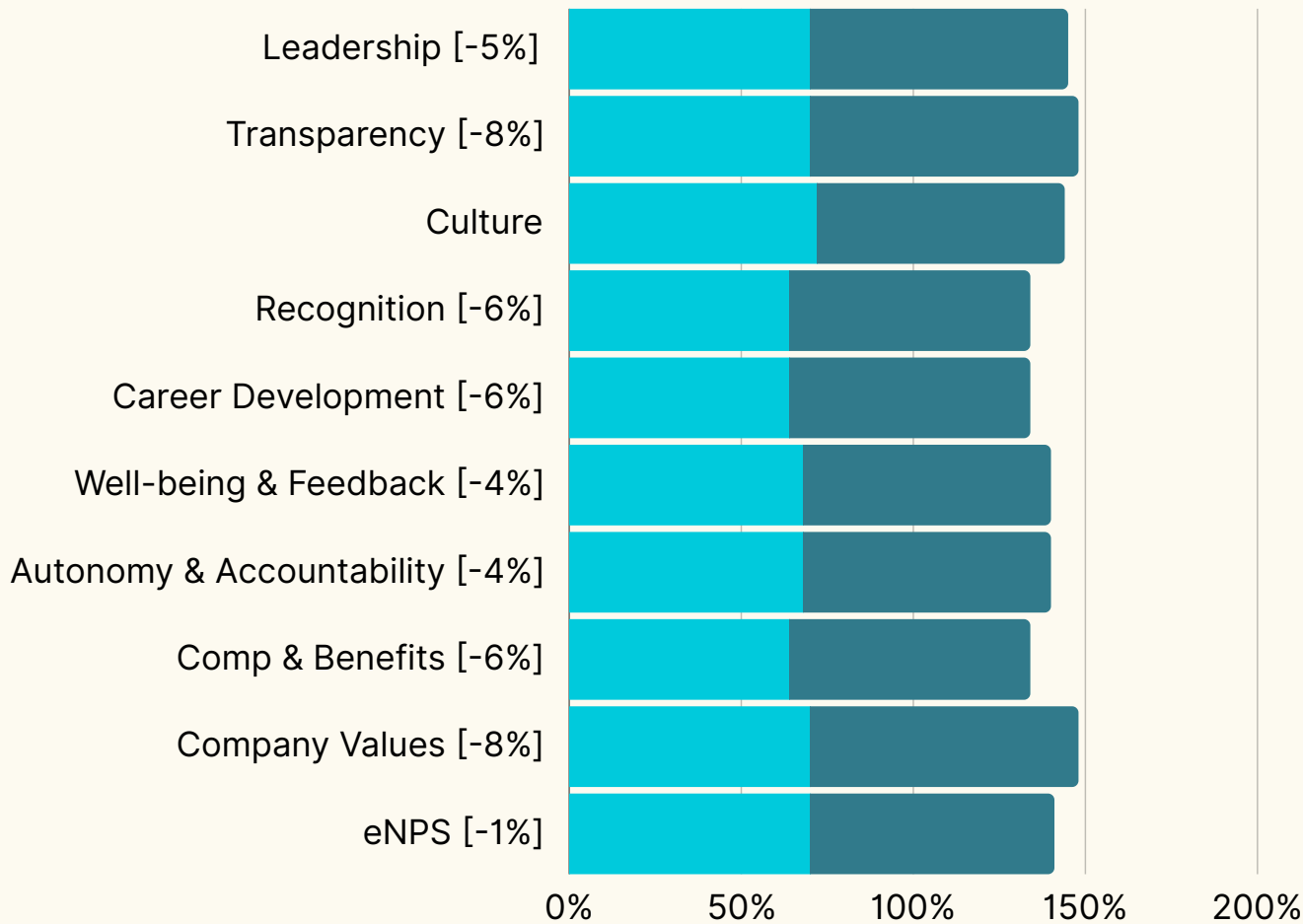
DRIVER ANALYSIS

Driver analysis comprises a set of statistical techniques aimed at assessing the strength of relationships between variables. At Innovation Minds, we conduct a statistical comparison of each individual's responses to engagement questions with their responses to each question, identifying the themes most strongly correlated with overall engagement. It's crucial to note that activities an organization excels in, or struggles may not inherently dictate employee engagement. Our focus extends beyond solely high or low-scoring questions unless they significantly drive engagement. Armed with these insights, organizations can strategically enhance scores that have a substantial impact on overall engagement.

Leadership [-5%]
Transparency [-8%]
Culture
Recognition [-6%]
Career Development [-6%]
Well-being & Feedback [-4%]
Autonomy & Accountability [-4%]
Comp & Benefits [-6%]
Company Values [-8%]
eNPS [-1%]

0%   50%   100%   150%   200%

KEY DRIVERS OF ENGAGEMENT

We advocate for our people scientists to cluster the most influential engagement drivers in respective organizations, emphasizing a holistic approach rather than solely concentrating on the top ones. Given the complexity of individuals, any of these factors, irrespective of their ranking, has the potential to significantly impact engagement levels within an organization. Leveraging our comprehensive dataset, we employed statistical techniques to pinpoint three key themes: Transparency, Recognition, and Company Values.

Transparency: Open and transparent communication builds trust and enhances employee engagement. Low scores in transparency highlight potential communication gaps or a lack of clarity, signaling a need for increased openness and information-sharing.

Recognition: Acknowledging and appreciating employees' contributions is crucial for morale and motivation. Low recognition scores indicate a potential lack of acknowledgment, signaling a need for implementing recognition programs to boost employee morale.

Company Values: Aligning actions with stated values is crucial for building trust and integrity. Low scores in company values indicate a misalignment between stated values and organizational practices, necessitating a review and reinforcement of organizational values.

Focusing on of these areas when an organization is scoring low can have a transformative impact on its overall health and success. For instance, a focus on Transparency fosters open communication, rebuilding trust and clarity within the organization. Emphasizing Recognition can elevate morale and motivation by acknowledging and appreciating employees' contributions. Finally, reinforcing Company Values builds trust and integrity. In each case, a targeted focus has the potential to drive positive outcomes, contributing to a more engaged, satisfied, and high-performing workforce.
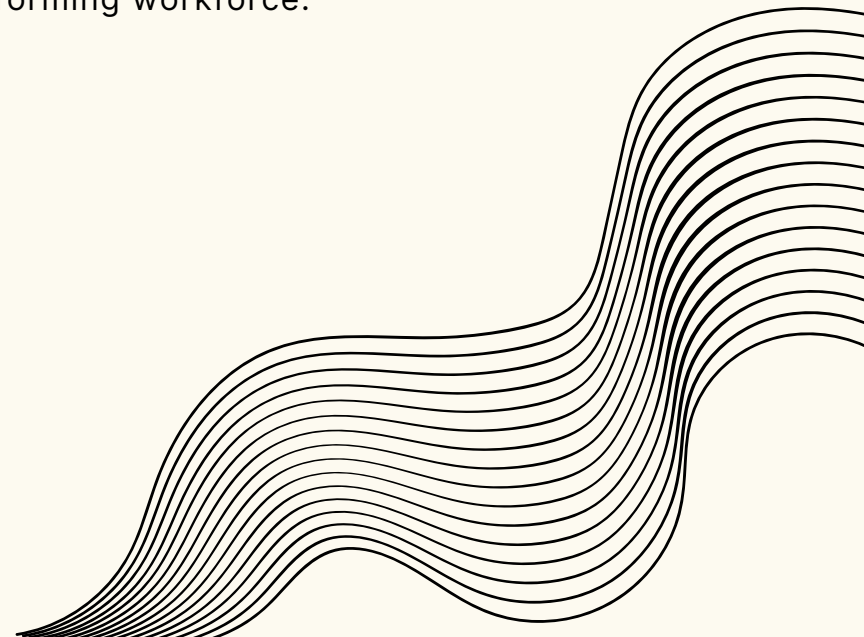
ABOUT THE ORGANIZATIONS

The Hospitality Industry benchmark encompasses data from diverse organizations, ranging from conventional professional entities like Manufacturing and Hospitality to those demanding specialized knowledge bases, such as Oil & Gas and Technology. While these organizations often incorporate technology into their operations, they typically do not allocate substantial resources to technology development. The benchmark includes organizations with both national and global footprints.

NUMBER OF EMPLOYEES
Average no.

~250 5,000 *people from* 20+
Organizations
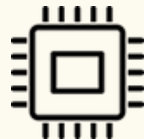
Ranging from

Median response rate

50 to 1,500 people at each organization

89%

Data is sourced from a subset of Innovation Minds clients who fit the Hospitality Industry description. All organizations provided consent for data to be used anonymously and in return have access to Innovation Minds benchmark data.

OUR TOP 10 INDUSTRIES

Technology

Education

Manufacturing

Finance

Construction

Non Profit

Hospitality

Food & Bev

Oil & Gas

Healthcare

We trust that our Hospitality Industry Comparative Analysis has provided you with a foundation to assess how the culture within your organization compares to your industry counterparts. The compilation of this analysis has been an enlightening journey, allowing us to draw insights from the wealth of data collected and analyzed.

While numerous lessons emerge from this data, it's crucial to acknowledge the uniqueness of each organization we collaborate with; what holds great importance for employees in one organization might differ in significance for those in another. At Innovation Minds, our mission is to equip organizations with comprehensive information and insights, guiding them to discern their standing, identify potential concerns, and measure the impact of strategic actions.

The presented benchmark report offers a glimpse into top-level data, accessible on the Innovation Minds dashboard, while our clients enjoy access to more nuanced benchmarks and granular data, enabling a detailed contextualization of the dynamics within their organization.

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> ENGAGED EMPLOYEES LEAD TO SATISFIED CUSTOMERS. SATISFIED CUSTOMERS LEAD TO LOYAL CUSTOMERS. AND LOYAL CUSTOMERS DRIVE BUSINESS GROWTH.
> - TOM NIES, CINCOM SYSTEMS
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