

teaching note

Type of Course/Topics:

Undergraduate Introduction to Hospitality and Tourism

Theoretical Focus of the Case study

Human resource decision-making and strategic planning

Subject of Lesson

This lesson immerses students into a Leadership-Human resource decision-making exercise that involves two primary factors: employees and guests. Students will be presented an overview of the Timeshare/Vacation Ownership company (Kalalau Inc.) and asked to identify key issues related to employee and guest satisfaction performance. Those key factors will include consideration of employee and guest satisfaction, if any? The key components of the lesson will be interpreting the current performance of the company and the feedback generated from both employees and customers in terms of setting key human resource strategic plans for the near term. Specifically, what level of resource allocation should be made in internal human capital resources and their relationship, if any, to guest satisfaction.

Definitions

- Vacation Ownership-the purchase and utilization of a hotel unit interval through deeded title with subsequent utilization and exchange for other unit intervals and or equivalent points based value.
- Weekly Interval-time span that is sold in the initial room-unit real estate purchase
- Points – value of the real estate interval that may be commoditized for exchange of other resort experiences or vacation products available through the Timeshare/Vacation Ownership company/affiliates
- Exchanges-Companies that exist for the purpose of exchange Timeshare/Vacation Ownership intervals or points at other participating resorts.
- Reloads- going back to the Timeshare/Vacation ownership customer that has purchased a unit and sell them more units (intervals) or the equivalent points based value.

Objectives

- Compare and contrast the similarities and differences in traditional Hotel and Timeshare Resorts.
- Interpret key research data results related to employee and guest satisfaction and formulate key human resource implications.
- Prepare a three-point action plan designed to improve employee satisfaction among club, golf and member services departments.

Essential Questions

What is an ideal relationship between employee and guest satisfaction? Should there be evidence of direct correlation between guests and employee perceptions of satisfaction in order for human resource executives to justify training dollar resources?

How should corporate level leaders of Kalalau Inc. deal with low employee satisfaction levels in the golf and member services departments in terms of strategic decision-making alternatives based in the internal needs of the organization?

- Applied Concepts
- Hospitality and Tourism Industry-Timeshare/Vacation Ownership
- Strategic human resource decision-making
- Internal research metrics and analysis

Lesson Plan Outlines

- Overview and introduction to Timeshare/Vacation Ownership industry
- Review guest satisfaction constructs and the fundamental nature of human resource strategic decision-making
- Identification and interpretation of key research data metrics (customer and employee factors)
- Action planning various employee development activities designed to improve satisfaction

Summation

- Teaching Approach and Suggested Sequence or Timeframe
- The case study can be used in several different ways:
- A group exercise (weekly learning module) in class or take homework format
- Online-blended learning team based exercise
- An undergraduate Hospitality and Tourism Introductory course section examining the Timeshare/Vacation Ownership dimension of the Hospitality industry
- An introduction hospitality/tourism undergraduate course or weekly learning module

Suggested Sequence and Timeframe

Session 1: (45minutes)

A. Introduction

Provide brief overview of Timeshare/Vacation Ownership Industry. Share the nature of Timeshare/Vacation Ownership and its composition in the Hospitality industry. Similarities include: Market segmentation, loyalty programs, lodging operations, guest service delivery, rooms division management, reservations systems, concierge services and maintenance/facilities management differences include;

real estate transactions, deeded titles, financing, re-loads, points, exchanges, daily housekeeping services, length of stay patterns, check-in frequency and night audit functions, overall financial performance.

Profile the following Timeshare /Vacation Ownership companies:

- Wyndham Vacation Ownership
- Hilton Grand Vacations
- Disney Vacation Club
- RCI
- TrendWest Resorts

B. Lecture

Present and review the Kalalau Inc. case study, highlight the key human resource strategic decision-making data metrics: departmental categories, employee satisfaction relationship to guest satisfaction. Illustrate the significance of employee satisfaction as an internal measurement of employee performance and its linkage to organizational success. Discuss the value of customer satisfaction data and its linkage to organizational performance. Query whether there is empirical evidence that links the relationship of high employee satisfaction with high customer satisfaction?

Session 2: (45 minutes)

A. Introduction

Discuss the fundamental relationship between employee satisfaction and the importance of front-line service delivery to customer satisfaction. Articulate the intangible nature of service in the hospitality industry and its impact and relevance to the Timeshare/Vacation Ownership industry.

B. Lecture

Identification of key data metrics for analysis (guest and employee factors) based on Kalalau Inc. data points. Introduce the following scenarios for consideration:

1. Discuss the importance of revenue generation, operating performance, profitability and wage levels highlighting variables such as: market demand, financial stability, capital investment and customer service delivery
2. Illustrate the complexity of Timeshare/Vacation Ownership customer experiences. Focus on the owner-guest paradigm, uniqueness of the Timeshare facility and the importance of sales/promotion in the Timeshare purchasing process.
3. Examine and profile the big brands and how they have integrated the Timeshare product into their overall Brand strategy.

Assign and create (2) scenarios:

Present a comprehensive customer centric view of resource allocation designed to drive loyalty and top line revenue for the Sales and Marketing division of Kalalau Inc. This should include company mission statement, commitment to service, guidelines for resource

allocation and operating culture.

Prepare an employee satisfaction–improvement plan for the golf and members services departments of Kalalau Inc.

Instructional Materials needed

Case study handouts, PowerPoint slides, calculators, papers, pencils, white board or flip chart.

Assessment Methods

Student lead/group presentations of each recommended scenario and supporting action plans.

Essay question(s) (short answer) on the following constructs for both the Timeshare Owner and the Resort transient customer group: (a) importance of employee satisfaction to service excellence, (b) linkage between customer satisfaction and facilities maintenance-how it drives loyalty, (c) leadership and human resource decision-making complexity-balancing scarce resources.

Industry White Paper (1 page). Each student will identify a current issue facing the Timeshare Industry and compose a compelling argument for Executive management consideration and implementation. Choose from one of the following topics: (1) Quality service, (2) Vacation ownership growth, (3) Boutique exchange companies, (4) Marketing segmentation, (5) Ownership/investment, or (6) Branding.

Suggested Readings

- Timeshare Management: The key issues for hospitality managers by Kaufman, Lashley & Schreier. 2009.
- Strategy: A View from the Top (4th edition). de Kluyver & Pearce, 2012.
- Gundersen, M.,G Morten, H. & Olsson, U.H (1996). Hotel Guest Satisfaction among Business Travelers: What Are the Important Factors. Cornell Hotel and Restaurant Administration Quarterly 37: 72.
- Keough, S.,M. & Shanahan, K., J.(2008). Scenario Planning: Toward a More Complete Model for Practice. Advances in Developing Human Resources 10: 166-178.
- McPhail, R., Herington, C., & Guilding, C. (2008). Human resource managers' perceptions of the applications and merit of the balanced scorecard in hotels. International Journal of Hospitality Management,27 (4) 623-631.
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- Crotts, J.C. & Ragatz, R.L. (2002). Recent US timeshare purchasers: Who are they, what are they buying, and how can they be reached? International Journal of Hospitality Management. 21(3), 227
- Rezak, S. (2002). Consumer research sheds light on all aspects of resort time-sharing business. International Journal of Hospitality Management. 21(3), 245.
- Shell Vacations LLC (2012). Personal interviews.
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Quarterly. 48(1), 28-45.

Upchurch, R. & Gruber, K. (2002). The evolution of a sleeping giant: Resort time-sharing. *International Journal of Hospitality Management*. 21(3), 211

Woods, R.H (2001). Important Issues for a growing Timeshare Industry. *The Cornell Hotel and Restaurant Administration*, 42(1), 71-81.