Extension Material 7.2

Integrated case study: HR and the new opening

Introduction

This case study focuses on the activities and challenges associated with the role of HR when organizations expand or open new facilities, engage in mergers and acquisitions, or relocate overseas. In this particular case, it involves opening a new hotel, and ensuring that it is staffed and ready to open on time. The term 'greenfield site' is sometimes used to describe a new plant in a new location, for which nothing is inherited other than the company's existing philosophy and operating systems. With significant new developments such as a new opening, HR has the opportunity to be much more creative in the sense that they are working with a blank sheet of paper and can really influence key decisions and outcomes. Many HR interventions tend to be based on much smaller-scale actions and contributions that are made within existing cultures and structural forms. Where HR is required to play a more formative and strategic role the metaphor of builder or architect is often used to emphasize a different kind of contribution to organizational success (Monks, 1992; Tyson and Fell, 1986; Ulrich et al., 2009).

The specific example used to illustrate HR's role in supporting such a new opening is based on the opening of a new hotel in the centre of Sheffield some years ago. Certain details, including the name of the hotel, have been changed but in all important respects the case study is an accurate reflection of the situation described.

The following section provides details about the company, the hotel, and labour market conditions. Before we move on to this, it is important to understand that, while this case study shares some features with those found in the book, it is different from them in important ways.

It is based on real events and much of the content is from interviews with the HR practitioners who were closely involved, so it represents a unique insight into the pressures and challenges that these practitioners faced—and how they dealt with them. This case study provides examples of HR making important contributions to the 'business', and of HR professionals who have a very clear conception of what is expected of HR and of what they have to do to meet these expectations. The case study is about 'delivering', to use Ulrich's (1996) word, but it also demonstrates what and how things were done to achieve the required outcomes. In addition, it shows how important it is to link different activities together and to approach the practice of HR with a very clear understanding of the importance of maintaining an integrated and holistic perspective on what needs to done. It also gives a sense of the operational and strategic value of these activities.

In this Extension Material, particular emphasis is given to the task of finding and employing staff, inducting and training them, and using performance reviews and appraisals. The ultimate test of whether these activities are done effectively is in the behaviour of employees—whether they fit into their jobs and the social environment which they need to be part of; whether they stay and develop or leave because they are either unsuitable or are dissatisfied with their job and working conditions; and whether they are comfortable working in a service-orientated business. The case study emphasizes the essential connectivity of what can often become separate and detached activities. It shows that a competent, efficient, and motivated workforce, possessing the right attitude and performing to the required standards, is one of the key determinants of organizational success, and this is where HR can add value—through its ability consistently to deliver these outcomes.

The approach taken:

- provides information on the location, organizational context, and specific requirements associated with meeting all staffing requirements leading up to, and shortly after, the opening of the hotel;
- offers academic insights into key HR activities and responsibilities, using appropriate research and literature contributions to provide an academic perspective on these activities;
- provides realistic exercises that reflect the tasks and challenges faced by the HR practitioner involved;
- offers insights into the actual experiences of the people involved in the project and, through this, allows the student to understand more realistically the pressures, dilemmas, successes, and failures of those involved, and what they learned from their experiences;
- puts the student in the key role of HR manager and other stakeholders;
- provides extensive opportunities to research and practise important aspects of the HR function.

The background

Robinson Hotels & Resorts is one of the UK's largest independently owned hotel group, with over sixty properties spread throughout the UK. It operates within the four-star deluxe sector of the market, and is committed to providing a full range of services and facilities to its customers. As a result of its strategy of growing organically rather than through mergers and acquisitions, it acquired a site in the heart of Sheffield in the UK and developed plans for a brand new, 120-bedroom hotel, with an opening date of 1 November 2009. Failure to meet this deadline had obvious implications for the ability of the general manager (GM) to take advantage of the busy Christmas and New Year period, and would have adversely affected his planned revenue budget. This contextual factor shows how HR failing to deliver its key contributions by a specific date has real and material outcomes for the organization's business profile and performance; getting it wrong matters!

The GM, Daniel Martin, was appointed in January 2009, followed in June by Marjory Hughes and Claire Wilson, sales director and HR manager respectively. Claire's initial tasks during the critical six-month pre-opening period were to:

- design the organizational structure, and prepare job descriptions and person specifications for each job;
- agree the head count and workforce budget;
- recruit and select staff for all posts;
- plan for and deliver an effective induction and skills training programme;
- devise an effective performance review and appraisal system.

These tasks had to be successfully completed at the latest two weeks before the hotel opened its doors to paying customers, thus allowing for a short period of final testing and preparation.

Designing the organizational structure

The ability to meet the November opening deadline was heavily dependent on having a fully staffed and trained workforce in place by that time, but before any recruitment could begin, agreement had to be reached over the hotel's establishment numbers and its internal structure. In thinking through the implications of creating a functional structure, it is worth noting Child's comment that:

> **The design of jobs and work structures should not only take into account the nature of the work and the characteristics of personnel; it also has to be consistent with the philosophy of management that is being followed. The structuring of jobs needs to be matched by an appropriate design of organisational systems and an appropriate managerial style.**
> (Child, 1984)

This way of conceptualizing structure suggests that it is more than simply a technical task, involving creating roles, jobs, relationships, and lines of accountability; decisions on these issues also reflect something about the beliefs and values of the organization's senior managers, and about the functional requirements associated with delivering a specified level of service to meet customer expectations and service standards. Structure is also, as Watson (2002) argues, about:

> **the regular or persisting patterns of action that give shape and predictability to an organisation.**

This means that the hotel's structure of work and jobs needed to deliver behavioural patterns and standards that were known and understood, regularly repeated, and fit for purpose. But structure is not to be interpreted as a state of permanence. A central theme of the book is that of the importance of adaptation to environmental changes at the organizational, HR functional level, and on the part of individual employees. Any structural configuration has to be seen as one that reflects requirements and circumstances at any given time, subject to a process of ongoing modification. Increasingly organizations, in their search for productivity gains, need to change roles, create more demanding tasks, and remove layers of work or people from the organization. In such circumstances, a rigid organization structure becomes an impediment to effective adaptation strategies.

At the time of opening, the hotel employed 160 people from seventeen different national groups, although not all were full-time employees. The management structure reflected the industry's traditional emphasis on heads of departments reporting to functional heads, who, in turn, reported to the GM, as indicated in Figure 7.3.

The first three senior management appointments had responsibility for appointing the remaining functional heads and, with these in post, the heads of department. The people who filled these three positions were clearly critical to all subsequent employment decisions, and to the effective and profitable operation of the hotel.

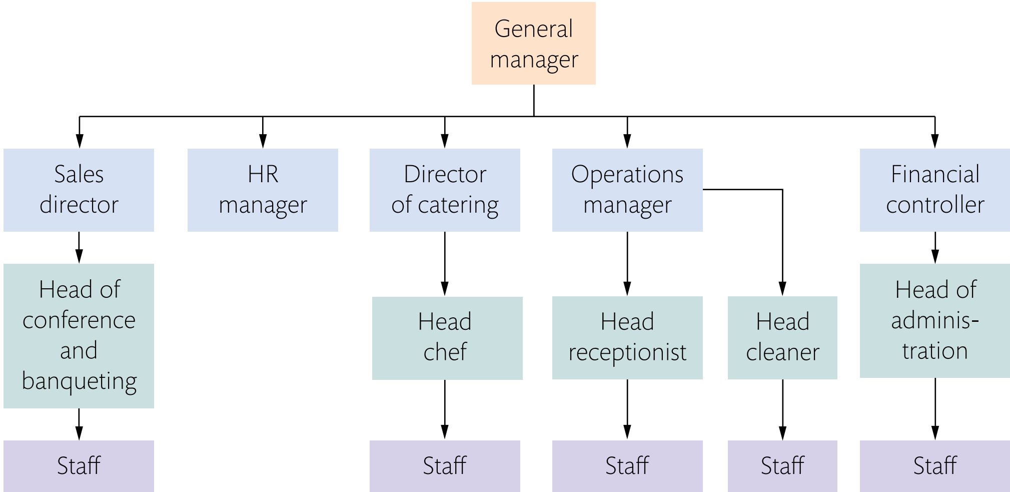

Figure 7.3 The structure of the Sheffield Robinson Hotel

STUDENT ACTIVITY 7.7

Either individually or in groups, prepare job descriptions for the GM and HR manager. The structure and content of these should be sufficiently detailed to allow for the following tasks to be completed.

1. Produce person specifications for each position, detailing the necessary and desirable features that applicants should possess, specifying, where appropriate, the level of attainment or standard.
2. Design an advertisement for the post of HR manager and indicate what your recruitment strategy would be.
3. Design an assessment and selection strategy for the HR post, based on a shortlist of six applicants, indicating clearly the chosen assessment methods and key criteria, with weightings, if considered appropriate.

Note: You should explore all opportunities to collect data on both roles and validate the outcome of this exercise by contacting actual hotel GMs and HR managers and generate primary data yourselves.

Once in post, the focus of the management team in the pre-opening phase was agreeing the establishment numbers, allocating jobs to departments, and recruiting staff. Staffing models used in other hotels influenced the numbers of posts agreed upon, but particular use was also made of the following.

- Ratios

  For example, the number of bedrooms that might be cleaned to standard in one shift divided by the number of bedrooms, subject to a projected occupancy rate. With 120 rooms, with one cleaner able to clean six bedrooms per shift at an average projected occupancy of 80 per cent, the number of WTE cleaners needed would be calculated as follows:

  $$\frac{120}{6} \times 0.80 = 19$$

  Question To ensure that as far as possible the number of cleaners required the amount of work needed to be done, what employment contract would you offer the cleaning staff and what would the main terms and conditions be?

- Size of facilities

  For example, the range of facilities offered in the leisure centre would indicate not only the numbers of staff needed, but their different jobs and skill sets.

- Projected usage rates

  The number of guests and visitors expected to use the restaurant, for example, would inform decisions on the number and variety of restaurant/bar posts needed.

  Question How would you ensure that the right staffing levels were available to reflect different restaurant usage levels?

STUDENT ACTIVITY 7.8

To achieve the required level of flexibility, many organizations are turning to annual hours and zero-hours contracts.

1. Research the use of annual and zero-hours contracts, and report on the available evidence of the experiences of both employers and employees.
2. Explain how annual hours contracts differ from zero-hours contracts.
3. In the case of the Sheffield Robinson Hotel, consider the advantages and disadvantages of guaranteeing a minimum number of hours/shifts per month to its casual workers (CIPD, 2005; Stredwick and Ellis, 2005).

Staffing the hotel

Unlike established workplaces, with a new opening, there are no opportunities to draw upon the internal labour force as a source of labour supply unless staff employed in different parts of the business are transferred in. All recruitment had to be based on the external labour market, which effectively meant the Sheffield region for the majority of employees. The bulk of the pre-opening budget of £300,000 was allocated for staffing purposes, compared to a starting employment budget of £2 million. The difference between the two is explained by the fact that recruitment to the full-establishment figure gradually took place over the full pre-opening period. The recruitment strategy was based on four elements:

- unsolicited CVs sent in on a speculative basis;
- the use of online applications and processing, using the hotel's electronic database and search facilities. The CIPD has found that the trend for online recruitment is growing, with almost two-thirds of organizations using technology to support this activity (CIPD, 2006: 3);
- local advertising and the use of industry-specific publications;
- recruitment agencies, but limited to posts that required specialist skills and experience.

Selection for senior managers was based on interviews, with the HR manager undertaking the first and the GM, the second interviews. Interestingly, psychometric tests were not used for any position, the emphasis being placed instead on a person's CV, experience, and ability to 'fit' the hotel environment. This involved having the required skill set, being flexible and adaptive, being able to work under pressure, and understanding the need to meet customer expectations.

For all other positions, responsibility for selection was devolved to the appropriate head of department, with the HR manager conducting the initial assessment of applications and then agreeing with the appropriate head of function or department which candidates would be invited for interview. Effectively, the criteria used in deciding on this and the subsequent decision whether to offer a job were related to the following factors.

- The employability of the applicant

  This was based on a review of his or her work record, education, qualifications, and experience.

- The legal status of the applicant

  This involved reviewing any criminal records that an applicant might have and reaching a judgement on whether this disbarred him or her from working in the hotel. It also included establishing the candidate's right to work, defined in terms of his or her national status.

- The technical skills of the applicant

  This was particularly important in recruiting to areas such as bars, restaurant, leisure club, and conference/banqueting.

Three other features of the hotel's recruitment strategy deserve mention:

- Building and maintaining links with institutions that represent a long-term source of labour supply. In this case, one of Sheffield's universities provided, via its course in hotel and leisure management, a regular supply of casual and part-time workers, many of whom came from abroad and had previous experience of the hotel industry.
- The development of a 'talent bank' of applications and CVs that might be used to fill new vacancies as they came onstream or to provide replacements for those who left.
- The decision to pay above the local labour market rate for hourly paid staff. This may have cost more in one sense, but attracted better-quality applicants, which, in turn, allowed the hotel to deliver a 'deluxe' level of service (CIPD, 2010).

Induction

According to the CIPD (2006):

> **Every organization, large or small, should have a well-considered induction programme.**

Although the Institute claims that designing an appropriate and cost-effective induction package is a complex task, it need not be. In the context of a hotel, the induction experience is driven by two requirements.

1. The need to meet legal requirements surrounding employment. This involves communicating information on issues such as pay and benefits, sick pay, holidays and conditions, company rules, and health and safety procedures. This might be termed the formal dimension of induction.
2. Job induction. This is a dimension of induction covering duties and responsibilities, working location, reporting lines, and job standards.

The CIPD claims that:

> **[an] induction programme has to provide all the information that new employees and others need, and are able to assimilate, without being overwhelming or diverting them from the essential process of integration into a team.**

Conceptually, induction needs to be seen as a process rather than a discrete event, and as multifaceted. This is consistent with Mullin's (1995) view that 'orientation' (as he describes it) is basically a natural extension of the recruitment and selection process.

It might also be argued that, from the perspective of line managers working under considerable financial and service/production pressures, induction needs to be delivered without compromising operational requirements. Realistically, of course, there will always be tension between the need to provide a comprehensive and satisfactory induction experience that goes beyond the basics, and operational pressures. This tension may help to explain some of the frustrations and disappointments that new employees sometimes experience with the way in which they are inducted into an organization.

In explaining why the hotel suffered from a higher than expected level of turnover, Claire Wilson offered the opinion that some new employees came with unrealistic expectations of what hotel work was like, that is, tending to imagine it as glamorous, when in reality it was hard work and demanded a high level of commitment. In their book on the hospitality industry, Boella and Goss-Turner (2005: 94) similarly emphasize the potential importance of misplaced expectations that are built up during the recruitment and selection process. Not only are these expectations important in understanding subsequent behaviour, but so too are the first impressions that are created as a result of starting to work. According to Boella and Goss-Turner:

> **First impressions are often the most lasting impressions, and the first impressions formed by many employees upon starting employment with a new employer may not be good ones . . . The first hours and days are critical and if properly dealt with can create the right relationship that contributes to employees staying with an employer.**

Figure 7.4 offers a more realistic insight into the induction experience and the challenges that this presents to the HR professional.

The so-called 'induction crisis', a term used to explain the higher levels of wastage among newly recruited employees, helps to explain the relationship between unrealistic expectations, ineffective induction practices, and the propensity to

Party with responsibility for provision	Legal aspects of employment	Company procedures and rules	Organizational culture—values and expectations	Working environment and job performance	Social and informal environment
HR professionals	✓	✓	✓		
Senior manager(s)			✓		
Line/ departmental manager				✓	✓
Co-workers				✓	✓

First day/week ← Time frame → First month

Figure 7.4 The induction process

leave. Such losses are not only costly, but often unnecessary: the individual might not have left if the induction experience had created a positive, rather than a negative, impact on the person's 'feelings' about the organization and job (Cheng and Brown, 1998; Ramsay-Smith, 2004).

This view is supported by the experience of Claire Wilson, who saw a clear correlation between the people who left full-time posts and the inadequacy of their induction, training, and development—limitations that created a feeling of not being valued on the part of the employee. One of the key points here, and one which again reflects a key theme of the book, is that traditionally induction 'was perceived as something that was done to people' and frequently involved information overload.

Rather induction can be seen as something 'done for people' and done moreover in ways that reflect a stronger inductee orientation instead of something that reflects the interests of those managing the process. And rarely do organizations consider the economic costs of poorly designed induction programmes. Research quoted in *Personnel Today* (2006) claims:

> **UK businesses are losing up to £2bn a year in employee productivity due to inefficient staff induction processes.**

Thus, in evaluating the effectiveness of any induction process the question is not only whether the objectives of both parties were met, but at what cost?

STUDENT ACTIVITY 7.9

What Figure 7.4 doesn't offer is an answer to the 'how' question: how is induction to be structured and experienced so that employees don't simply learn about the organization and their job, but do so in a way that connects with their affective domain (their attitudes and what they feel), and begins to build a relationship between the employee and the organization? This is the challenge that is found in this set of activities, which can be undertaken either individually or in groups.

1. Design a one-day induction experience for fifteen new, hourly paid, employees working as cleaners, bar staff, and receptionists, and who have been employed three weeks before opening.
2. Design an induction experience for the head chef, head receptionist, and head of operations, all of which began work eight weeks before opening.
3. Discuss the role of employee feedback in induction and give examples of how this can be built into the induction experience.

Training

Responsibility for training is shared between different stakeholders and, for the majority of employees, follows on from induction. The Robinson Hotel Group, as a whole, provides a centralized training facility available to all of its hotels, offering course-based training in key areas of the business, such as food preparation, hygiene, and 'back office' procedures. Hotel staff can be nominated for these courses. Suppliers of equipment and products also have an important contribution to make, offering onsite training in the use and maintenance of equipment, as well as product knowledge training. Heads of department, as the key line managers, carry out operational training covering specific procedures, techniques, and performance standards. This is provided in the form of on-the-job training, and is designed to provide staff with the necessary skills and knowledge to perform their jobs to the required standards and to display appropriate customer service behaviours. Finally, the HR manager is responsible for meeting statutory training requirements that all staff must meet, particularly in the fields of discrimination in employment and health and safety. This is the only form of what might be described as 'awareness training'; much more emphasis and time is given to specific and job-orientated training that supports operational requirements. The distinction between 'knowing about' and 'being able to do' is important, particularly in understanding training priorities and the appropriateness and effectiveness of different training methods. Training in hotels does reflect statutory requirements, but is primarily driven by what employees need to know and be able to do, that is, it is business focused. If staff can't perform their jobs properly and with the right attitude then customer satisfaction levels will inevitably fall, resulting in lower revenue and profitability.

Given the difficulties of taking staff away from their work to experience classroom-based training, the prominence of on-the-job training methods is understandable, although not all of the things that staff must learn can be acquired in such a way. This is particularly the case with the knowledge that has to be acquired about the legislative framework within which both managers and employees are required to work. Training for this is based on the use of CDs and laptop computers. These are made available to new employees, who can progress through the specially designed structured training programme at their own pace and in their own chosen location. The package has a self-assessment element and staff can complete this when they feel that they are ready. An external verifier then checks the submitted assessments and the results are communicated to each individual. Certificates of attainment are sent to successful candidates, and the HR manager updates their personal records and the hotel's training records. The advantage of using this form of e-learning lies in its potential to provide a consistent level of training whenever, and wherever, needed (IDS, 2006).

The use of a mix of training approaches and methods that fit different and changing requirements is consistent with the idea of blended learning.

In the hospitality industry, much of the work of staff is performed in direct contact with customers, and the behaviours and skills needed to be effective cannot easily be taught using conventional course-based learning, but must be learned through direct experience or simulation. According to Boella and Goss-Turner (2005: 123), on-the-job training, if handled correctly, can be particularly effective for learning manual and social skills, but much depends on the technical skills of the instructor/manager and his or her ability to deal sympathetically with the difficulties experienced by staff in learning new skills in a pressurized environment.

One of the more challenging tasks faced by Claire Wilson was training the hotel's heads of department in appraisal skills. Because this is a common requirement for all of the hotels in the group, Claire has discussed with Ahmad Khan, the group HR manager, the idea of designing a programme open to managers from other hotels. He is keen to promote more centralized training, if this makes sense and can be justified, and has asked Claire to meet with him to explore how this can be achieved. He is bringing an open mind to this challenge and is looking for some practical, realistic ideas. This is the background to Student Activity 7.10.

STUDENT ACTIVITY 7.10

This exercise can be done in a number of different ways, but is more productive if students take the roles of Claire Wilson and Ahmad Khan, and work together to complete the following.

1. Design the outline of a one-day, course-based appraisal training programme for heads of departments, assuming around twenty attendees in the first group, showing very clearly how you would spend the time and the learning activities that you would include. You should agree learning outcomes and specific behavioural competences that you want each participant to achieve. You need to consider how these outcomes and competences can be realistically assessed and where, and what pre- and post-course activities you want participants to commit to. The training will be carried out in hotel conference facilities.

2. One of the elements of the training programme you design must include a session on 'giving and receiving effective feedback'. Research this subject and explain how you would develop this capability in the managers.
3. Construct a visual model of the feedback process in the context of appraisals and develop a PowerPoint slide based on your model. Present this to the class and, in the light of feedback, refine your model and slide.
4. Produce a training budget for the course and any associated activities.
5. Devise an evaluation strategy to establish the effectiveness of the training.

Performance review and appraisal

The need 'to know' whether an employee is meeting reasonable expectations of his or her performance and establishing whether the employee 'fits' into the organization are not the same thing, but each is important for both employee and manager. A formal system of appraising employees is used by many public sector organizations and larger private sector businesses, but more flexible and informal systems for answering these two questions are increasingly being explored as the limitations and disadvantages of traditional performance appraisal methods are better understood.

As far as the Sheffield Robinson Hotel is concerned, the approach taken to appraisal was practical and realistic. All employee contracts contained a provision relating to a three-month probationary period, at which point the contract could be terminated if job performance or general behaviour failed to meet expectations. At weeks four and eight, employees participated in a performance review with their head of department. This was a relatively informal exchange between the two parties to establish how each 'felt about how things were going', with the results of the exchange recorded and placed in the employee's personal file. The twelve-week exchange was, according to Claire Wilson, 'more of a performance appraisal', in the sense that it followed a clearer structure and confirmed continuation (or otherwise) of employment. Criteria used to establish whether the employee was performing at an acceptable level included:

- punctuality;
- customer service skills;
- attendance.

What is rarely, if ever, considered under the performance appraisal heading is the significance of an equivalent process involving the employee appraising management and the organization. By this, we mean that employees go through a similar, if more individual and unstructured, process of reaching decisions about how well the organization has performed in relation to the promises it made, that is, the expectations that employees had of how they would be treated and rewarded, in the light of the actual experience of working and being managed. The decision by some people to leave—and this is probably the main reason for the majority of voluntary quits—is that they feel disappointed, let down, or badly treated: the performance of the organization and its managers has, in the perception of those leaving, been consistently below reasonable standards and what was promised or at least intimated. Often the most important source of disappointment and frustration is the lack of opportunity for development and progression, but also how people are treated is equally important. Are staff treated as human beings—as people—or rather as economic resources; this is the same dilemma and choice outlined at the very beginning of the book, and the admittedly very general principle we have advocated is that treating staff as people, respecting their individuality and circumstances, and knowing them personally is often associated with a high-performing employee. The frequently referred to aphorism that 'people leave their managers not their jobs' strongly suggests that the process of reaching judgements about performance is not one-sided.

At the Sheffield Robinson, managers received a performance appraisal, based on a formal interview with their line manager, after three months in post and just before twelve months. The second is significant in the sense that, after twelve months, all employees acquire employment protection rights, and cannot have their contracts terminated without good reason and in the absence of a proper procedure. After this, appraisals were held annually, and involved a formal interview and completion of an appraisal form.

STUDENT ACTIVITY 7.11

This activity requires students to design an appraisal instrument that reflects the context and requirements of a hotel environment.

1. Design an appraisal matrix that has two dimensions. Identify on the left-hand side the appraisal criteria and, along the top, you need to have a scale that reflects the extent to which each of the criteria has been met. You may wish to consider weighting the criteria and quantitatively assessing these to produce an overall rating or assessment score, with a minimum achievement level, below which performance would be considered deficient or unacceptable. Be prepared to defend and amend your matrix as a result of feedback from a presentation you may be asked to give your group.
2. Identify the kind of evidence you would use to allow proper decisions to be made in reaching conclusions about managers' performance and consider what form this might take and where it would be found.
3. Consider what action would be appropriate to deal with situations of:
   - excellent performance;
   - average performance;
   - unsatisfactory performance.

   Highlight the possible implications of each action.

According to Claire Wilson, the effectiveness and value of reviews and appraisals—they mean the same thing in different organizations—depends very much on who is involved as the appraiser and how appraisals are carried out, particularly how feedback is given and received. This means that the skills of the appraiser and appraisee may be important factors in determining the extent to which the experience of appraising and being appraised is positive and functional, rather than negative and unhelpful. Simply having an appraisal scheme or system does not in itself mean that it will generate the desired outcomes. In considering the key features of an effective appraisal scheme, ACAS (2006) suggests that the following are desirable:

- written records of the appraisal to provide feedback and to allow more managers to monitor the effectiveness of appraisals;
- a job description that focuses attention on the employee's performance at work, thus ensuring that assessments are based on objectively verifiable requirements rather than on the person;
- the use of a rating system, under which categories of performance can be numerically scored;
- the use of assessments based on objectives, standards, or other reasonable and agreed criteria, thus reducing the degree of subjectivity (note that it would be unrealistic to expect to eliminate subjectivity completely);
- the provision of a genuine procedure that allows people to be able to appeal against their assessment.

Summary

In reviewing the experiences of the six-month period prior to opening the Sheffield Robinson Hotel, the following are some of the key learning points that the HR manager made.

- Much more training might have been carried out during the pre-opening phase to prepare staff for the pressures and demands on their skills and knowledge that would arise once the hotel became fully functional. The general point here is that operational pressures do interfere with employee training and it is often difficult to undertake required training when such pressures take priority. It might be argued that the HR practitioner must find creative, effective solutions to this tension rather than force managers to release staff for training when this causes operational problems. It also suggests that some of the training provided failed to reflect the pressures that staff experienced doing their jobs; in other words, the training to reflect the conditions in which skills and knowledge would be applied.
- The heads of department might have used the pre-opening time more effectively to build their teams, and to create a better understanding of operating procedures and standards. This may be about the important role that line managers play in building the social organization of the business, under which employees' feelings and attitudes towards their work, and towards their work group, is a key variable in determining how they actually perform their jobs. It's not only about having the technical skills, but about wanting to use them.

- There was a degree of over-recruitment in the pre-opening phase, partly because of the successful recruitment campaign. As the head count was reduced through non-renewal of casual and temporary contracts and through voluntary quits, the impact on wastage rates created the impression that there 'was a problem here'. The point to note is that any measure of HR—in this case, wastage and turnover—can be misunderstood in terms of its seriousness or cause. What was a natural adjustment to a temporary oversupply situation might have been interpreted by people taking the statistics in isolation as some kind of problem that needed a solution, as well as a failure on the part of management.
- The departure of two heads of department, who left the hotel during its first eight months of operation, was not a surprise and, according to Claire Wilson, she realistically knew at the time that the two appointments might be problematical. The decision to employ was heavily influenced by the urgent need to make appointments and to fill key posts. Her comment that 'you need to have the confidence to hold off' reinforces the point that it is better to resist short-term pressures to recruit, if at all possible, particularly if key managerial jobs are involved, and to make sure that the 'right' manager is in place from day one. It is just as important ***not*** to recruit if there is real doubt about the suitability of the applicant.
- Finally, the experiences of managing the HR dimension of the new opening offer persuasive support for those arguing that a link does exist between what HR does and organizational performance. Claire Wilson made this clear when she remarked that the staff that had left had been those whose induction, training, and development had not been satisfactory and had it been better they may have stayed; in general, those that stayed had benefited from more positive and supportive experiences in these key areas of HR.

Scenarios

The final part of this integrated case study gives students the opportunity to consider how to address the types of issue that arise when managing projects of this sort. Due to the different pressures facing organizations in this type of situation, the responses to staffing issues can and often do vary from that which appears appropriate in a more stable environment. In the debate between 'best practice' and 'best fit' HR, lack of awareness of and sensitivity to context and operational pressures can undermine HR's standing with other stakeholders and limit their ability to maximize their contributions. 'Best fit'!

In the following scenarios, students can use their knowledge and judgement to offer practical solutions that will overcome the challenges described.

Joe's case

Joe was interviewed for the position of head chef. As an Australian national, he noted during his interview that, if offered the post, he would require the support of the hotel in obtaining a permit to work in the UK. He explained that he already had a work permit to work at a different organization and that it should be relatively easy to get a permit for the new hotel. Joe had a very impressive CV and had extensive experience in similar positions at different hotels, both UK-based and elsewhere in the world. The director of catering felt that Joe was, by far, the best candidate for the post and, despite the delay expected in obtaining a work permit and the associated cost, was still keen to offer the position to Joe. He was therefore offered the post, conditional on eligibility to work in the UK. As part of the application process for a work permit, the hotel asked Joe to supply supporting documents, including his passport and current work permit. It transpired that he did not have a work permit and that his visa granting permission to work in the UK had expired some months before. The HR manager explained to the catering director that it would be much more difficult to get a work permit in these circumstances, due to the new restrictions on employing non-EU workers.

Questions

1. What options might the HR manager and catering director have considered?
2. Investigate the new rules, post-2010 on employing non-EU workers in the UK. What would be the potential penalty for employing Joe without eligibility to work in the UK?
3. How should the catering director and HR manager have handled the situation, given this problem?

Cathy's case

Cathy was appointed as a waitress and bar attendant at the hotel when it first opened. Although, when at work, she proved to be a real asset, being both efficient and capable, and establishing good relationships with her customers, her attendance and timekeeping were a real problem. During her first few weeks, she was absent with a cold for two days, took one day off when her car broke down, and took two further separate days due to a migraine. She was also late for her allotted shifts on four different occasions. Ordinarily, she would have failed her initial three-month probationary period, but due to her excellent performance when at work, and the fact that staff turnover had made it exceptionally difficult to recruit and train a replacement, Cathy's probationary period was extended. When challenged about her absence, she mentioned problems at home, including a recent breakdown in her marriage, and problems with child-care, including having to rely on family members to look after her children when she worked in the evenings.

Questions

1. What were the pros and cons of continuing Cathy's employment beyond her probationary period?
2. To what extent do you feel that attendance and timekeeping issues were relevant to her probationary period?
3. What options might the hotel have considered? What action would you have taken?

Ben's case

Ben was employed as a hotel porter and, during his probationary period, demonstrated that he was extremely keen and conscientious. He also had an exemplary timekeeping and attendance record. He did, however, find it difficult to pick up new tasks and, despite being shown by his supervisor on numerous occasions exactly what he was required to do, he kept forgetting many instructions and making simple mistakes. Prior to taking the job, he was out of work for a long time and he got very nervous during any meetings with his supervisor to discuss the difficulties he had in learning new tasks. He failed to pass his probationary period and, although this was extended, he became very agitated and upset. He was very concerned that he might lose his job because he enjoyed the work at the hotel and really needed the money.

Questions

1. What were the potential implications to the hotel in continuing Ben's employment?
2. What options might the hotel have employed to help Ben to learn more systematically the required tasks in the role?
3. What was the likelihood of Ben's difficulties proving to be a problem in the long term?

Allegations of bullying

During recruitment, the hotel worked closely with a recruitment agency to provide large numbers of staff, particularly for the lower-paid positions in the hotel. During the initial weeks after opening, the agency continued to supply staff to replace those who decided to leave. As part of its efforts to re-employ some of those who left the hotel, the agency discussed the reasons why these people left and raised a delicate issue with the hotel about why some of the staff left. In a discussion over staffing requirements, the agency informed the hotel that bullying might be a problem among some of the cleaning staff and that three of those who left had raised this as being a problem. For reasons of confidentiality, it could not disclose more information because those who had informed them of the issue had specifically asked not to be named, but the agency felt that it might help the hotel to raise the issue so that steps could be taken to ensure that this did not continue to be a problem in the future.

Questions

1. How might the hotel have investigated these allegations?
2. How might the hotel have gone about establishing the opinions of the remaining staff about their employment?
3. What recommendations would you have made to reduce the risks of bullying and harassment among staff?
4. How might the hotel have gone about gathering information from those that had left to help to reduce staff turnover?

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