Engaged Employees Make for Better Business

Summary of the Case

An experienced food service professional stated, "for the past 30 years in food service, I always said that if you 'have passion', you will succeed in our industry". Recently, that professional has changed that phrase to "are you engaged?" Employee engagement is a workplace approach resulting in the right conditions for all members of an organization to give of their best each day. They are committed to their organization's goals and values, motivated to contribute to organizational success, with an enhanced sense of their own well-being. This case will focus on employee engagement and how a business/ company could develop employee engagement programs in the workplace.

Glossary

- *Engagement*: Kahn (1990) defined employee engagement as "*the harnessing of organization members' selves to their work roles: in engagement people employee and express themselves physically, cognitively and emotionally during role performances.*"
- *Organizational Commitment:* Organizational commitment is defined as internalizing the organization's objectives by the employees and creating the desire to stay in the organization by this way (*Civelek, M. E., Çemberci, M. and Asci, M.S., 2015).*
- *Job satisfaction:* Job satisfaction for chefs has been defined as the magnitude of satisfaction with eight facets of one's current job: the work itself; one's level of responsibility; opportunities for growth and recognition; supervision; interpersonal relationships; working conditions; salary and company policy (Chuang et al., 2009).

Case Target Audience

This case is targeted to undergraduate hospitality students. The case could be utilized in service management courses, human resource courses and or a food service management course.

Class Goals

The goal of this case, and its class use, is to introduce and stress the importance of employee engagement to hospitality students as it relates to business success and financial sustainability.

- Students should define employee engagement, provide employee engagement examples (good or bad) and assess their own employment environments as they relate to their own jobs and careers.
- Students will be able to compare and contrast employee engagement, job satisfaction and organizational commitment as it relates to value for a company.

Teaching Objectives

- Students/readers should be able to outline an employee engagement process.
- Students should be able to generate a list of work factors that are associated with employee engagement plans.
- Students should be able to discuss the relationship of employee engagement to financial sustainability.
- Students should be able to recommend employee engagement tactics.

Teaching and Learning Framework and Sequence

Business Dilemma: Critical Decisions Points (CLP)

Business Dilemma outcome: It is recommended that students/readers follow through on their role as consultant. First, they should identify the actual problem, then, after analysis and consideration of the facts, recommend a strategic direction and be able to justify their recommendations. It is noted that whether with groups or individuals the case results are likely to have different problems identified. Identification of the problem could be accomplished using a combination of case facts and, if appropriate, further research. Finally, students should develop a list of tactics to improve the work environment and retain employees while improving service and ultimately increase sales.

Teaching Framework: Below, is part of the Business Dilemma and at noted points *Critical Learning Points (CLPs)* have been highlighted (*italics*). These CLP notations can assist the instructor to identify decision making tools for students and prompt multiple discussions regarding each topic. The instructor can add or delete CLPs as she or he sees fit to best align with their lessons. Conversely, an instructor could ask students to identify the critical points in the case and explain why they are critical for decision making (O'Halloran, 2015). It is also suggested that the instructor provide the students some introduction to engagement theories and their application.

Business Dilemma with noted CLPs

The Brown Franchise Company (BFC) is a longtime restaurant franchisee that has been very successful over the past 30 years (*(CLP: franchisee, buffet style restaurant)*. The BFC serves diverse buffet style food, for breakfast, lunch and dinner, no alcohol is included. The restaurant can seat approximately 150 and is clean but by some opinions is somewhat outdated in terms of style and décor.

The BFC's general manager, Steve Kelly (a non-family member), has been there for almost 20 years (CLP: GM is a long time and successful manager, to this point). Steve is well-liked, and in previous years was

noted to have great customer service skills. However, recently, several customers have complained to Steve and family members about slow service. Additionally, in a recent incident, Steve lost his temper in the dining area when interacting with employees during a busy time and created a bit of a scene. Family owners and general observations are that the general manager's interactions with employees appear to be less each week and only occur if there is a problem. To some, it appears that Steve knows the ropes of restaurant management but appears to be most comfortable keeping things on cruise-control. Steve complies with franchise standards but has shown minimal effort soliciting guest feedback on the restaurant's performance. (CLP: only complying with franchise standards).

Owner/ family members have become concerned with the restaurant's sales decline and overall service performance. (CLP: direct business impact). When family members have asked Steve for his thoughts and input, he has stated that he thinks it is a temporary decline and things will bounce back. Most employees seem to enjoy their customer interactions but have hinted that they feel they are not a team (CLP: lack of team spirit: no voice) any longer and are disconnected from management. The employees have all been well trained and know what they must do to get the job done, but job expectations are not formally set or communicated. (CLP: communicate expectations). Additionally, when employee performance problems have occurred there has been no disciplinary action taken for underperforming employees. (CLP: lack of standards or at least enforcement of standards). Conversely high performing individuals, who appear to be carrying the work load, receive no recognition (CLP: recognition). When approached, employees are sometimes reluctant to say anything about the state of the restaurant. However, some senior employees have complained that the weekly meetings to review upcoming menu changes and promotions have been eliminated. It was also noted was that the annual holiday party was cancelled, and employees were told there would be no raises this year. (CLP: lack of financial support). One long-time server mentioned to a family member that "thank you" is a phrase that the employees continue to use with their guests, but that employees have not heard that from managers in a long time. It has also been noted that there have been numerous discussions between and among employees about their dissatisfaction and the option of looking for other jobs (CLP: staff turnover) if something is not done to improve the work environment.

Additionally, the case can act as a catalyst for a human resources /operations module or course discussion. This case could be applied in a specific human resources course and or be applied in a food and beverage operations course. The case can generate good discussion and or could be used as the initial part of a project, i.e. the creation of an employee engagement plan.

More specifically, questions to prompt discussion could include:
- What are issues being identified at the BFC Buffet? Perhaps list these by functional discipline, marketing, human resources management, food service operations etc.
- Is Steve Kelly or his management style a problem or are his actions symptoms of larger problems?
- What is the level of engagement of the family owners/operators in the business and what should be their involvement in creating a positive work environment?
- Can senior employees play a larger role in in solving the BFC issues?
- Are declining service reports and subsequently declining sales, symptoms or problems?

Consultant Actions: For a Project

1. As the consultant, the student role is to identify and differentiate between the symptoms and actual problems in the restaurant and identify corrective actions. Identify the relevant facts of the situation that have been documented and observed in the flagship restaurant.
   a. Research in the food service literature, can data be identified tying lapses in sales volume to sagging customer satisfaction scores? What have similar businesses done to correct these problems.
   b. Consider some questions employees at the restaurant may be asking themselves and discussing with others. Students may also consider these questions concerning employees from personal experiences and or consider how they might collect this information.
      - Why should I get excited about work?
      - What do my managers and mentors expect of me?
      - Does the restaurant culture that care about me?
      - How do I know if I am doing well?
      - Do I work effectively with others?
      - Is leadership providing a good role model and positive example?
   c. Are the issues related to management leadership?
2. Create a plan of action for creating a culture of engagement in the operation. Popin (2017) as noted in the case can assist to direct that plan of action.

Summary

What are the tactics to help improve the work environment that would ultimately create a culture of employee engagement? The result of which could increase sales to maintain the financial sustainability of the business.
- What are the facts available: key problems?
- Development and recommendation of a plan for creating a culture of engagement in the operation.
- What are the tactics to help improve the work environment

that would ultimately retain the best employees and ultimately increase sales to maintain the financial sustainability of the business?

Additional Teaching and Learning Framework(s) for Classroom Use

This is a straight forward case that could be used in a sophomore level operations course and/or in a specific human resources course noting how big an issue employee engagement is in the workplace. There are many research studies focused on employee engagement and related issues. Some examples of other course assignments could be:

- Beyond classroom discussion, a group assignment is to outline and present an *Employee Engagement Plan* (or in an advanced class create an engagement plan). Groups could develop an operational definition for employee engagement and then set goals and objectives for a hospitality operation. The size and scope of the operation would be defined by the instructor. Several additional readings are listed at the end of this teaching note. Vanguard (2013) specifically labels their plan a "tool kit" and could be used by students as a guide for development of an Employee Engagement Plan. This resource also includes several appendices that include worksheets and checklists. For example, their current state analysis worksheet includes metrics on quality, safety, patient and family experience (or could be applied to guest experience in a hospitality operation), employee engagement specifically and efficiency and finance. Performance associated with these metrics can be labeled as noted in the tool kit, below average (red), average (yellow) and above average-best practice performance (green). Obviously, the tool kit would need to be applied to a hospitality business.
- Students could be asked to use the factors noted previously from Robertson Cooper, 2008b: work relationships, work-life balance, work overload, job security, control/autonomy, resources and communications, pay and benefits, job satisfaction, sense of purpose, organizational commitment, engagement, positive psychological well-being as well as physical health and psychological health (Robertson Cooper, 2008b). They then could be asked to rank or rate these factors in terms of importance. A follow up debriefing and discussion of those rankings could be useful in terms of identifying companies with employee engagement programs.
- Another issue to consider for discussion is the relationship between competition and the lack of loyalty. Competition and lack of job loyalty are huge drivers right now for the connection of employee satisfaction. Students and/or case readers can note that the economy is thriving, and unemployment is very low. Their thought process can be "I can just go to another job somewhere else." This thinking can be a major impact on the lack of engagement by employees.

- Hospitality businesses need to collect data to best assess these factors (enthusiasm, productivity etc.). Real responsive management needs reliable and truthful figures on which decisions can be made (profitablehospitality.com, 2016). Metrics and assessment, in general, focus on who is being assessed, what and how operations are measured for success, and what data are needed to make the optimal decisions in a business. A metric is an accountability tool that enables the assessment of a function's results (Dulebohn & Johnson, 2013). Metric data can be collected via existing labor and human resources data and or through surveys when soliciting measures on attitudes and satisfaction. The plans for an employee engagement program need to include the collection of identified metrics. One exercise could be to identify metrics that relate to employee engagement and how they could be monitored and collected and assembled.
- This case could also be used to focus on operational problems, and declining sales. Topics in other courses could be data management, job retention and satisfaction, customer satisfaction, turnover, productivity, and financial performance. These topics could be included in food and beverage management courses, lodging management, hospitality management information systems, marketing and sales and, of course, human resources. More specifically, in a human resources course, students could recommend a course of action to take with long time general manager, Steve Kelly.

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Additional Readings/Resources

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