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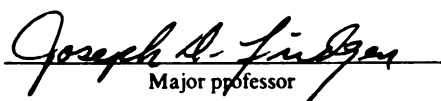
**Training in the Michigan Lodging Industry:
Role of the Human Capital and Segmented
Labor Market Theories**

presented by

Patricia Louise (Click) Janes

has been accepted towards fulfillment
of the requirements for

PhD degree in Park, Recreation
and Tourism Resources


Major professor

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**TRAINING IN THE MICHIGAN LODGING INDUSTRY: ROLE OF THE
HUMAN CAPITAL AND SEGMENTED LABOR MARKET THEORIES**

By

Patricia Louise (Click) Janes

A DISSERTATION

**Submitted to
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ABSTRACT

TRAINING IN THE MICHIGAN LODGING INDUSTRY: ROLE OF THE HUMAN CAPITAL AND SEGMENTED LABOR MARKET THEORIES

By

Patricia Louise (Click) Janes

Labor challenges confront the lodging industry today. Finding people to work in a seasonal, demanding, and high-turnover industry is especially difficult with the current low unemployment rate. Training has been identified as a means to improve labor issues. The purpose of this study was to understand whether the human capital theory (HCT) or the segmented labor market theory (SLMT) best represented the training practices and views held by Michigan's lodging industry. The study hypotheses focused on (a) understanding the percentage of properties that provided training and (b) for those properties that provided training, whether a relationship existed between the amount of training and property size, percentage of employee turnover, types of employees, and the value placed on training.

Two hundred eighteen lodging property general managers/owners completed a questionnaire. Respondents were from small-, medium-, and large-sized lodging properties.

Based on the findings, the SLMT provided a better framework for understanding the training practices of Michigan's lodging industry. Specifically, the SLMT suggests that employee groups are treated differently and that property size may influence the amount of training provided. These propositions held true. Many (67%) lodging properties provided training to hourly and management employees. And, for those properties that provided training, more hourly employees were provided training compared to management. However, when trained, management employees were provided more hours of training. Different-sized properties provided significantly different amounts of training. Smaller properties provided less training than medium and large properties.

No significant relationships were observed between respondents' attitudes toward training and their perceptions of barriers to training and stimuli that foster training within their establishments. Regardless of the amount of training provided, respondents valued training for their employees. They also perceived the barriers to training and the stimuli for training to be similar, even though managers and owners actually offered quite different amounts of training to their staff. Training practices differed significantly across property sizes and employee types, a pattern of training that would be predicted by the segmented labor market theory.

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2000

**To my daughters, Katharine and Lauren, who are too young to
understand the contributions they made and the inspiration they provided.**

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There are several people who need to be recognized as they have supported my efforts to complete this degree for many years. My graduate committee at Michigan State University was instrumental in providing guidance throughout my graduate education. They challenged me beyond what I could ever imagine intellectually. Each committee member made unique contributions to my education, for which I will be forever grateful. Professor Joe Fridgen, as chair, and Professors John Beck, Don Holecek, and Jim Bristor guided my development as a scholar.

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CHAPTER I

INTRODUCTION AND STATEMENT OF THE PROBLEM

Introduction

The current economy in the United States is considered strong. Some say it has never been better (Bailey, 1998; Veneri, 1999). For example, in 1999, the national unemployment rate was the lowest it has been in 30 years, interest rates were down, lending was up, and consumer confidence was at an all-time high (Bailey, 1998; Veneri, 1999). Yet despite the positive economic environment, many businesses have encountered challenges to continued growth.

Among the threats facing the business and industrial sector are global competition, rapid changes in technology, and a shrinking, changing labor pool (Bassi & VanBuren, 1998; Page, 1989; Yakimovicz, 1993). Some have suggested that the labor pool is so critical that people have emerged as an organization's only competitive advantage in business, making recruitment and retention top concerns (Bailey, 1998; Rosner, 1999; Veneri, 1999). With respect to recruitment and retention concerns, there has been an increased demand for well-trained staff, which has been difficult to secure due to a reduction in the number of skilled individuals (Reese, 1999). Worcester (1999) suggested that,

as the unemployment rate drops and the candidate pool shrinks, employers find it increasingly difficult to find and retain high-caliber candidates. For example, this year, 2000, the U.S. government anticipates there will be 14 million available workers, for 16 million available jobs. Many of these positions will be in the service industry (Herman & Eller, 1991).

The service industry is largely composed of tourism businesses, of which the lodging industry represents the foundation type of enterprise (Spotts, 1991). These same challenges are being experienced by the lodging industry (Goeldner, 1992; Rowe, 1995). More specifically, labor-force issues are the most apparent problem facing the industry today (Gillette, 1996; Littlejohn & Watson, 1990). In a study of 500 hospitality executives, Cline (1997) found that 74% of the respondents predicted that the industry would continue to face labor-shortage issues. The shortage of quality employees is a critical issue facing the industry, and the effective recruitment and management of employees is key to future success (Cline, 1997; Nozar, 1999; Worcester, 1999).

Even though labor issues are apparent in all types of businesses, there are unique characteristics within the lodging industry that more dramatically affect labor issues. First, a large portion of the lodging industry is seasonal in nature. Many properties experience seasonal fluctuations in business that result in slowing down or closing in particular seasons, which affects the number of employees needed throughout the year. Second, employee turnover in the lodging industry is very high, often ranging from 60% to 300% annually. This is much higher than the average turnover in other businesses, estimated nationally

at approximately 24% (Herman & Eller, 1991; Worcester, 1999). Third, the majority of lodging organizations are small businesses, employing fewer than 20 workers. And, although 85% of all U.S. businesses have 20 employees or fewer, government support tends to go to larger businesses, and the issues of smaller operations are not given priority (Lynch & Black, 1996). Therefore, the issues surrounding an industry made up mainly of small businesses are often of low priority. Given these specific characteristics of the lodging industry, it seems reasonable to assume that solutions to these labor problems might also be unique.

One practice has been adopted by many businesses to address the labor issues of today. The redesign of employment practices has been shown to address labor-force challenges. It has been noted that effective employment practices help develop a committed work force (Bassi & VanBuren, 1998; Gaertner & Nollen, 1989; Olian et al., 1998).

Organizations have used effective employment practices to deal with labor-force issues. Such practices include recruiting and hiring the best employees, developing effective leadership that will guide and develop employees, and providing training to employees. Businesses are recognizing the value of training as a positive factor in the economic growth of organizations and the nation (Bailey, 1998; Guthrie & Schwoerer, 1994; Lankard, 1991; Olian et al., 1998). Training has been identified as important to businesses, and it has never before played such a critical role in society (Bergman, 1995; Blackburn & Rosen, 1993; Caudron, 1996). Calvacca (1999) found that many Fortune 500

executives agreed that training was a very high priority. Training enables employers to cope with the aforementioned changes and gain that competitive advantage through the people they employ (Bassi & VanBuren, 1998; Knoke & Kalleberg, 1994). According to a study by Watson Wyatt Strategic Rewards, 90% of 614 U.S. employers indicated that they used training and development as a way to attract employees (Bailey, 1999). More specifically, businesses have found that training can not only develop employee skills, self-esteem, job satisfaction, and wage structures but also provide benefits to the organization, such as a more dedicated work force, increased productivity, and reduced turnover (Goodenough & Page, 1993).

Even though training appears to be a solution to labor issues today, not all organizations provide training. Most research has focused on businesses with more than 50 employees as those organizations are most likely to provide training (VanBuren, 1999). Large businesses tend to have more formal structures, more formal training, and a more educated work force (Jacobs, Lukens, & Useem; 1996; Knoke & Kalleberg, 1994; Saari, Johnson, McLaughlin, & Zimmerle, 1988). Many reasons exist why small businesses tend to provide training less often than large businesses. On the one hand, some small businesses found that they did not need to train employees (Scott, 1995). On the other hand, some small businesses considered training important but lacked time, financial, and other resources, and they had too high a rate of turnover (Clark, 1994; Doyle, 1994).

Yet, even in organizations that do provide training, not all employees are provided a training opportunity. The vast amount of research that is available has described training practices in larger American corporations (Bassi & VanBuren, 1999; Carnevale & Carnevale, 1994; Industry Report, 1996). Largely, this research is divided into manufacturing and "other" or nonmanufacturing categories. The "other" or nonmanufacturing categories may include industries such as health care, utilities, transportation, education, and service. Even when studies focus on a variety of "other" industries, lodging is often summarized in the "services" category, which may include tourism, legal, automotive, and other related industries. This merger of industries in the "other" or service category leaves little understanding of the unique nuances of the lodging industry. Only a few studies have focused specifically on training in the lodging industry. Most other research has aggregated all service industries together, providing limited perspectives on the dynamics of specific service industries.

As suggested, the available research often includes businesses with 50 to 100 or more employees. VanBuren (1999) indicated that many smaller businesses tend not to provide training, which leaves training research biased toward larger organizations. As many lodging organizations have fewer than 50 employees, the industry again is not well represented in the available data.

However, the studies examined do provide an understanding of training practices. Some findings have suggested that training is (a) generally valued by both employees and employers (Bergman, 1995; Burke, 1995; Geale, 1995;

Senat, 1992); (b) conducted informally, especially in the lodging industry (Cline, 1997; Conrade, Woods, & Ninemeier, 1994); (c) provided to 40% to 83% of employees in any one business (Bassi & VanBuren, 1999; Carnevale & Carnevale, 1994; Goodenough & Page, 1993); and (d) provided to employees for 21 to 90 hours, on average (Bishop, 1991; Colarelli & Montei, 1996; Training, 1996).

The monetary investments made in training ranged from .5% to 4% of the total employee payroll (Bassi & VanBuren, 1998, 1999; Bergman, 1995; Conrade et al., 1994; Gordon, 1991). And a variety of factors have been found to influence training, including the size of the business, the percentage of employee turnover, and the type of position an employee holds.

Little is known about training in the hospitality (lodging) industry (Conrade et al., 1994). Herman and Eller (1991) contended that the field has been slow to see the value of training and has not considered training as a priority because the industry eliminated it when times were difficult. When comprehensive training was completed, it usually was conducted on the job and without guidance. Conrade et al. (1994) found that lodging and service employees were the least trained workers in the United States.

Bassi and VanBuren (1998) agreed as they investigated training in nationwide organizations for the American Society of Training and Development (ASTD). Customer-service organizations were one of nine business categories studied. The customer-service category consisted of lodging organizations as well as retail establishments, restaurants, and nonprofessional customer

services. The results supported conclusions from previous studies. It was found that, of the nine business types studied, customer-service organizations spent the least money on training. For example, across all industries, the amount of money allocated to training each employee averaged approximately \$500. In contrast, customer-service organizations averaged only \$162 per employee.

Evidence suggests, however, that the value of training in service organizations may be growing. Conrade et al. (1994) sampled more than 400 employees in the hospitality field and determined that both hourly and management employees found training valuable. One year after their original study, Bassi and VanBuren (1999b) found that funding training had grown in the services industry, and no longer did that industry spend the least amount of money on training. The Center for Hospitality Research Solutions (1998) found that all-new employees at 228 full-service and luxury hotels received more than 40 hours of training. Due to the limited available data, however, no conclusions could be drawn regarding training as a solution to labor-force issues in the lodging industry.

Jafari and Fayos-Sola (1996) thought that training in the tourism industry was important. They summarized the findings of three national and international tourism conferences regarding training in the tourism industry. They indicated that the tourism industry's success would continue to depend on training the workforce. Also, a need existed to understand the training commitment of tourism organizations. More specifically, the authors suggested that the future

must include training and education, as well as collaboration among government, industry, and educational institutions.

The State of Michigan has begun to address this type of collaboration. Training is viewed as a method to manage the challenging issues facing Michigan's tourism businesses. LaLopa and Holecek (1996) indicated that the state must improve the quality of the tourism experience to improve Michigan's tourism future. One suggested method was to provide a community-based training program for tourism-business owners. The tourism industry, government, and training and education institutions in Michigan have begun to collaborate to improve the quality of the tourism experience by providing training opportunities for businesses.

As the emphasis of training in lodging organizations appears to continue to develop, understanding what properties in Michigan do is important. A lodging property may or may not provide training to employees, and the reasons for choosing either path may vary greatly. Lodging properties may fail to provide training because of high turnover or a lack of resources. Conversely, some lodging properties' failure to train might be based on perceived need or value to the organization. Predictably, there are a variety of reasons why lodging properties decide to train the way they do.

Based on the available literature, it is hypothesized that some lodging properties, regardless of size, value training highly, provide training to all employees, and offer training continuously without concern for a current "crisis." Conversely, other lodging properties value training for some, but not all,

employees. Therefore, they provide training (a) only to those higher-level individuals with more value to the organization, (b) when there is a problem, and (c) more often in larger organizations.

Two theories have helped to explain why these hypothesized training practices may be occurring. The first example in the preceding scenario represents a lodging property that is explained by the human capital theory, whereas the second example represents a property practice that is explained by the segmented labor market theory. An organization can be oriented toward one or the other theory. Even those properties that do not provide training may also be oriented to one perspective, depending on the reason for their lack of training. The theories provide a means of understanding the training practices of the lodging industry.

One way in which training can be studied is through the human capital theory (HCT). In introducing the HCT, Becker (1995) proposed a way to understand that organizations invest in human capital the same way that they invest in other capital (e.g., new equipment). Becker (1964, 1995) suggested that human-capital investments come in the form of education and training and provide value to both the employee and the employer.

Investments in human capital through training have been viewed as a way to promote individual, corporate, and national economic well being and prosperity. If both the company and the worker benefit from training, then the nation does as well. Training can be considered a public good that benefits the

nation through an improved economy and an increased standard of living (Bergman, 1995; Glance, Hogg, & Huberman, 1997).

The HCT ultimately suggests a way to understand an organization's values. However, that theory may view the market as strictly homogeneous and may not consider that employers provide training unequally to various employee groups. This difference is addressed by the segmented labor market theory (SLMT; Tinto, 1981). The SLMT suggests that different levels of the workforce receive differing amounts of training and that those in higher-level positions receive more training based on their overall value to the organization. Entry-level positions are more likely to turn over, and investing in this group is not as advantageous. The skills needed for such positions are generally those possessed by many people. Conversely, higher-level positions require greater training due to the more complex nature of those positions. An organization would more likely provide training to those who will remain at the agency for a longer period of time, typically those in higher-level positions (Trivelli, 1994; VanHouse, 1987).

Together, the HCT and SLMT provide a framework for understanding training in lodging organizations. Training practices in a variety of industries need to be understood. The unique dynamics of different industries must be considered when assessing not only the training practices within organizations but also the factors that influence investments in training. Existing studies provide a general snapshot of training activities but do not provide information that is beneficial to particular industries. This is especially true in industries that

have smaller businesses, have high employee turnover, and have seasonal business practices.

Data are not available to help determine what training practices currently exist in different-sized lodging properties, why some organizations train and others do not, and what value training has for lodging organizations and their employees. This research was undertaken to provide a baseline understanding of training practices. As a result, it can provide information to identify ways in which the lodging industry can manage the labor issues of today.

Statement of the Problem and Purpose

There is limited understanding of training practices in the lodging industry. Although some theoretical explanations exist to help understand training practices, they have not been used specifically to address training in the lodging industry. Nor have they been used to understand all of the factors that influence training. Hence, the researcher's purpose in this study was to determine which theory, the HCT or the SLMT, provides the best explanation of training practices in Michigan's lodging industry.

Objectives

To accomplish the purpose stated above, the following specific objectives were established:

1. Determine whether Michigan lodging properties provide training.
2. Determine what orientation properties have toward training (HCT or SLMT) .

3. Determine why some properties do not provide training (i.e., Do they value training? Are they stimulated to provide training? Do barriers keep them from training?).

4. Determine the amount of training provided.

5. Identify the influence property size has on providing training.

6. Determine how employee type influences the amount of training received.

7. Determine the role that employee turnover plays in providing training.

8. Determine the value that the employee and the organization place on training.

Assumptions

For the purposes of this investigation, any training-related activity was assumed to be effective. The effectiveness of individual training programs was not a consideration in assessing the training practices in Michigan lodging organizations.

Definitions of Terms

The following terms are defined in the context in which they are used in this dissertation.

Lodging properties include those commercial facilities that rent at least one room to travelers for overnight accommodations. A property may include facilities such as hotels, motels, resorts, cabins, cottages, bed and breakfasts, historic inns, and condominiums (Spotts, 1991).

Training is "the transfer of work-related skills, knowledge, or information," as identified by the Bureau of Labor Statistics' Employer-Provided Training study (U.S. Department of Labor, 1996). The employer and/or the employee may pay for training, it may be offered at on- or off-work-site locations, and it may be provided after regular work hours.

Formal training takes place outside of the direct work setting. It has a defined curriculum and format for training. It may be in the form of classroom, video, lectures, seminars, and computer-based training that takes place either on site or off site. *Informal training* is commonly referred to as on-the-job training. It may come in the form of individual instruction, observing others, or training by managers and co-workers (Carnevale & Carnevale, 1994; Lynch & Black, 1996; U.S. Department of Labor, 1996).

Barriers and stimuli are considered to be factors that influence training activities. They either prevent lodging properties from providing training (barriers) or stimulate properties to develop and provide training (stimuli). Factors that can be either stimuli or barriers include culture, competition, turnover, property size, technology, and change. Additional factors that have not been identified in the literature may relate specifically to the lodging industry.

CHAPTER II

LITERATURE REVIEW

Introduction

In an effort to establish the basis for this dissertation, references are made to literature on the lodging industry as well as other industries. However, writings regarding training in the lodging industry are not abundant, and discussions regarding the unique issues facing the lodging industry are limited.

The review of literature is focused on the following topics: (a) utilization of training, including amount of training, type of training conducted, and the investment in training; (b) factors that influence participation in training, including organizational size, employee position, perceived value of training, employee turnover, and stimuli and barriers to training; (c) training theories, including the human capital theory (HCT) and the segmented labor market theory (SLMT); and (d) the study hypotheses.

Utilization of Training

The amount, type of, and investment in training varies by organization. Overall, studies have indicated an average of between 40% and 83% of employees received training in organizations that provided training (Bassi & VanBuren, 1999; Carnevale & Carnevale, 1994; Goodenough & Page, 1993).

The type and amount of training each employee received varied as well. Studies indicated that variation existed between no use and very high levels of training. Some organizations provided one type of training course, and others offered a variety of training courses.

Amount of Training in Organizations

Studies quantifying the amount of training provided by organizations have varied greatly, generally based on two issues, formality of training and size of organization. First, formal training is easier to quantify, and needed information tends to be easier to access. Second, some studies have suggested that small organizations do not provide reliable data. Therefore, many studies have focused on organizations with 50 or more employees (Industry Report, 1996). Based on these two issues, most studies have focused on formal training in large organizations.

However, several researchers have attempted to quantify all types of training. The results indicated the average amount of training to be higher than indicated in most other research. Two investigators quantified the number of training hours by both informal and formal methods. Bishop (1991) found that service employees spent an average of 33 hours in informal training watching other employees, 5.7 hours in formal training, 35 hours receiving informal training by management, and 17 hours receiving informal training by co-workers. Overall, employees received 85 hours of informal and 5.7 hours of formal training.

Colarelli and Montei (1996) sampled 53 Michigan organizations that represented a group similar to industries throughout the United States. The investigators examined training practices in specific jobs. On average, new employees received 33 hours of training, both formal and informal. Variations existed within industries to yield this average. Most other research has focused on quantifying only formal training.

The American Society of Training and Development's National Human Resource Director Executive Survey (1995) indicated that the range in the amount of training provided was quite broad. Employees received 1 to 15 days (8 to 120 hours) of training per year.

The amount of training completed by various-sized organizations was investigated in a U.S. Department of Labor study (1996). The Bureau of Labor Statistics completed interviews at 1,000 private nonagricultural organizations. Organizations with 50 to 99 employees provided 6 hours of formal training, whereas medium-sized (100 to 499 employees) and large (500 or more employees) organizations offered 12.1 and 12 hours of formal training, respectively.

Roughly 3,400 organizations were surveyed by Training Magazine (1996) to determine the amount of training employees received. The sample included nonsubscribers and subscribers in organizations with more than 100 employees. The results indicated that 21 hours of training were given to administrative employees, 36 hours to production workers, and 37 hours to professionals. No informal training was considered in the study, and the investigators conceded

that that would indeed change the results regarding the amount of training provided.

Only one study focused on the lodging industry specifically. The Center of Hospitality Research Solutions (1998) found that new employees of full-service and luxury hotels received more than 40 hours of training. Continuous training was provided annually for 8 to 16 hours for front-line employees and for 33 to 40 hours for supervisory/management employees.

Training results in the preceding studies in various industries ranged greatly. A variance in the amount of training activities appeared to exist in American organizations. Not all employees received training, and different employees received varying amounts of training, from a few hours to a couple of weeks' worth of training. The amount of training depended on the industry and the employee's position. Both informal and formal research methods were used, but not all studies captured informal training efforts. Regardless of the variance, the literature indicated that lodging properties were not well represented in the findings.

Type of Training Conducted

The types of training activities provided by organizations were examined in five studies. This training was either general or specific. General training included instruction that might benefit many organizations, such as attitudinal or general-topic training. Specific training included orientation and job-specific

training. The latter type of training resulted in the greatest reward for the agency sponsoring the training (Becker, 1995).

In the lodging industry, Conrade et al. (1994) found that specific training was provided more often than general training. Sixty-one percent of all training money was spent on new-employee orientation. This left 39% of funds for existing-employee and other training needs.

Carnevale and Carnevale (1994) found specific training activities were most common in other organizations, as well. Specifically, computer-related training was most popular for employees. Other studies found specific training to be popular with organizations. The Society for Human Resource Management (1995) member survey focused on the importance and extent of certain training activities. Members shared their views not only on the extent of training and development activities that were used, but also the perceived importance of such activities. Orientation programs appeared to be the most frequently offered—by 70% of the members. Although specific training was not identified, beyond orientation, 49% of the respondents said they used training to keep employees' skills up to date.

Training Magazine (1996) found different training priorities among employers. The top three types of training provided were general types of training courses. Eighty-eight percent of the organizations surveyed indicated they provided basic computer skills training. This was the most popular type of training provided. Technical skills and management skills training were the next most popular, at 85% and 84%, respectively. Specific types of training provided

included new-employee orientation, offered by 84% of the respondents, followed by leadership, computers, performance appraisals, and safety, provided by 73% to 68% of the respondents. This study highlighted a variety of large-sized industries, whereas other studies looked more specifically at particular industries.

Lynch and Black (1996) found that a mix of general and specific training was provided by a nationally representative sample of private manufacturing and nonmanufacturing businesses with more than 20 employees. The most popular training activities, conducted by at least 70% of the respondents, included safety and health, new methods and procedures, and new-worker orientation. Sixty-two percent to 69% of the organizations provided cross-training, sales/customer service, line supervisory skills, and executive-development training. The investigators concurred with other investigations in that the training offerings differed by type and size of industry. The Bureau of Labor Statistics Employer-Provided Training Study (U.S. Department of Labor, 1996) found that 67% of all formal training was specific in nature, relating to job skills. The other 33% was general training, including communication, employee development, quality, and safety.

Bassi and VanBuren (1998) found that the most significant issue organizations faced in training employees was the use of new technologies. Twenty-five percent of training time was spent on job-specific technical and computer skills. New-employee orientation, management skills, and computer

literacy/applications were the most popular training topics. More than 90% of the responding organizations provided training in these areas.

The types of training provided by organizations varied by type of industry and size of organization. Aside from the factors influencing training, the popularities of certain content areas were similar. Orientation (specific), computer (general or specific), and new skills (general or specific) training were identified as important, yet they varied in perceived priority.

Investments in Training

The actual amount invested in training varied across industries. Only recently have organizations accounted for their investments in training, so available data are limited (Bassi & VanBuren, 1998). There are differences among organizations with regard to their investments in training, ranging from under .5% of annual employee payroll to over 4% of annual employee payroll. And the tracking of those investments also varies, where some organizations keep track of training investments and others do not. Such investments, however, appear to have increased over time (Calvacca, 1999; Cline, 1997).

Conrade et al. (1994) found that, in the lodging industry, 51% of more than 400 properties surveyed had a line item in their budgets for training. Only 26% of those with a budget identified informal, on-the-job training in the budget. The investigators concluded that most informal training was an extraordinary expense or simply was not accounted for.

Training Magazine's Industry Report (1996) indicated that \$59.8 billion was spent on formal training activities in the United States in 1995. That figure did not include informal activities, which were thought to represent a majority of overall training endeavors. The investigation indicated that an average of between \$300 and \$550 per employee was spent on training in the United States. Yet the study revealed that not all employees received training.

Often the amount spent on training has been expressed in terms of a percentage of the total payroll. Some researchers have indicated that the average organization spent 1/2% to 4% of its payroll on training-related activities (Bassi & VanBuren, 1998; Bergman, 1995; Gordon, 1991). Conrade et al. (1994) found that 62% of the lodging organizations they surveyed spent even less than that—between .5% and 1% of their payroll—on training. Fifteen percent spent less than .5%. The American Society of Training and Development (1995) studied Fortune 500 companies' investments in training and concluded that 29% spent less than .5% of their payrolls on training, 29% spent .5 to 1.5%, and 21% spent 1.6% to 3.5%. Bassi (1996) and Bassi and VanBuren (1999) found that the average total training expenditure was 1.8% of payroll. Those businesses considered leading training-oriented firms allocated 4.4% of their payrolls to training.

Overall, the amount of training, the type of training, and the investments made in training varied across industries and studies. Limited findings in the lodging/service industry suggest that (a) 40 to 90 hours of training were provided, both informally and formally (Bishop, 1991; Center for Hospitality

Research Solutions, 1998); (b) specific training was provided more often in the lodging industry (Conrade et al., 1994); and (c) 51% of lodging properties studied included a line item in their budgets for training; for 62% of the properties, this figure represented .5% to 1% of the employee payroll (Conrade et al., 1994).

Factors That Influence Participation in Training

Most training literature has focused on understanding the practices of those organizations that provide training. Hence, large organizations are frequently studied. However, not all organizations provide training. Some small organizations have identified a lack of need or a lack of resources as the reason why this may occur (Clark, 1994; Doyle, 1994; Scott, 1995; Educating the Small Business, 1994). Because the lodging industry largely consists of smaller-sized organizations, literature regarding the lodging industry is not well represented.

In the general training literature, several factors have been identified that may additionally influence an organization's participation in training activities. Five factors that contribute to possible variances in providing training include (a) as previously indicated, organizational size, (b) small business, (c) employee position, (d) perceived value of training, (e) employee turnover, and (f) stimuli and barriers to training. These are discussed in the following pages.

Organization Size

A disparity exists among organizations regarding use of training. Regardless of the perceived value of training to employees and employers, a

variety of factors influence the investment in human capital. The differences in training use, based on an organization's size, have been studied extensively. In general, studies describing large organizations refer to those with a greater number of employees, whereas small organizations have fewer employees. And, although there is no specific guide as to the number of employees in each size category, the relationship remains the same.

Saari et al. (1988) surveyed a group of small to large U.S. corporations to examine the influence of organizational size on training activities. Results indicated that size did have an influence on training use. Specifically, (a) larger organizations were found to conduct more needs assessments, (b) larger organizations used formal training methods more often than did smaller organizations, and (c) organizations with 1,000 or more employees offered formal management training, whereas smaller organizations did not.

Bishop (1991) found a curvilinear relationship between organizational size and training use. The largest and smallest organizations in the sample provided the greatest amount of training.

Knoke and Kalleberg (1994) stated that large organizations provided more training due to formalized job structures, internal labor markets, and an organizational culture that supported training. Evaluating data from the National Organizations Survey, they assessed 688 organizations regarding training-related issues. They found that larger organizations provided more training than did smaller organizations.

Overall, the percentage of organizations providing formal training increases as the size of the organization increases. Carnevale and Carnevale (1994) indicated that large organizations invested in greater amounts of formal training than did small organizations. Nineteen percent of employers with fewer than 25 employees had formal training, 26% of firms with 25 to 99 employees had formal training, 36% of companies with 100 to 499 employees had formal training, and 44% of organizations with 55 or more employees had formal training. When the authors assessed the types of businesses responding, they found that "business and repair services," which included entertainment and recreational services, provided only 7.2% of their employees with formal training.

Even in small organizations, size has been found to influence training activity. Scott (1995) found that, in small businesses in San Diego, California, the larger the small business firm, the greater the perceived need for training. In addition, the larger small-business firms were the most likely to already provide training.

Jacobs et al. (1996) conducted follow-up studies to the Knoke and Kalleberg (1994) research and found similar results. They contacted 727 employers to determine employees' access to workplace training. Larger companies with formalized hierarchies and internal resources, such as employment systems, were more likely than smaller companies to provide training to employees.

Lynch and Black (1996) agreed with most of the research findings indicating that organizational size plays a role in the amount of training an

organization provides. In a study of almost 3,000 small to large firms, they discovered that small firms (fewer than 100 employees) were much less likely to provide formal training programs than were large firms (more than 100 employees). The authors were unable to determine the reason for this, but they found other factors related to the use of formal training. For example, employers who had adopted sophisticated change initiatives (e.g., total quality management [TQM], benchmarking) were more likely to have formal training. Also, organizations that made larger capital investments (as a percentage of total employees) and those that hired a more educated work force were more likely to provide formal training. The authors concluded that these findings might suggest that training in organizations was a complement to, versus a substitute for, other investments in physical and human capital.

Conversely, Colarelli and Montei (1996) discovered that size was not a factor influencing the amount of training or use of formal training. Organizational size was, however, associated with training quality (use of needs assessments). The larger organizations used needs assessments more often.

Although there have been varying results, the majority of studies have indicated that a relationship existed between size of organization and amount of training conducted. The larger the organization, the more likely it was to provide training.

Small Business

Small-sized businesses have been found to have barriers that exist to providing training. A hearing before the Subcommittee on Development of Rural Enterprises, Exports and the Environment of the Committee on Small Business (Educating the Small Business, 1994) addressed small business development. Specifically, testimony centered on the need to educate the work force. One barrier emerged regarding the challenges small businesses face in providing education and training to employees: Small businesses could not afford training for their employees. It was suggested that the government provide incentives for small businesses to invest in human capital, just as they offer incentives for investments in technology and equipment purchases.

Other studies have supported this view of funding. Clark (1994) conducted a study of 20 small businesses in San Diego, California. Through a survey, the investigator found that the businesses were aware of the need for training and development. Barriers to providing training included lack of time and scarcity of resources. Factors that influenced small businesses to train included regulations, safety issues, and customer service. A year later, Scott (1995) studied San Diego organizations with fewer than 100 employees. Responses were obtained from 721 organizations representing a variety of industries. Fifty-nine percent of the companies indicated a need for training. Results varied by industry type. Seventy-six percent of the organizations that did not see a need for training indicated that the employees were already trained and that funding was the largest barrier to training.

Some small businesses experience high levels of turnover, which influences the amount of training provided. Doyle (1994) indicated that the restaurant industry may not provide formal training due to high staff turnover. He speculated that if a restaurant provided training, the employees' wages would be lower than those in other types of industries because of the need to recover the training costs.

Several factors appear to explain why smaller organizations are less likely to provide training. The investment in high-turnover industries is too costly, the funding for training is not available, employers perceive that the workforce does not need training, and there might be a lack of training resources. Whether there is a perceived lack of a need for training or the resources are not available, it appears that smaller organizations are less likely than large ones to provide training.

Employee Position

In the literature it is well established that there is a relationship between the availability of training and the position of the employee. These conclusions from previous studies suggest that management employees are more likely to receive training. The SLMT suggests that this would be the case as management employees are a more valued resource than lower-level employees (Tinto, 1983). This appeared to be a likely explanation in many studies.

Researchers began to assess the different amounts of training provided to employees in varying positions several years ago. Medoff (1982) studied a

longitudinal data set from the Survey of Adult Education between 1969 and 1978. Organizations appeared to provide more training for advanced managerial/professional employees (9.7%), as compared to other employee groups, such as other white-collar (3.6%), skilled blue-collar (4.1%), and unskilled blue-collar (1.2%) employees.

Jackson, Schuler, and Rivero (1989) surveyed human resource managers in 267 U.S. companies to identify training use. The questionnaire requested information regarding the organizations' training practices. In general, both manufacturing and service organizations provided low levels of training to employees. Not all employees received training. In general, managers received more training than did hourly employees. Carnevale and Carnevale (1994) also found that the amount of training increased as the number of managerial and technical positions increased. The increase in training tended to favor more highly skilled workers.

Scott (1995) found that, in small organizations, the types of positions reported to receive formal training were supervisors/managers, service and sales, and paraprofessional/skilled technical employees, ranging between 45.2% and 47.1% of all employees. Further, 44.1% of clerical employees were provided training, whereas just 9.3% of unskilled laborers and 11.5% of semi-skilled laborers received training.

The American Society for Training and Development, National Human Resource Director Executive Survey (1995) and the Training Magazine Industry Report (1996) studies yielded similar results. They indicated that administrative

employees received less training than professional employees. However, in assessing the amount of resources provided to each employee group, it was found that line employees received 38% of the training resources, followed by supervisors/managers (29%), professional and technical employees (28%), and top-level executives (8%). It appears that the amount of training received by various employee groups varied and that the importance of understanding the variation still exists.

Value of Training to Both Employers and Employees

As Mellan (1988) noted, the benefits of training to both the employer and the employee have been documented. However, the available literature on the value of training to both employees and employers is limited in that not all types of training have been evaluated. Lewis and Thornhill (1994) found that the majority (85%) of British employers failed to try to measure the effect of training. They expressed concern about the challenge of how to measure effects precisely. Yet, even though the value of training has not always been measured due to the aforementioned issues, some investigators have addressed the value of training to employers and employees.

Value of training to employers. The employer's attitude toward training influences the amount of training within an organization. Salinger (1973) conducted case studies of three federal agencies to understand attitudes toward training and training practices within these agencies. Using both questionnaires and interviews, Salinger found that training was not a priority to top

management. Some employees had difficulty being released from their positions to attend training, little planning was done for training, and the benefits of training were unclear. Even though employees were fairly satisfied with the training and development they received, they were more negative than the supervisors regarding the usefulness of training for future development.

As Salinger (1973) discovered, some employers might not have a positive attitude about training because the benefits of completing training are unclear. Becker (1995) explained that the value of human-capital investments for the organization included lower turnover and higher productivity. A variety of investigators have noted these as well as other benefits. Also, employers who provided training appeared to gain a greater sense of employee commitment (Conrade et al., 1994; Payne, 1996; Senat, 1992).

In a study of 313 middle-management editors from large corporate daily newspapers, Senat (1992) found that trained editors were more committed than those editors who had not received training. This commitment, however, did not indicate their intention to stay at the job. No differences in intention existed between trained and untrained employees. Bergman (1995) corroborated these findings, adding that trained employees were more likely to stay in the field. Employees who were more valued by the organization had greater value in the organization, which resulted in increased worker loyalty.

Payne (1996) found similar results in a qualitative study regarding the value of employee-development programs in various-sized firms in the United

Kingdom. He determined that the benefits of employee-development programs (e.g., training) included improved motivation and employee commitment.

In the lodging and tourism field, a few studies have focused on the value of training to employers. In a study of hotel personnel, Conrade et al. (1994) found that management's perceptions of training were based primarily on experience. Identified in the investigation were factors that were influenced by training. The most frequently noted responses included consistent service delivery (99%), employee knowledge (97%), repeat business (96%), management knowledge (95%), employee skill (94%), and profit (94%). Lodging employees viewed training as beneficial, with 93% of respondents stating that training would "encourage them to stay at a property." Further, 63% indicated the possibility of leaving an organization if they were not involved in long-term training. Hotel employees stated that training could reduce that turnover. Hotel managers regarded the value of training as high. However, the investigators found the investment in and use of training to be quite low.

Geale (1995) completed a survey of British tourism, social service, and chemical organizations. He surveyed and interviewed the agencies with respect to their concern for training and accreditation. Results indicated that organizations benefited from training in a variety of ways, including increased productivity, employee motivation, industrial relations, management style, and the formation of a learning organization.

Other hospitality executives worldwide have agreed with these results. In Cline's (1997) study of 500 international hospitality executives, respondents

stated that exposure to training was one of four areas that could improve employee satisfaction. In general, the literature indicated that training provided benefits to employers in terms of productivity, motivation, and commitment, thus supporting Becker's views on the HCT.

Value to of training to employees. In one investigation, employees rated the importance of training (for their jobs) higher than their employers did (Jacobs et al., 1996). Value of training to employees differed from the value organizations received from training. Training was important to employees for a variety of other reasons.

Becker's (1964, 1995) HCT contends that the investment in human capital has rewards for the employee, including higher wages, greater job satisfaction, and an enhanced view of oneself. Freeman (1978) supported the contention that training affects job satisfaction, in a study of 149 4-H leaders. Specifically, lack of training contributed to job dissatisfaction, whereas personal growth (through training) contributed to job satisfaction.

In a study of manufacturing firms, Gaertner and Nollen (1989) found that employees' psychological commitment was stronger if they were considered to be resources that were developed, rather than resources that were bought and sold. In an assessment of several psychological commitment variables, the investigators found that internal mobility, training, and employment security resulted in greater commitment in communication, supervisory relations, and participation variables.

Other investigators have agreed with these findings. Geale (1995) concluded that individual benefits from training included career advancement, mobility, job security, pride, job satisfaction, and personal fulfillment. Bergman (1995) added that increased income and greater self-esteem resulted from training. Through this development process, employees became more valuable to the organization and to themselves (Doyle, 1994).

Anderson, Fredrickson, and Dybiec (1995) indicated that most of the 146 Minnesota Department of Natural Resources employees they surveyed found value in training. Results of one precourse survey and three postcourse surveys showed that employees thought their knowledge base had increased and that they were more competent and professional as a result of training. Barriers to applying the training did exist for the trainees on both personal and organizational levels. Employees thought that barriers to applying the learned skills were apparent and that these barriers could affect their performance.

Burke (1995) studied employees of a large professional-services firm. More than 1,600 employees responded to an e-mail questionnaire regarding the organization's training practices and the effect of their training initiatives. Burke found that employees who participated in training viewed the organization more positively than those who did not participate. Participating employees reported greater job satisfaction and were less likely to change jobs.

Opposing views. Not all research has indicated strictly positive effects from training efforts. Miller (1990) used an experimental design to study the value of training for municipal employees completing a training program. The

program focused on several topics, including communication, telephone etiquette, stress, and delegation. Miller found that the training had no effect on employees' attitudes or behaviors toward training. The investigator questioned the validity of these results. Attitude had been assessed through the course content, and Miller speculated that the nonexistence of a relationship might have been a result of other factors. There might have been barriers to implementing training content once attendees returned to the job, and their attitudes toward training might have been different if the barriers were removed.

Some researchers suggested that other barriers might exist. Yakomovicz (1993) studied 42 female small-business owners in Houston, Texas. Training was valued more often by younger owners of smaller companies. Those who had owned companies for at least 20 years were least likely to agree that past training had been successful. The investigator did not specifically address why these owners held such a view. The results indicated that owners and managers might not have consistent perceptions about the value of training. Forrester (1995) also found this to be true. Two-thirds of respondents from 1,974 British retail establishments indicated that training had little or no effect on job performance.

Payne (1996) discovered that, although there were benefits of training for both employees and employers, the value was not identical for everyone. The less-skilled and less-educated employees had more to gain from training than did more skilled and better-educated employees.

Most researchers have concurred that positive outcomes accrue for employees who received training. These outcomes included greater job satisfaction, personal fulfillment, wages, job competence/professionalism, and job commitment. Investigators whose results did not support these findings might have evaluated the content of the training program rather than the overall effect of training.

Employee Turnover

In 1991, the national average for employee turnover in organizations was 24% (Herman & Eller, 1991). In the lodging industry, turnover has been estimated much higher than that, which is a major concern for the industry (Worcester, 1999). The influence of turnover in nontourism organizations has been well documented in the literature. However, studies assessing the effect of turnover in high-turnover industries are not prevalent.

It has been suggested that turnover may be a factor that influences training. Two different relationships between training and turnover were suggested in the literature. First, organizations' training efforts could reduce turnover within an organization. Although some people have questioned this relationship, most investigators have found that training can reduce turnover. Vaughan and Berryman (1989) summarized the research papers and discussions at a conference on employer-sponsored training; they concluded that trained workers were less likely than untrained employees to quit their jobs.

The HCT also suggests this to be true. As organizations provide more specific training, they are less likely to experience high turnover (Becker, 1995).

Second, some writers have suggested that the level of turnover in an organization may be a predeterminant for investing in training. Organizations with high turnover are less likely to invest in training because they will not have long-term employees to take advantage of the training. This position is in accordance with the SLMT.

The influence of training on turnover. Supporting Becker's view of the relationship between employee turnover and training, Salipante and Goodman (1976) sampled unemployed people to assess the effect of training and counseling on employee retention. They found that the type of training provided—specific versus general—played a role in the retention of employees. The more training time that was spent on job skills (specific), the higher the rate of retention. However, whether or not a firm offered training did not appear to affect retention. The specific type of training affected the retention of the employees.

Other investigators have found that training directly influenced employee turnover. Wanous, Stumpf, and Bedrosian (1979) sampled organizations that used a state employment agency. Smaller organizations were included in the study because Fortune 500 companies are less likely to use this type of service. The investigators looked at several variables that could influence new-employee turnover. Pay, job training, and length of training accounted for variances in

voluntary and involuntary turnover. Wanous et al. concluded that job training was a more effective predictor of job survival than was job performance.

Ferris and Urban (1984) found similar results with regard to supervisor training. They sampled U.S. oil-company supervisors who were enrolled in entry-level supervisory training. The researchers found that turnover rates for supervisors who had been trained in supervisory skills were lower than for those who had not received such training.

Not all research has supported a relationship between training and employee turnover. Bishop (1991) found that there was no significant relationship between training length or training intensity and job turnover. However, use of formal or informal training had a significant effect on turnover. Specifically, organizations that used formal training more often had higher turnover than those that used informal training methods. Other organizations reaped the benefit of an organization's providing formal training because more employees left the organizations where they received that type of training.

The influence of high employer turnover on training. Not only does training influence turnover, but it also appears that turnover influences investments in training. Bishop (1991) found that the amount of employee turnover could be a factor determining whether or not an organization provides training. The investigator suggested that large organizations used training more frequently due to lower turnover effects.

These findings were supported in a study by Colarelli and Montei (1996), who assessed training and turnover in organizations. The researchers found

that there was a negative relationship between turnover and amount of training received. Organizations with high turnover provided less training than those with lower turnover. In addition, there was a negative correlation between turnover and formal training. Organizations with high employee turnover were less likely to provide formal training.

In the Survey of Employer-Provided Training (U.S. Department of Labor, 1996), the same relationship was found. Organizations with the middle amount of employee turnover provided the most training. Organizations with low turnover provided 7.2 hours of formal training, whereas those with medium and high turnover provided 12.5 and 10.8 hours, respectively. Lynch and Black (1996) also found that organizations with higher employee turnover were less likely to provide most types of training.

Turnover appears to have a relationship with training in a variety of ways; however, researchers have not totally agreed on the nature of the relationship. Training is generally predicted to decrease turnover, yet those organizations with high turnover might be less likely than others to provide training. Thus, there is a need to assess training in particular industries, specifically, those with high turnover rates.

Stimuli and Barriers to Providing Training

Three specific stimuli and barriers to providing training were identified in the literature. Factors that either keep an organization from or stimulate it to

provide training include organizational change, organizational culture, and technology.

Organizational change. Although organizational change as a factor that influences training activities was not addressed significantly in the literature, a few researchers have detected a possible relationship between organizational change and training. Weinstein and Kochan (as cited in Locke, Kochan, & Piore, 1995) suggested that as organizations change (e.g., structures, specialization, and so on), there is a need for higher-skill training. This training is needed to build employees' technical, behavioral, and computer skills. The changing work environment requires more cross-functional and problem-solving skills, necessitating significant investments in human capital.

In two studies, training and change initiatives were addressed specifically. Kappleman and Prybutok (1995) studied workers at 52 newly acquired bank branches to determine their attitudes and behavior during an information-system change that affected the organization's TQM process. Worker empowerment was found to be a critical element in the success of the change initiative. Although training was not a direct contributor to the success of the TQM program, it did aid in providing motivational outcomes in terms of employees' job satisfaction. The investigators speculated that training might have assisted in worker understanding, but they indicated that that variable was not specifically examined.

Lynch and Black (1996) found that organizations that adopted some of the components of a high-performance work system (e.g., TQM or

benchmarking) were likely to have formal training programs. These were the only organizational practices and characteristics studied that had an association with training. Organizational change is occurring in many organizations, and although it is not well established as a factor that influences training activities, it is important to consider.

Organizational culture. Organization culture may have an influence on training. Anderson et al. (1995) indicated that barriers to implementing training included (a) the attitudes of managers regarding the perceived importance of training and (b) something or someone blocking implementation of new skills back on the job. Mulder (1996) suggested that training has not been traditionally considered an important component of an organization's operation. It has been viewed as a staff benefit as opposed to a necessity. Some organizations' lack of training support has resulted in organizational cultures that are not supportive of training.

Managers' attitudes toward training affect the perceived need for training. Ford and Noe (1987) surveyed more than 500 lower- and mid-level managers of a manufacturing company. They found that managers with negative attitudes toward training reported less of a need for training than did those with positive attitudes.

Mathieu, Tannenbaum, and Salas (1992) surveyed 106 clerical employees to assess their attitudes toward training effectiveness and found similar results. The investigators discovered that employees with high training motivation indicated greater learning. Those employees who achieved the best

results were motivated to do well and reacted positively to the program.

Employees who were not mandated to attend also were more positive about training.

Guthrie and Schwoerer (1994) found similar results. They surveyed management employees of a public state employer in the Midwest to assess training needs and perceptions. The 380 employees who indicated that their managers were less supportive of training also viewed training as having less utility for them. The investigators also found a negative relationship between education and perceived utility. That is, managers who had completed higher levels of education viewed training as less useful.

Management attitude also appears to be a factor affecting training internationally. Forrester's (1995) study of retail employees in Britain suggested that store managers' attitudes influenced the value employees gave to training. Organizations that were more supportive of training efforts tended to have employees who placed greater value on training activities.

Studies also have been undertaken to assess the effect of pretraining motivation on the transference of training. Facticeau, Dobbins, Russell, Ladd, and Kudisch (1995) looked at 967 managers and supervisors employed in a state government facility. They studied the factors that influenced effective training programs. Employee attitudes and beliefs were measured through a questionnaire. Findings indicated that the reputation of the training course, incentives, organizational commitment, and supervisor/top-management support of training influenced pretraining motivation. Managers perceived that the

transference of training was influenced by pretraining motivation, as well as subordinate, peer, and supervisor support of the training back at the work site.

Erwin's (1996) findings agreed with those of Facticeau et al. The investigator conducted a survey of the effect of a training course in two different organizations in which participants completed the same training program. Erwin found that participants from both organizations retained the knowledge and skills they had learned in training. However, those from the organization with a more relaxed culture exhibited greater support for training and showed significantly higher levels of transference of training.

Payne (1996) concurred with these findings. He discovered that an organization's environment could affect the benefits of training. Employees were found to resist training if they had a negative attitude toward the company; in such cases, training was viewed as an imposition. Conant (1996) further found that managers had varying levels of support for training and that a relationship existed between the level of management and the value placed on formal training.

Managers represent the culture of an organization to employees. Several writers have suggested that managers' attitudes affect the attitudes of training participants, as well. The culture of an organization can influence not only whether training is offered, but also the success of that training.

Technology. The use of technology and its influence on training have received increased attention as technology has become a more frequent training-course offering. The literature indicated that many organizations have

increased the emphasis on computer training for their employees. This is often mentioned as the most frequently offered training content area. Human-capital theorists have supported this suggestion, as well (Becker, 1995; Mincer, 1989). Increases in technological changes in an industry raise the percentage of educated workers; therefore, a greater investment in human capital is needed (Mincer, 1989). This change in priority of training-content areas indicates the potential influence that technology has on training.

Findings from a study by Mellan (1988) indicated that technology affected the policies and procedures of training. Technology was bringing about change in organizations as it forced businesses to adapt their training practices. Mellan's 18-member sample from Edmonton, Alberta, businesses represented all sizes of organizations and a variety of staff levels. The findings were considered limited because of the small sample size; however, they did indicate a potential positive influence of technology on training. Dedoussis (1995) supported these findings when he assessed the effect of relocating firms to another country. The researcher found that the introduction of new technologies positively influenced the use of training in Japanese firms relocated to Australia.

Colarelli and Montei (1996) had similar findings in their study of mid-Michigan organizations. They found that technological complexity correlated positively with the amount of training. This indicated that, the more complex technology was at the workplace, the more training was conducted. The investigators further noted that technology may affect the degree to which

organizations use training. Technology could diminish the need for existing skills and place greater emphasis on the need for new skills.

Technology may play an important role in understanding what factors influence an organization's use of training. There is some evidence supporting the concept that more advanced technology requires the workforce to possess different skills. Training is a way to develop the needed skills.

Summary

A variety of factors influence an organization to train. Change, culture, and technology may not encompass all of the factors influencing the training decision. However, these three areas should be considered in an effort to understand training practices. These same factors need to be reviewed in regard to the lodging industry because it is not well represented in featured studies. It is important to understand what factors influence the industry's decision to train.

Although the lodging industry is not represented in the literature discussing organizational size, employee position, employee turnover, and factors that influence training (stimuli and barriers), studies from other industries have focused on the relationship of these factors to training. These studies have indicated that (a) the size of the organization affects the amount of training conducted; (b) training favors higher-skilled/management employees as they are provided more training; (c) turnover is lowered with training, yet high turnover may be a reason organizations do not provide training; and (d) organizational

change, culture, and technology may stimulate an organization to provide training.

The present research is centered on understanding the value of training for organizations and employees. In general, in the lodging industry, training is viewed as valuable, even though participation in training is quite low. In the lodging industry, training is provided to increase profit, improve productivity, and increase employee motivation, satisfaction, and retention (Cline, 1997; Conrade et al., 1994; Geale, 1995). The values associated with training for employees include increased skill/knowledge, career advancement, job security, increased pride, and personal fulfillment (Conrade et al., 1994; Geale, 1995).

Two theories have been identified to help explain the training practices in the lodging industry. The SLMT and the HCT provide a framework to understand the varying training activities that exist in all organizations.

Training Theories

Two theories suggest why variance exists among properties that do not provide training, those that provide certain types of training, and those that wholly invest in training. This continuum of training activity, from no training to a climate of perpetual training, is suggested by the human capital theory (HCT) and the segmented labor market theory (SLMT). Each theory is explained in the ensuing paragraphs, followed by an application of the particular theories to the lodging industry.

The Human Capital Theory

The HCT is based on the premise that investments in human capital (employees) provide returns for both employees and employers, as well as society at large (Sweetland, 1996). Human-capital investments may be made in a variety of forms, such as education, health care, training, and job experience (Becker, 1995; Blaug, 1976; Wykstra, 1971). Becker suggested that human-capital investments come in a variety of forms; however, he considered training and education as the most important of these investments.

Early theorists suggested that human capital helped explain why workers with more education, training, and job experience had higher wages. An increase in wages was believed to be associated with training, which served to directly increase worker productivity (Blaug, 1976; Weiss, 1995). The HCT was expanded in 1964 to explain other issues, such as turnover, gender differences in wages, and human-resource practices, when Becker introduced the full theory (Becker, 1964; England, 1982; Hill, 1995).

According to the HCT, an organization may invest in general or specific human capital. General human-capital investments are valued by many businesses because anyone would benefit from hiring a person who received such training. For example, employee motivational development and business writing are considered general human-capital investments. These general investments are presumed to increase the productivity of workers, both in firms providing training and in those hiring trained individuals (Becker, 1995; Weiss, 1995).

Specific human-capital investments are firm specific and are used primarily by the organization sponsoring the training. An example would be a tool-and-die firm providing a company orientation or job-specific training to an employee. The tool-and-die firm providing the training benefits from higher productivity because the training content is organization specific (Becker, 1995; Weiss, 1995). Firms providing specific training reap greater rewards than those that do not provide such training. Therefore, most organizations provide a greater variety of specific training as opposed to the more general training offerings.

The competitive nature of the marketplace may determine the amount of general or specific training a firm provides. A noncompetitive job market will enable an organization to lose little productivity to other agencies. Therefore, there is little risk in developing general or specific training for employees. In general, monopolistic organizations tend to invest more heavily in all types of training. It is an incentive for firms to invest in human capital when they realize that the monopolistic environment gives them the greatest rewards for all types of investments. In a largely competitive environment, fewer specific training investments are made (Becker, 1995).

Human-capital theorists predict that, in a market where there is intense competition by individuals for available jobs, potential or current employees would pay the costs of their training and the firm would incur none of the costs. Teachers in the 1980s provide a good example of this situation. The pressures of a competitive labor market forced teachers to incur the costs of extra training

to develop their skills and seek an advantage in keeping their jobs or in the hiring process (Wykstra, 1971).

In a more typical, neutral environment, a firm that trains employees partially wastes its capital expenditure to train them (especially with general investments) because employees may leave and other businesses may find value in the skills they have been taught. Employees with specific training have less incentive to leave a firm, and the firm has more incentive to keep those employees. Therefore, turnover is least likely in organizations that provide extensive amounts of specific training.

Investigators have found that turnover decreased as workers received more specific human-capital investments (Dubas, 1990; Mincer & Higuchi, 1988; Weiss, 1995). Becker (1995) and Mincer and Higuchi contended that training investments in Japanese employees were greater than in the U.S. and that job turnover was less common in Japan. Additional investments bonded employees to employers through on-the-job learning and training, which in turn reduced the likelihood of turnover. Yet, a study by Levine (1993) did not support the HCT as an explanation for turnover. The investigator found no support for a relationship between training and turnover.

The HCT has been used to explain wage and turnover investments in training, as well as other human resource issues. These other human-resource-related studies provide a view of how the theory can be expanded. Shaffer (1994) used the HCT as a framework to understand organizational support of employee volunteer efforts. The investigator hypothesized and supported the

notion that agencies that financially support human-capital investments (e.g., training) also support the volunteer efforts of their employees. Organizations indicated that supporting volunteer efforts also developed employee skill, a form of general training.

Winters (1996) studied the tie of human capital to the organizational adoption of life-balance innovations. Life-balance innovations are benefits provided to employees while they engage in work- and non-work-related activities such as flex time or compressed work weeks. These innovations are concerned with the "whole person." Nine hundred fifty Fortune 500 and Fortune Service 500 organizations were surveyed to identify their life-balance innovations. Although there was only an 18% response rate, no meaningful differences were found between responding and nonresponding organizations in terms of sales volume, number of employees, or reputation. Service and labor-intensive organizations were more likely to have life-balance innovations, and those organizations that spent more money on training were more likely to provide such innovations.

Further, Winters asked firms to clarify the reasons they were likely to invest in life-balance innovations. The results indicated that organizations were more likely to invest in such innovations in an effort to (a) meet employees' work and family needs, (b) recruit and retain good employees, and (c) improve business and productivity. All three of these reasons support the concept of human capital as both employees and employers reap the rewards of training.

Although the HCT was created to explain wage issues, it has been used in many research studies to explain other organizational practices, as well. Investments in human capital are made because the return to an organization exceeds the cost of investing (Doyle, 1994). The HCT provides an understanding of how this relationship works in several different areas. The theory has been used in a variety of ways to explain why some organizations invest differently in training. These ways include (a) wages, (b) competition, (c) turnover, (d) productivity, (e) type of training offered (general versus specific), and (f) human resource initiatives. Doyle concluded that more specific explanations are needed to better understand why some organizations invest in human capital and others do not. Therefore, the HCT can assist in explaining why organizations do or do not invest in human capital, and it can provide an explanation for the relationship between training and other variables.

The Segmented Labor Market Theory

The HCT has not always been viewed as providing a thorough assessment of training practices. Tinto (1981) viewed the HCT as a framework for a homogeneous employment market. It fails to consider that people operate in different labor markets. The SLMT helps to provide an understanding of an organization's investment in training, considering the differences within a labor market.

The SLMT has been used to explain the association between the labor market structure and labor market outcomes. It is an attempt to explain differences in earnings and occupations. The theory states that the labor market

is divided into two sectors or employee groups and that differences exist within each employee group. The two sectors are called primary/upper and secondary/lower markets (Trivelli, 1994; VanHouse, 1987).

The primary labor market is important to production, and this market includes skilled employees. Employers focus on keeping employees in this labor market and on trying to develop worker attachment. Training and experience are therefore valued in this segment. Conversely, the secondary labor market needs less skill and has higher turnover. As a result, this labor market receives less training and education (VanHouse, 1987). Trivelli (1994) added that upper-tier (primary) jobs require greater skill and education. The higher the tier, the more likely it is that fewer persons will have the skills necessary for that tier. Demand for these employees is greater. Lower (secondary) tiers require skills that many people possess and are comprised of tasks that many people can perform. Therefore, less pay and value are attached to these positions. Many service jobs include lower-tier employees. The SLMT may provide additional insights into the investments made in service organizations (Trivelli, 1994).

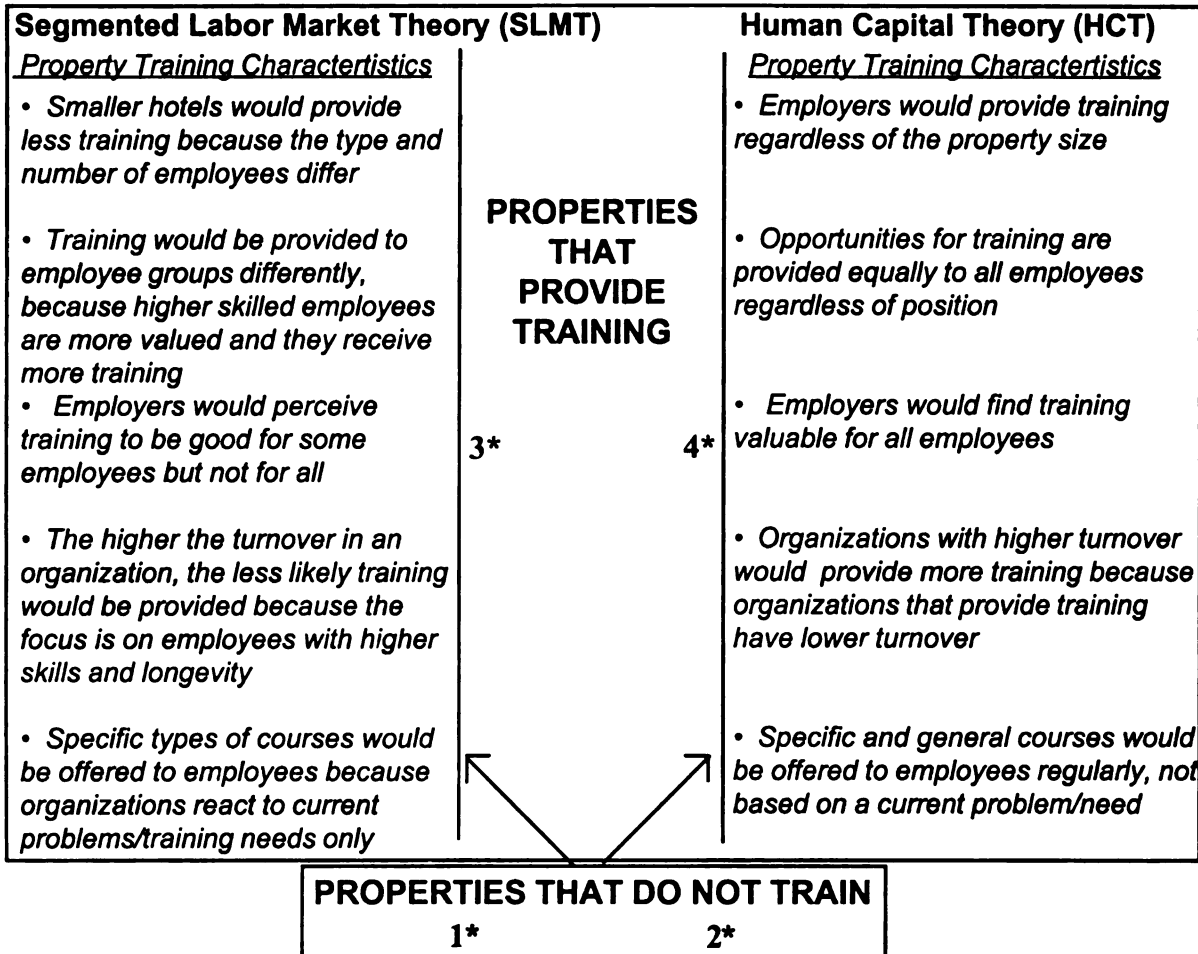
The SLMT helps to explain wage differences among employees. In a survey of librarians, VanHouse (1987) concluded, by dividing industries or occupations into two or more sectors and testing for differences in wage equations, that a segmented labor market indeed exists and that primary markets tend to pay more and provide more education and training opportunities. This would increase future earning potential.

Because the HCT alone did not account for differences in training, Trivelli (1994) found that the HCT and SLMT together provided useful models to identify the factors that influenced training investments in organizations. Trivelli found, in a study of supported employment for mentally disabled people, that the HCT and SLMT did not explain the study outcomes. Wage, level of education, and number of hours worked were found not to be related to job retention. Employer support, however, was found to have a significant relationship to retention. The investigator concluded that the theoretical frameworks were essential to understanding differences in organizations. Regardless of the outcome, they proved helpful in understanding other markets and industries. It is unclear, however, which theory was the better predictor of the factors that influenced training practices in organizations.

The SLMT provides an opportunity for understanding whether employee groups receive different amounts of training. Using the SLMT in combination with the HCT, variables can be addressed to understand training practices, factors that influence training, and the value placed on training.

The theoretical training model (Figure 2.1) can be used to illustrate how training is suggested in each theory. Regardless of whether an organization provides training or not, the theories suggest a path toward either the HCT or the SLMT. In the case of the HCT, organizations generally value. They are not influenced by organizational size, types of employees, or stimuli. They offer a variety of courses aimed at both specific and general skill development.

THEORETICAL TRAINING MODEL



* Hypothetical Examples of both SLMT and HCT oriented properties

Hypothetical Example SLMT #1:
Small lodging property does not train, sees little value in training employees (including self) since employees do not need training; may view training as not worthwhile. Should training occur it may be for a legal issue.

Hypothetical Example SLMT #3:
A large-sized property in a competitive environment provides training to management employees primarily based on job-specific duties such as coaching/ counseling, hiring, and maintenance. This property experiences high turnover and provides training to only management employees because longevity is an issue.

Hypothetical Example HCT #2:
A small sized property values training for employees; however, employers lack resources (funding and expertise) to provide training. Should these barriers be eliminated, training may occur.

Hypothetical Example HCT #4:
Medium-sized property experiences high turnover and provides more specific training to employees to reduce the employee turnover in the organization. The property is in a noncompetitive environment providing a range of training opportunities for both hourly and management employees, including job-specific and general types of training courses.

Figure 2.1: Model to explain the SLMT and HCT practices in lodging properties.

The amount of training may vary in organizations with a human-capital orientation. However, barriers may exist in the form of resources, expertise, funding, and so on, that keep organizations from training. These organizations want to train but are restricted for a variety of reasons. Hence, even organizations that do not provide training can have a human-capital orientation.

Conversely, organizations that value training less or for only some employees provide training to employee groups differently, are influenced by the size of the organization, train less often in higher-turnover situations, offer specific types of training, and are stimulated to provide training by various influences. These types of organization are explained by the SLMT. Their orientation differs from the HCT. Organizations that do not provide training may also be oriented to the SLMT as they do not train because of perceived lack of need.

Figure 2.1 further indicates how this model would be hypothetically described using lodging properties.

Even though organizations may decide to provide training or not to provide training, an understanding of their orientation to training can be obtained from the HCT and SLMT. Literature regarding training in the lodging industry is limited. Thus, in an effort to understand the orientation of the industry and address the labor issues that currently prevail, research exploring the value placed on training, the factors that influence training participation, and the training patterns of those that train must be completed.

The Study Hypotheses

The purpose of this study was to determine which theory, the HCT or the SLMT, provides the best explanation of training practices in Michigan's lodging industry. This section outlines the study hypotheses and likely results based on what the HCT and SLMT suggest or reasonably predict.

Hypothesis 1

There is no difference in the percentages of properties providing training, by (a) property size and (b) employee type.

Understanding the number of properties that provide training was the foundational issue in this study. Training may or may not be provided in all organizations, and it is important to determine what percentage of the properties in the lodging industry do provide training. In addition, certain employee groups may not be provided training at all properties that train; therefore, determining whether this is occurring is important. It must therefore be determined whether all properties provide training, in any size category and to all employee types. Then a determination will be made regarding the number of properties that are included in further hypotheses.

The HCT generally suggests that all organizations will provide training because training is important to individuals, businesses, and society. Further, the theory suggests that hourly and management employees will be provided training opportunities regardless of the size of property.

Conversely, the SLMT suggests that management employees will receive more training because they have more value to the organization. In addition,

small organizations may not provide training because there are few skilled employees in these types of properties.

In each theory it is assumed that training occurs at properties. Those properties not providing training may still, however, be inclined toward one theory or the other, depending on the reasons why they do not provide training.

Hypothesis 2

There is no difference in the value, barrier, or stimulus scale scores between various-sized properties that provide training and those that do not provide training.

It is important to understand respondents' perceptions of the values of training, and the factors that stimulate or keep (barriers) lodging properties from providing training. Comparing the properties that do train to those that do not train will provide an understanding of the likelihood that those properties that do not train are inclined to follow an HCT or a SLMT approach to training should they one day decide to provide training.

In general, a low stimulus or barrier scale score indicates that there are few factors that influence a property toward training or keep it away from training. A high score indicates that a variety of factors influence a property's training activities. Stimuli may include anything from customer and employee feedback to Mobil/AAA ratings. Barriers may include anything from cost to resources. Similarly, a low value scale score indicates that a property places little value on training, whereas a high value scale score indicates that a property places a high value on training.

If a lower value is placed on training by those properties that do not train and the stimuli scores are lower, then the SLMT provides a framework for understanding what is occurring in the lodging industry. In this case, the barrier scores could be higher or lower with few implications. However, if the value is the same as or higher than the value for those that provide training, then the HCT better explains why organizations do not train. In this case, the barrier scores would be higher, and the stimuli scores would be lower. It therefore becomes imperative to understand the barriers experienced by these properties to providing training because these properties may find training valuable but the barriers too great to overcome. A summary of the expected outcomes for each theoretical perspective is provided in Figure 2.2.

HCT–DO PROVIDE TRAINING	HCT–DO NOT PROVIDE TRAINING
High value scales Low stimulus scales High or low barrier scales	High value scales Low stimulus scales High barrier scales because something is keeping properties from training
SLMT–DO PROVIDE TRAINING	SLMT–DO NOT PROVIDE TRAINING
Low value scales High stimulus scales (because that is why properties provide training) High or low barrier scales	Low value scales Low stimulus scales (because properties do not provide training) High or low barrier scales

Figure 2.2: Theoretical perspective for those properties that do and do not provide training.

Hypothesis 3

For those properties that provide training, there is no difference in the amount of training provided and the types of training courses offered, by (a) employee type and (b) property size.

It was considered valuable to understand the amount of training, the types of training courses, and the investments made in training employees in Michigan's lodging industry. Both hourly and management employees were assessed separately to determine whether employees were provided training differently, based on their employment status.

The HCT suggests that no difference will be found between employee groups with regard to the amount of training or the types of training courses offered. Training was expected to be valued equally across employee categories in an organization that supports human capital, although the HCT does not specifically indicate that this will occur. Such a finding would represent new ground from which the HCT can be applied.

Conversely, the SLMT indicates that a difference will exist between employee groups. If such a difference is found to exist, these results would confirm the SLMT.

Hypothesis 4

For those properties that provide training, there is no relationship between the amount of training provided and the attitudes of lodging general managers/owners toward the value of training, by (a) employee type and (b) property size.

This hypothesis addresses the value placed on training by assessing the attitudes of general managers/owners toward training. The HCT indicates that

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employers have a positive attitude toward training, finding it necessary and beneficial for both employees and employers. These findings would confirm the HCT and support literature indicating that various values ascribed to both employers and employees regarding training do, in fact, exist.

The SLMT suggests that employers perceive training as good for some employees, but not equally important for all. Because not all employees may receive training, the SLMT would not be as positive toward the value of training for employees.

Hypothesis 5

For those properties that provide training, there is no significant difference among various sizes of lodging properties with regard to the amount of training provided, by employee type.

This hypothesis is intended to extend previous researchers' efforts to establish size as a factor that may influence the amount of training completed by businesses. The extension to the lodging industry could represent new territory as few studies have focused on organizations with small numbers of employees.

Neither the HCT nor the SLMT specifically addresses the substance of this hypothesis. Other researchers have found size to influence the amount of training received, but the theories have not been used to explain why this occurs. These theories may be used to help explain the effect of size on the amount of training, which would represent new ground for both of them. The HCT would suggest that the amount of training will be similar across organization sizes. Conversely, the SLMT would suggest that size may affect

the amount of training conducted in an organization because property size also influences the number and types of employees in an organization. The SLMT would suggest that, the larger the organization, the more need there is for skilled employees and hence the significantly more training provided than in smaller properties.

Hypothesis 6

For those properties that provide training, there is no relationship between the amount of training provided and employee turnover in lodging properties, by (a) employee type and (b) property size.

As suggested in the literature, two types of relationships exist between turnover and training. The first relationship suggests that low employee turnover may be the result of training. The second relationship suggests that high-turnover organizations provide less training. This hypothesis was designed to aid in understanding the relationship between these two variables in lodging organizations.

The HCT suggests that a relationship exists between training and low turnover. The issue of turnover is suggested in the HCT, and Becker (1995) contended that organizations that train have lower employee turnover. Such a finding in this study would support the HCT.

The SLMT does not indicate a specific relationship between these two variables. However, high turnover in an organization would negatively affect the amount of training provided. Those organizations with high turnover would not provide as much training because their priority lies with employees with higher

skill and longevity. Because turnover is high, training should not be provided because less-skilled employees tend to leave an organization.

The second relationship (high-turnover organizations provide less training) has not been studied using either theory. It is reasonable to suggest, however, that the HCT would indicate that high turnover is a reason organizations become human-capital oriented and provide more training. The SLMT would suggest that high turnover is not a reason to provide training because less-skilled employees leave organizations more often, and thus they should be given less training.

Hypothesis 7

For those properties that provide training, there is no relationship between the amount of training provided and the various stimuli and barriers that influence training activities, by (a) employee type and (b) property size.

A variety of factors have been shown to influence the amount of training provided by organizations. Some of these factors have shown a clear relationship, whereas other relationships have not been delineated. Various factors have been translated into stimuli and barriers toward training, which will provide an understanding of the factors that influence training in the lodging industry.

The HCT would suggest that barriers may or may not affect an organization's training. However, stimuli may or may not influence a developed training agenda. Conversely, the SLMT would suggest that training will be influenced by stimuli because "problems" would more likely be the reason SLMT

organizations train. Barriers may or may not affect training that is provided by organizations oriented to the SLMT.

CHAPTER III

METHODS

Introduction

The procedures used in the investigation are described in this chapter. The chapter is divided into seven sections: (a) study population and sampling frame (b) instrumentation; (c) response rates and representative nature of the population and sample; (d) data collection; (e) validity, reliability, and nonresponse measures; (f) data analysis; and (g) limitations. The data are described in the first three sections. The research methodology is explained in the next three sections. In the final section, limitations in the research methodology are summarized.

The Study Population and Sampling Frame

Study Population

The study population included general managers/owners of hotels, motels, resorts, cabins, and cottages in Michigan. Several sources were contacted to estimate the size of the population, as well as to determine the sampling frame. To identify population size, an inventory of lodging properties in Michigan was obtained. Spotts (1991) indicated, from a 1986 data set, that there were 3,489 lodging properties in Michigan. These lodging properties

included 59% hotels and motels, 36% cabins and cottages, 5% bed and breakfasts and historic inns, and less than 1% condominiums (Table 3.1).

Table 3.1: Lodging population, Travel Michigan Product Database (TMPD), and sampling frame distribution, by property type.

Property Type	Lodging Population ^a		TMPD ^b		Sampling Frame	
	<u>N</u>	%	<u>N</u>	%	<u>N</u>	%
Hotels/motels	2,162	67	1,193	52	1,193	67
Resorts/cabins	710	22	589	26	589	33
B/B, condo, etc.	402 ^c	12	509 ^c	22	–	–
Overall total	3,274	101 ^d	2,291	100	1,782	100

^aFigures in this column are from Spencer (1999).

^bFigures in this column are from the Travel Michigan Product Database (TMPD) (1999).

^cThe lodging population excludes historic inns in the B/B category, whereas the TMPD includes historic inns in the B/B category. Historic inns are accounted for in the hotel/motel category under Lodging Population.

^dTotal does not equal 100% due to rounding errors.

Spotts (1991) indicated that securing a comprehensive list of Michigan lodging properties was difficult and that the current database omitted many properties. However, Wall (1998) and Klingeman (1999), of the Michigan Hotel, Motel, and Resort Association (MHMRA), indicated that they had no updated data since 1986. Spencer (1999) was completing a more recent inventory of lodging properties in Michigan. Preliminary findings indicated that the 3,274 lodging properties fell into similar categories as in the 1986 study. Results indicated that 67% of the inventory were hotels and motels; 22% were resorts,

cabins, and cottages; and 12% were bed and breakfasts and condominiums (Table 3.1). As the published data were 13 years old, the more recent representation of the current supply was used in this study.

Although an inventory existed, a database listing properties by name and address was not available. Therefore, a database that included as many lodging properties as possible was solicited for this study. Two such databases existed. Wall (1998) reported that the MHMRA membership database contained approximately 540 lodging properties. He recommended using a different data source that provided a larger sample. The second database was obtained from Michigan's state travel office, Travel Michigan. Their database provided a more comprehensive list of current information on Michigan lodging properties. Marabate (1998) and Foutts (1999) indicated that the Travel Michigan Product Database (TMPD) is the most complete source of information on Michigan's lodging properties. That database includes 2,291 properties. Based on these findings, the TMPD was selected as the study population.

Representative Composition of the Overall Population

Of the 2,291 lodging properties in the study population, 52% were hotels and motels; 26% were resorts, cabins, or cottages; and 22% were bed and breakfasts, historic inns, home/condominium rentals, or rooming/boarding houses (Table 3.1). The most recent unpublished data by Spencer (1999) showed a similar ratio of property types as in the TMPD database. More than half of both databases consisted of hotels and motels, representing 66% of the data by Spencer (1999) and 52% of the data published by the TMPD. Slight differences existed in the percentages of resorts, cabins, and cottages—22% and

26%, respectively, in the two databases. Bed and breakfasts and condominiums comprised 12% and 22%, respectively, of the database totals. Although the total number of lodging properties differed by almost 1,000 properties between the two databases, the ratio of different types of properties remained similar.

Sampling Frame

Those properties that were more likely to employ staff and have more complex operations were included in this study because the objective of this research could not be fulfilled without lodging operations that were more complex in nature. The sampling frame comprised those properties listed as hotels, motels, resorts, cabins, or cottages. Foutts (1999) indicated that the cabins and cottages segment included resorts. Therefore, resorts were included in this study. Properties in the bed and breakfast, historic inn, and condominium category were not used in this study. Overall, 1,782 properties fit this sampling frame. The distribution by categories in the sampling frame is similar to the distribution of the total lodging population. The lodging population, TMPD, and sampling frame are summarized in Table 3.1.

Geographic Representation of Population, TMPD, and Sampling Frame

To help ensure the representative nature of the sample population, geographic comparisons also were made. The state of Michigan was separated into four geographic areas to investigate the distribution of properties, comparing the sample to the database and population. Michigan was separated into the Upper Peninsula, northern Michigan, southwest Michigan, and southeast

Michigan. Figure 3.1 shows the geographical distribution of Michigan counties by region.



Figure 3.1: Geographical regions of Michigan.

According to Spencer's (1999) unpublished data, there were 3,274 commercial lodging properties in Michigan. Excluding the bed/breakfast and condominium categories, 2,872 properties remained. This figure included hotels and motels, cabins and cottages, and major resorts. More properties were located in northern Michigan than any other area in Michigan. Northern Michigan was followed by southeast Michigan, the Upper Peninsula, and finally, southwest Michigan (Table 3.2). The 1,782 properties in the TMPD sampling frame were distributed similarly among the four geographic areas. Forty-one percent of the sampling frame was from the northern area of Michigan, 25% from the Upper Peninsula, 20% from the southeastern area, and 14% from the southwestern area (Table 3.2).

Table 3.2: Geographic distribution of the population and sampling frame.

Geographic Area	Lodging Population		Sampling Frame	
	<u>N</u>	%	<u>N</u>	%
Northern Michigan	1,112	39	727	41
Southeast Michigan	788	27	357	20
Upper Peninsula	570	20	443	25
Southwest Michigan	402	14	255	14
Total	2,872	100	1,782	100

There appeared to be a small difference in the number of properties represented in the Upper Peninsula and southeast portions of Michigan. The geographic distribution of the sampling frame indicated that the Upper Peninsula was slightly overrepresented and the southeast was slightly underrepresented in

the sampling frame. This difference indicated that the TMPD did not include as many southeast Michigan properties as did the overall population.

Sampling Process

In an effort to determine the sampling process, qualitative interviews were conducted with 15 Michigan lodging property general managers/owners. Those selected were drawn from hotel, motel, and resort properties in each of the four regions in Michigan. General managers/owners from different-sized properties were interviewed, as well. These qualitative interviews were conducted through telephone and face-to-face contact. A subjective, nonprobability sampling method was used to determine which general managers/owners to interview. Those interviewed were personal contacts and random contacts through local Convention and Visitor Bureau referrals. The issues discussed with this pilot sample included (a) the amount and type of training, (b) their attitudes toward training, (c) the barriers that kept them from training, and (d) the factors that influenced their decision to train (see Appendix A). Results were summarized and are presented in Appendix B.

Confirmed by the interview findings, the sample was stratified by two variables, type of property and property size (number of guest rooms). The type of property included hotel/motel or resort, and cabin/cottage. The property size was divided into small (1 to 35 guest rooms), medium (36 to 100 guest rooms), and large (more than 100 guest rooms) properties. The interviews confirmed enough variation in responses to warrant the categorization into small, medium,

and large properties. Wall (1998) supported that the breakdown of properties resembles the membership categories of the MHMRA.

In addition, Morrison's (1998) research on the descriptors of small properties in the lodging industry stressed the need to be sensitive to the characteristics of various property sectors. Smaller properties tend to (a) have less formal structures (a flattened organizational chart), (b) employ fewer staff, (c) be managed by an independent or small group, (d) often be managed by hands-on owners, and (e) have general jobs that include a combination of tasks (Lattin, 1989; Morrison, 1998). Even though small properties have these differences, some researchers have indicated that small properties are difficult to identify because they are diverse in size and variety (Morrison, 1998; Ogden, 1998). Lodging-property literature has addressed the categorization of properties by a number of variables because properties vary greatly in organizational structure. These variables have included location, type of property, room rate, product or service features, and the number of guest rooms (Rompf, 1994).

Number of guest rooms was determined to be the variable used to distinguish property sizes in this study. A variety of means have been used to determine the number of guest rooms that distinguish a category of lodging properties, and little agreement exists in the results. Small properties have from 8 to 24 guest rooms (Kalt, 1971; Morrison, 1998), 39 or fewer guest rooms (Glancey & Pettigrew, 1997), 50 or fewer guest rooms (Lee-Ross, 1998), or fewer than 100 guest rooms (Rompf, 1994). The average is anywhere from 9 to

27 guest rooms (Lee-Ross, 1998). Kalt (1971) suggested that larger properties average 84 to 120 guest rooms.

With these noted discrepancies among investigators in categorizing lodging properties, consideration was given to these authors, the interview findings, and an interview with the Michigan Hotel, Motel, and Resort Association to determine the breakdown of the number of guest rooms into small, medium, and large property sizes. The small properties do have fewer employees and more managers/owners, who complete more general tasks in their positions. Medium-sized properties tend to have more specialization of jobs, be affiliated with management companies/franchises, and have more employees, whereas large properties tend to have a large number of employees in specialized jobs, complex operating structures, and belong to management companies. The final study population, broken down by type and size of the property, is summarized in Table 3.3.

Table 3.3: The sample population by type and size of lodging property.

Type of Property	Size of Property			
	Small (n)	Medium (n)	Large (n)	Total
Hotels/motels	683	274	236	1,193
Resorts, cabins/cottages	556	16	17	589
Total sample population	1,239	290	253	1,782

The sample size for the study was based on an anticipated 50% response rate, the findings of the interviews, and the desire to carry out statistical

analyses at the .05 level of significance. As a result, 300 small, 166 medium, and 167 large properties were sampled. Based on interview findings, it was decided to oversample small properties. The owners/general managers who were interviewed suggested that small properties were not only hard to reach due to seasonal closings, but also would be less likely to participate in the study. It appeared that they did not hire many employees, and therefore did not conduct as much training as the larger properties. Six hundred thirty-three lodging property general managers/owners across various sizes and types of properties were included in the sample. Table 3.4 depicts the study sample, by type and size of lodging property.

Table 3.4: The study sample by type and size of lodging property.

Type of Property	Size of Property			
	Small (n)	Medium (n)	Large (n)	Total
Hotels/motels	150	150	150	450
Resorts, cabins/cottages	150	16	17	183
Total sample	300	166	167	633

Three steps were taken to identify the actual properties to be included in the sample. First, those completing a qualitative interview were excluded from the study population. Second, the database appeared to have some duplications within the categories; therefore, every attempt was made to eliminate the duplicated properties. Third, a stratified random sampling process was used to secure the sample in each property-size category. A random start

was selected, and every n th property (the number varied due to population- and sample-size differences) was selected for inclusion in the sample, based on 300 small-sized properties, 166 medium-sized properties, and 167 large-sized properties.

Once the first sample was selected, telephone contact was made with each property to verify (a) the name and address of the property, (b) the size of the property, (c) the name of the general manager/owner, and (d) general manager/owner support in completing the forthcoming questionnaire. Properties were excluded from the sample if they (a) asked not to be sent a questionnaire, (b) were no longer in business, and/or (c) did not answer the telephone. Contact was made with all the properties through personal telephone contact or leaving a message on telephone answering machines.

This effort fell short in reaching the intended number of properties for the sample. Therefore, a second sample was obtained from the remaining properties in the sampling frame. Telephone contact again was made until the desired sample size was reached.

Geographic Representation of the Sample

The sample taken from the sampling frame, as well as the sample respondents, was similar to the distribution of the population and the sampling frame, as noted earlier in discussing Table 3.1. Slight differences existed among the four geographical areas, but these differences were inconsequential (Table 3.5).

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Table 3.5: Geographic distribution of the sample and sample respondents.

Geographic Area	Sample		Respondents	
	n	%	n	%
Upper Peninsula	138	22	55	25
Northern Michigan	219	36	86	40
Southwest Michigan	91	15	24	11
Southeast Michigan	168	27	52	24
Total	616	100	217	100

The geographical distribution of the population, sampling frame, sample, and respondents varied only slightly. The respondents appeared to be slightly underrepresented in southeast and southwest Michigan. They were slightly overrepresented in northern Michigan and the Upper Peninsula. These differences, however, were very similar to differences in the distribution of the population. Therefore, respondents were considered to be a representative sample of the population in terms of geography.

Instrumentation

A questionnaire was used in this study. The development of the questionnaire was completed through literature analysis and the aforementioned qualitative interviews.

Interviews

To understand the industry's practices, a framework needed to be developed to understand the factors that influenced training. Comparisons could

not be made to other industries because of the unique characteristics of the lodging industry. A framework to understand these unique factors was found in a study by Sorg, Fardig, Lange, and Koch (1984), who used a technique for uncovering factors that work for or against an issue. This process was formatted around Kurt Lewin's force-field analysis technique, which identifies the forces that cause resistance to completing an activity and shows how change can be successful. To incorporate the force-field analysis process, the interviews included open- and closed-ended interview questions that focused on understanding the factors that influence an organization to train. Specifically, the influence that various barriers and stimuli had on the amount of training conducted was investigated.

Findings from the interviews indicated that several factors influenced lodging properties. These included factors that stimulated the properties to train, such as customer feedback, competition, AAA/Mobil ratings, franchise relationships, employee/management feedback, recruitment, and retention. Factors that were barriers to training included business demands, size of the operation, resources (time and money), expertise, and seasonality (Appendix B).

In addition, questions were asked regarding the amount of training and value placed on training. In general, respondents from all sizes of properties viewed training as valuable. Those from large properties indicated training to be a top priority, whereas the medium properties were slightly less likely to place this type of emphasis on training, and small properties were much less likely to place this type of emphasis on training. Most smaller properties relied on on-

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the-job (informal) training, whereas medium and large properties tended to offer both formal and informal training. Large properties offered the most formal training beyond an orientation program (Appendix B).

Respondents from the small properties tended to view their current training practices as appropriate for their employees, whereas those from the medium and large properties wanted to provide more training. Cost was the most apparent reason why medium properties did not conduct more training. Respondents from the large properties said time, practicality, and business demands were the reasons why more training was not occurring. Respondents from the medium properties indicated that they trained employees for slightly more hours than did the large properties. Both the medium and large properties provided at least twice as much training as the small properties (Appendix B).

Instrument Development

Pilot test. From the interviews and literature review, a pilot questionnaire was designed. It was administered to 30 individuals, 11 of whom included lodging property owners/general managers from all sizes of properties. The remaining pilot sample included lodging training consultants, lodging association professionals, university faculty, and dissertation committee members. The pilot sample was instructed to complete the questionnaire and comment on any portion of the instrument that they found difficult to answer. Eight of 11 general managers/owners responded, and 21 people overall completed and commented on the instrument. They identified ways to improve the quality of the content and presentation of the instrument.

Five sets of scales from the instrument were evaluated. In these scales respondents were asked about their attitudes toward training and the factors that influenced training. Five of the eight questionnaires completed by the pilot sample were used because three respondents did not complete the questionnaire adequately. At least one response each from a small, medium, and large property was included in the final analysis.

To assess the reliability of the scales used in the questionnaire, reliability coefficients were calculated from the responses of general managers/owners. Reliability coefficients of .70 or greater were considered indicative of adequate reliability as the items in the scales were considered to be tightly connected (Frankfort-Nachmias & Nachmias, 1992).

Two of the five scales (organizational value and stimuli to training) had alpha values of .79 and .97, respectively. Alpha values for the remaining three scales (organizational value of training, general value of training, and barriers to training) could not be determined due to the small sample size (Table 3.6).

Table 3.6: Description of the pilot questionnaire scales.

	Scale				
	Organizational Value	Employee Value	General Value	Stimuli to Training	Barriers to Training
No. of questions	10	11	7	10	10
Mean	2.7	–	–	2.4	–
<u>sd</u>	1.4	–	–	.25	–
<u>n</u>	5	–	–	4	–
Range	1.2-4.2	–	–	1.75-3.25	–
Reliability	.79	–	–	.97	–

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Results indicated that two of the scales, as written, were within the established guidelines. Based on the pilot feedback, however, changes were made to the questions.

Respondents recommended changes in each of the scales. The most frequent suggestions centered on changing the wording of questions and rearranging the order of questions. Other feedback included eliminating questions, adding questions, and moving a question to another scale. Many of these suggestions were accepted, and the instrument was modified to reflect this feedback. These changes were made to improve all scale reliability scores.

Final Instrument Development

The survey questionnaire, designed for mail distribution, was developed based on information gained from the interviews and the reviewed literature. The development of the questionnaire involved several processes. No existing instrument addressed similar objectives; therefore, each questionnaire section was developed with the following specific considerations.

Perceived value of training. The value of training was categorized into three areas: organizational value, employee value, and general value. The HCT and SLMT along with various studies on training were considered in creating the statements for the instrument. A Likert-type scale (ranging from *Strongly Agree to Strongly Disagree*) was used to elicit participants' responses to positively and negatively worded value statements.

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The final 13 items in the organizational value scale were based primarily on studies using the HCT and other research conducted on the value of training to organizations. Senat (1992), Conrade et al. (1994), Geale (1995), Payne (1996), and Cline (1997) indicated that several advantages exist for an organization that provides training. These advantages include employee retention, reduced turnover, positive employee attitude, increased employee productivity, and increased organizational profitability. In addition, a few of the items were based on suggestions made during the pilot study; these concerned such things as guest satisfaction and guest revenue. Some items were based on comments made in the interviews, such as the value placed on training when times are difficult.

The 11-item employee value scale was partially designed from studies based on the HCT and SLMT. More specifically, the HCT suggests that employees earn higher wages if they have received training. The SLMT indicates that training may be more valued for one employee group than another. Questions were designed to address both of these issues. Freeman (1978), Gaertner and Nollen (1989), Geale (1995), and Payne (1996) provided the framework for many of the questions relating to the value employees receive from training. Their findings suggested that employees who are trained are more committed and satisfied. Employees also develop their skills and self-awareness based on training. Overall, they are better employees and view training positively. The findings from the interviews suggested that training is

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also a reason employees consider one company over another, and this question was also added to the scale.

The seven questions in the general value scale were largely designed from studies based on the HCT and other research. These questions referenced literature that suggested training was worthwhile, valuable, and necessary (Bailey, 1998; Bergman, 1995; Caudron, 1996; Guthrie & Schwoerer, 1994). Some of the research findings did not fit into either organizational or employee value category. Therefore, the general value category was created to represent these findings.

Overall, information gained from the literature, interviews, and the pilot study was used in developing the instrument for this research. Each scale in this section included at least one question that was positively worded and one that was negatively worded (Figure 3.2).

Factors that influence training. The qualitative interviews, described earlier, served as a means for studying the various factors that influence training in the lodging industry, specifically. The literature was reviewed during this process, and additional training influences were identified.

The factors that influence training generally fell into one of two categories: (a) those that stimulate organizations to train and (b) those that keep organizations from training. Both stimuli and barriers were identified and placed into two scales, which represented the factors that influenced properties to train or not to train.

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Please circle your response to these statements regarding your view of training using the following scale.

SA = Strongly Agree A = Agree N = Neutral D = Disagree SD = Strongly Disagree

ORGANIZATIONAL VALUE

A1.	When times are tough, money spent on training is one of the first items to be cut.	SA	A	N	S	SD
A2.	Trained employees have greater job satisfaction.	SA	A	N	S	SD
A3.	Training reduces employee turnover.	SA	A	N	S	SD
A4.	Training is an expense rather than an investment.	SA	A	N	S	SD
A5.	Training can improve employee productivity.	SA	A	N	S	SD
A6.	Customers view training positively.	SA	A	N	S	SD
A7.	Training has no impact on organizational profit.	SA	A	N	S	SD
A8.	Training has no effect on employee attitude.	SA	A	N	S	SD
A9.	Training is a top priority in my organization.	SA	A	N	S	SD
A10.	Training positively impacts guest revenue.	SA	A	N	S	SD
A11.	Trained employees have less job satisfaction.	SA	A	N	S	SD
A12.	Training increases guest satisfaction.	SA	A	N	S	SD
A13.	I have seen no organizational improvements as a result of training.	SA	A	N	S	SD

EMPLOYEE VALUE

A14.	Employees view training positively.	SA	A	N	S	SD
A15.	Employees who participate in training are more committed to the organization.	SA	A	N	S	SD
A16.	Training builds employee skills.	SA	A	N	S	SD
A17.	Front line employees have more to gain from training than management employees.	SA	A	N	S	SD
A18.	Employees are satisfied with the amount of training they receive.	SA	A	N	S	SD
A19.	Employees benefit from receiving training.	SA	A	N	S	SD
A20.	Training improves employee self-awareness.	SA	A	N	S	SD
A21.	Training does not affect employee work quality.	SA	A	N	S	SD
A22.	Trained employees receive higher wages.	SA	A	N	S	SD
A23.	Organizations that train are more attractive to new employees.	SA	A	N	S	SD
A24.	Training does not build employee skills	SA	A	N	S	SD

GENERAL TRAINING VALUE

A25.	Training programs are worthwhile.	SA	A	N	S	SD
A26.	Training programs have no impact on turnover.	SA	A	N	S	SD
A27.	Training programs are necessary.	SA	A	N	S	SD
A28.	With additional resources I would train more.	SA	A	N	S	SD
A29.	On-the-job training (working alongside an employee) is the most beneficial type of training.	SA	A	N	S	SD
A30.	Training is a luxury.	SA	A	N	S	SD
A31.	Training programs are unnecessary.	SA	A	N	S	SD

Figure 3.2: Survey items on organizational, employee, and general value of training.

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The factors identified as barriers and stimuli with reference to the HCT were competition and turnover. Further research on the influence of change (Kappleman & Prybutok, 1995; Lynch & Black, 1996), technology (Colarelli & Montei, 1996; Mellan, 1988), and turnover (Bishop, 1991; Colarelli & Montei, 1996; Lynch & Black, 1996; Wanous et al., 1979) was used in developing several questions.

Additional factors discovered during the interviews included recruitment, customer feedback, cost, AAA/Mobil ratings, business demands, usefulness of training, franchise relationships, expertise, and seasonality. Other questions were based on suggestions made in the pilot study; these included lack of qualified trainers and space, and employee and management feedback. In combination, the information gathered from the interviews, the pilot study, and the literature review was used in developing the barrier and stimulus items for the questionnaire (Figure 3.3).

Respondents were asked two open-ended questions to elaborate on the barriers and stimuli to providing training. These questions, as well as the entire questionnaire, may be found in Appendix C.

Current training practices. Closed- and open-ended questions were used to investigate the amount and type of training conducted by lodging properties. Several methods have been used in previous studies to determine this information. One frequently used technique is simply to ask respondents to identify the amount of training provided to employees during a specific time frame, ranging from a few months to a year (Bishop, 1991; Colarelli & Montei, 1996). During the interviews, it became clear that lodging properties most often

To what extent would each of the following factors be considered barriers to your providing employee training.

		Amount of Influence				
		no barrier			high barrier	
		1	2	3	4	5
B1.	High employee turnover	1	2	3	4	5
B2.	Poor profits	1	2	3	4	5
B3.	Seasonality of my property	1	2	3	4	5
B4.	Lack of training expertise	1	2	3	4	5
B5.	Cost of training	1	2	3	4	5
B6.	Lack of time	1	2	3	4	5
B7.	Organization does not value training	1	2	3	4	5
B8.	Lack of need (employees are skilled)	1	2	3	4	5
B9.	High business demands	1	2	3	4	5
B10.	Usefulness of training	1	2	3	4	5
B11.	Lack of qualified trainers	1	2	3	4	5
B12.	Lack of training space	1	2	3	4	5
B13.	Other _____	1	2	3	4	5

How much has or would each of the following factors stimulate your decision to provide employee training.

		Amount of Influence				
		no stimulus			high stimulus	
		1	2	3	4	5
B16.	The introduction or advancement of technology at the property	1	2	3	4	5
B17.	Improved profitability/performance	1	2	3	4	5
B18.	Increased competition	1	2	3	4	5
B19.	Change(s) at the property	1	2	3	4	5
B20.	Change(s) within the industry	1	2	3	4	5
B21.	High employee turnover	1	2	3	4	5
B22.	Existing in-house expertise	1	2	3	4	5
B23.	Existing resources	1	2	3	4	5
B24.	Owner/franchise/corporate mandates	1	2	3	4	5
B25.	Difficulty recruiting employees	1	2	3	4	5
B26.	Lack of skill in employees	1	2	3	4	5
B27.	AAA/Mobil ratings	1	2	3	4	5
B28.	Customer feedback/expectations	1	2	3	4	5
B29.	Poor performance/profitability	1	2	3	4	5
B30.	Employee/management feedback	1	2	3	4	5
B31.	Other _____	1	2	3	4	5

Figure 3.3: Survey items on factors that influence training.

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provided training early in an employee's tenure. However, business demands sometimes kept employees from receiving some training until after several months of employment. Respondents therefore were asked to indicate the amount of training provided to new employees in their first year of employment.

Taking this question one step further, the SLMT suggests that different employee groups receive different amounts of training, and several researchers have found that to be true (Carnevale & Carnevale, 1994; Jackson et al., 1989; Medoff, 1982; Scott, 1995). In this study, respondents were asked to specify the amount of training received by two different employee groups: front line and management employees.

Additional data were solicited regarding the types of training courses provided to employees. This list of courses was largely derived from the literature and confirmed during the interviews. Respondents indicated whether the training was completed formally or informally and by what type of training provider. These response choices were obtained from studies by Bassi and VanBuren (1998), Carnevale and Carnevale (1994), Lynch and Black (1996), and Training Magazine (1996). (See questionnaire, Appendix C.)

Demographic information. Twenty-six items in the instrument concerned respondents' personal characteristics, lodging property characteristics, and general training practices at the property. Questions developed from the literature regarding training practices concerned the amount of money allocated to training, the person responsible for training, and whether training was a

budgetary line item (Bassi & VanBuren, 1998; Bergman, 1995; Conrade et al., 1994; Gordon, 1991).

One important question concerned the size of the property. Saari et al. (1988), Carnevale and Carnevale (1994), Scott (1995), Jacobs et al. (1996), and Lynch and Black (1996) found a relationship between the size of an organization and the amount of training conducted. This question was asked in addition to several others regarding general property characteristics. Other questions concerned occupancy percentage, profitability, size of corporation, franchise affiliation, percentage of employee turnover, geographic location, type of property, types of guests served, seasonality, and the number of employees by season. These questions were derived mainly from property interviews and pilot study feedback.

It also was important to understand the personal characteristics of the respondents themselves. Thus, they were asked to indicate their current position, length of time in their current position, age, and educational level. Questions in all three areas were designed to gain insights into the relationship these variables had to training. (See questionnaire, Appendix C.)

Response Rates

Of the 633 properties included in the sample, 616 were included in the final sample population. During the return of each of the three mailings, five address duplications were discovered and 12 questionnaires were returned due to "no such address" or "forwarding address unknown," resulting in 616

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properties that were available for sampling. Two hundred eighty-six small, 164 medium, and 166 large properties were contacted. The overall response rate was 35%. Large properties responded more often than small or medium properties. Large properties had a 39% response rate, whereas small and medium properties had response rates of 36% and 31%, respectively. The response rate by size of property is summarized in Table 3.7.

Table 3.7: Response rate by property size.

	Property Size									
	Small		Medium		Large		Missing ^a		Total	
	<u>n/N</u>	%	<u>n/N</u>	%	<u>n/N</u>	%	<u>n/N</u>	%	<u>n/N</u>	%
Response rate	102/286	36	51/164	31	64/166	39	1/1	100	218/616	35

^aOne respondent blacked out the questionnaire size code. Hence, this property was the only one that could not be placed in a size category.

Data Collection

Dillman (1978) suggested that an investigator should address four areas to encourage a higher response in survey research. Respondents should (a) be provided a reward for completing the questionnaire, (b) be sent correspondence by first-class mail, (c) have a trusted relationship with the investigator, and (d) not incur any associated costs. The researcher addressed these issues in the data-collection process by (a) offering respondents an opportunity to win a conference attendance and to receive the study results; (b) sending the questionnaire by first-class mail; (c) personally contacting respondents to

introduce the questionnaire, asking permission to send a questionnaire, and thanking them for their assistance; and (d) ensuring no cost to respondents through support from Travel Michigan, the MHMRA, Michigan State University, and Central Michigan University.

Dillman (1978) indicated that the Total Design Method for mail survey research included first-class postage, postage-paid return envelopes, postcard reminders, and follow-up mailings to nonrespondents. Dillman recommended using certified mail for the third mailing to nonrespondents to increase the total response. These steps were followed with one exception. The certified-mail recommendation was not used due to a poor response rate in the first two mailings and budget constraints.

The following protocol was followed to collect the data and secure the highest number of possible responses. By first-class mail, the study sample was sent a cover letter, a questionnaire, a first-class return-addressed, stamped envelope, and an incentive postcard. A copy of each of these items is included in Appendix D. A chance in a drawing for a complimentary conference attendance, donated by the MHMRA, was provided to encourage respondents to complete the questionnaire. Respondents could also request a copy of the study findings. In addition, every attempt was made to personalize each letter with the name of the general manager/owner. However, not all names were accessible or provided. General managers/owners whose names were not identified were sent a generic "Dear General Manager or Owner" letter. Results indicated that personalized letters were responded to more often than generic

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letters—38% and 21%, respectively. The influence of personalization on the return rate is shown in Table 3.8.

Table 3.8: Survey response by personalized or generic cover letter.

Cover Letter	Property Size							
	Small		Medium		Large		Total	
	<u>n/N</u>	%	<u>n/N</u>	%	<u>n/N</u>	%	<u>n/N</u>	%
Personalized	89/206	43	44/147	30	63/165	38	197/518	38
Generic	13/80	16	7/17	41	1/1	100	21/98	21
Total	102/286	36	51/164	31	64/166	39	218/616	35

Approximately two weeks after the initial mailing, each general manager/owner was sent a reminder postcard. Three separate mailings were conducted; reminder postcards were sent only after the first two mailings of the questionnaire. Table 3.9 indicates the timeline, protocol, and overall response for each mailing. Respondents, duplicate mailings, or addressees unknown were eliminated from subsequent mailings.

Table 3.9: Timeline, protocol, and overall response.

Timeline	Protocol	Response Rate	
		<u>n/Mailing</u>	%
March 3, 1999	First mailing	120/633	19
March 9, 1999	Reminder postcard		
March 23, 1999	Second mailing	54/505	11
April 3, 1999	Reminder postcard		
April 28, 1999	Third mailing	44/451	10
Total response		218/616	35

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As each questionnaire was returned, the responses were logged by code; subsequent mailings did not include those who had previously responded. Confidentiality was maintained throughout the process as the investigator was the only one to match the code to the actual name of the respondent and the property.

Validity, Reliability, and Nonresponse Measures

Babbie (1995) indicated that several techniques could be used to verify validity and reliability in research efforts. Validity indicates whether the information measured is what is intended to be measured, whereas reliability means that the same processes would yield similar results.

Validity

Face, criterion-related, construct, and content validity can be addressed through a number of processes (Babbie, 1995). Two types of validity (face validity and content validity) were addressed in this study to ensure that both the instrumentation and the data-collection process were measuring what the study was intended to measure.

Face validity was addressed through pilot testing the questionnaire to ensure that the measurements made sense and that the questions would not be objectionable to potential respondents. All comments made by pilot respondents were taken into consideration as modifications were made to the instrument.

Content validity was addressed to ensure that a breadth of issues was covered in the instrument used in this study. Interviews, a pilot study, and a literature review were instrumental in ensuring content validity. Each of these

procedures provided additional insights that were helpful in confirming that the instrument covered all related issues.

Reliability

Several techniques can be used to ensure similar results with repeated measurements. Babbie (1995) suggested that research workers could cause measurement unreliability. Research-worker reliability was addressed in two ways in this study. First, only the investigator conducted interviews. Second, two trained workers coded the questionnaires. One person was assigned and trained to complete the coding of responses before data entry, whereas the other worker was trained to enter the data. Random verification of coding of questionnaire responses as well as data entry was conducted on 10% of the completed questionnaires, with no apparent errors.

Reliability of scales. Reliability coefficients (alpha) were determined for sets of items in five different scales to predict the reliability of the sets of items, which represented one general measure. Before determining the alpha for each subscale, negatively worded statements were recoded to reflect a positive direction on the scale. Scales with reliability coefficients of .70 or greater were considered reliable as the scale items were considered to be interrelated (Frankfort-Nachmias & Nachnias, 1992). Alpha scores from .65 to .90 were evident in the five scales created in this study.

Reliability coefficients for the scales were as follows: (a) 13-item Organizational Value scale, alpha = .82; (b) 11-item Employee Value scale, alpha = .74; and (c) 7-item General Training Value scale, alpha = .65. To improve the reliability of the General Training Value scale, eliminating the lowest

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correlated item improved the alpha to only .71. Given this small improvement, the item was left in the scale. The scale results indicated that internal consistency existed, and a general measure could be obtained by combining the various items in the scales.

Reliability coefficients were determined for both the barrier and stimuli scales. With 12 and 15 items, respectively, both scales had adequate reliability (coefficients = .81 and .91, respectively). These coefficients indicated that each scale was internally consistent, and each was used as a separate measure.

Nonresponse Bias

Frankfort-Nachmias and Nachmias (1992) indicated that the most prevalent error in survey research is nonresponse error. This occurs when potential respondents fail to respond. If responses differ between respondents and nonrespondents on key variables, potential bias exists. To determine whether bias exists, data must be collected from a sample of nonrespondents. Comparisons are then made between respondents and nonrespondents (Frankfort-Nachmias & Nachmias, 1992).

One hundred fifty initial survey nonrespondents were contacted through telephone calls, facsimile transmissions, and mail questionnaires. Fifty properties in each of the three size categories were randomly selected for a follow-up investigation. First, telephone contact was attempted. If potential respondents could not be contacted, they were sent a questionnaire by facsimile machine or by first-class mail, along with a postage-paid return-addressed envelope. A copy of the nonresponse questionnaire is included in Appendix E. Of the original 150 nonrespondents, 30 completed and returned questionnaires,

representing a 20% response rate. This group of 30 will be referred to as the secondary respondents. Forty-three percent of the secondary respondents were from small properties (13/30), 33% were from medium properties (10/30), and 23% were from large properties (7/30).

Several variables were compared between the groups of original and secondary respondents. The secondary-respondents group responded similarly to the original respondent group when asked about the amount of training provided. Seventy-percent of the secondary respondents and 67% of the original respondents indicated that they conducted training. More than half of the small properties represented in both the original (55%) and secondary (54%) respondent groups did not conduct training. Most secondary respondents from medium (90%) and large (100%) properties indicated that those properties trained their employees. Similarly, the original respondent group reported that most medium (84%) and large (87%) properties provided training.

The amount of training differed between the original and secondary respondent groups. Moreover, the overall variance within each group (sd) in the amount of training was large, ranging from 215 hours (original respondents) to 275 hours (secondary respondents). Mean number of hours of training for hourly employees ranged from 56 hours (secondary respondents) to 93 hours (original respondents). Management training ranged from 120 hours (original respondents) to 215 hours (secondary respondents). Overall, training ranged from 188 hours (original respondents) to 271 hours (secondary respondents). This large variance may be explained in three ways. First, some properties may be true training leaders, providing a great deal more training than other

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properties of similar sizes. A second explanation may be that respondents did not provide accurate data. Finally, the small sample size of secondary respondents may have influenced the mean scores and variance.

In an effort to address this variance, two analyses were conducted in addition to the mean amount of training provided. The median score was used, due to the noneffect toward extreme values (Blalock, 1979, p. 59). Blalock recommended using a median score when extreme cases skew the data set. In this study, the median scores more closely matched, at 43 and 56 hours of training for hourly workers by secondary and original respondents, respectively. The median amounts of training for management were 110 by secondary and 83 by original respondents. Finally, the overall total median hours of training were 157 by secondary respondents and 119 by original respondents. Therefore, a set of central tendency measures was presented to include a mean and median (Table 3.10).

Even though the amounts of training varied, the pattern of training appeared similar when comparing the amounts of hourly and management training. The patterns between both groups were similar in that management received more training than did hourly employees. This difference may be attributed to the small sample of secondary respondents, as well as the small number of large properties responding. Large properties provided more training. And with fewer large properties represented, the median score was likely to be smaller (Table 3.10).

Table 3.10: The amount of training provided by properties that provide training, as indicated by original and secondary respondents.

Amount of Training	n	Mean	sd	Median	Range
<u>Hourly Employees</u>					
Secondary respondent totals	16	56	33	43	8-120
Respondent totals	127	93	102	56	1-482
<u>Management Employees</u>					
Secondary respondent totals	16	215	264	110	40-960
Respondent totals	79	120	113	83	2-464
<u>Overall Amount of Training</u>					
Secondary respondent totals	16	271	275	157	16-1,040
Respondent totals	134	188	215	119	2.5-992

The secondary respondents' properties were just as likely to provide training, but not with the same intensity, as the properties of those who initially responded. Bias might not exist, however, due to the underrepresentation of large properties among the secondary respondents.

Properties that provided training had higher turnover rates than those that did not, for both the original and secondary respondent groups. Secondary respondents' properties that trained averaged a 60% turnover rate. Only two respondents in the secondary group whose properties did not train responded to the question about staff turnover. Those two properties averaged a 20% annual turnover rate. Similarly, the original respondent group reported a 37% annual staff turnover rate in facilities that provided training and a 21% turnover rate in facilities that did not provide training. For both groups, properties that trained employees had a higher annual staff turnover rate. Even though the percentage of employee turnover varied, the pattern was the same between those that

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trained and those that did not train. Properties that trained had higher turnover than those that did not train. The variance in intensity again might be attributable to the lower number of large properties responding.

Six final questions were asked to investigate the original and secondary respondents' attitudes toward the organizational, employee, and general values of training. As shown in Table 3.11, the mean scores of secondary and original respondents varied by, at most, .4 points. Questions that received high and low scores from the original respondents evidenced a similar pattern for secondary respondents.

Table 3.11: Original and secondary respondents' attitudes toward the value of training.

Value Subscale	Secondary Respondents			Original Respondents		
	<u>n</u>	Mean	<u>sd</u>	<u>n</u>	Mean	<u>sd</u>
<u>Organizational Value</u>						
1. Trained employees have greater job satisfaction.	22	4.7	.48	142	4.5	.57
2. When times are tough, money spent on training is one of the first items to be cut.	21	2.8	1.10	142	3.2	1.20
<u>Employee Value</u>						
1. Training does not build employee skill. ^a	21	4.4	.75	144	4.4	.73
2. Employees are satisfied with the amount of training they receive.	22	3.3	1.10	139	3.2	.71
<u>General Value</u>						
1. Training programs are unnecessary. ^a	22	4.2	1.10	142	4.5	.74
2. On-the-job training is the most beneficial type of training.	22	4.2	.92	143	3.9	.81

Note: The higher the score, the more in agreement the respondent was with the question.

^aThis question was recoded to reflect a positive response scaling.

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Each question was tested using an independent-samples t -test to determine whether a significant difference existed between the scores of the two respondent groups. No significant difference was found between the secondary and original respondents.

The final question was asked only of the secondary respondents. It concerned the reasons why they had not responded to the original questionnaire. The secondary respondents indicated one or two reasons for their initial lack of response. The most frequently given of the 42 responses were "I am too busy" (7 responses) and "We do not have any employees besides the owners at the property" (7 responses). The comments from the secondary respondents are summarized in Table 3.12.

Table 3.12: Reasons secondary respondents gave for not completing the questionnaire.

Reason	n
I am too busy.	7
We do not have any employees besides owners at this property.	7
My demands at the property are too great (to participate).	6
I did not receive the questionnaire.	5
The questionnaire was too long.	4
We do not conduct training at this property.	4
I am not interested in learning about training practices.	3
I do not remember.	3
Other: I thought I filled it out, don't like doing questionnaires, name misspelled, and new management	3
Total responses	42

The results from the nonresponse test are not definitive. However, four conclusions can be drawn from these results. First, the number of properties providing training was similar between the original and secondary respondents. Second, the amount of training was similar in pattern but varied in intensity between the original and secondary respondent groups. Third, employee turnover as reported by the original and secondary respondents suggested a similar pattern with varying intensity. Finally, the most commonly reported reasons for not participating in the original study related to high business demands, a limited number of employees, and the absence of training. Overall, the response patterns of the secondary respondents appeared to be similar to those of the original respondents. These findings suggest that, if a bias exists, it is likely to be small.

Data Analysis

Data were analyzed using the Statistical Package for the Social Sciences Version 9 (SPSS, 1999). All of the 218 returned questionnaires were considered usable; however, several from the small-property category were incomplete. Those questionnaires were included only if a question was completely answered.

The sample's demographic, property, and training characteristics were described using means, frequencies, and percentages. In addition, chi square, Kendall's tau-b, and analysis of variance (ANOVA) were conducted on nominal and ordinal variables to identify whether relationships existed between property

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size and certain characteristics. Data derived from the sample were analyzed collectively, as well as separately by property size and by those properties that trained. This was necessary to answer the study hypotheses.

Limitations

A number of limitations were identified that relate to methodological issues in this study. Three categories of limitations are discussed in this section: limitations of (a) population and sample selection, (b) questionnaire design, and (c) communication to respondents.

Population and Sample Selection

Not all of Michigan's lodging properties were included in the database used in selecting the sample. However, the source used was the best available for identifying Michigan's current lodging properties.

The sample was derived from the Travel Michigan database, described by type of property (hotel or resort) and by property size. Some duplications and incorrect information were evident. Some properties in the database were no longer in existence. Efforts were made to eliminate the duplicated properties and to verify information through telephone contact with the sample. Although these efforts were undertaken, 14 properties in the sample were later identified as no longer being in business or as having duplicate addresses.

Questionnaire Design

Two limitations were apparent regarding the questionnaire design. First, because of a typographical error, the Likert scale values did not match the response guide listed above the scales. The scale read SA, A, N, S, and SD for strongly agree, agree, neutral, disagree, and strongly disagree (see Figure 3.2). The "S" should have been a "D." Several respondents indicated the error and hand-wrote changes on their returned questionnaires. For those who did not make the change on the scale, it was concluded that, because the scale followed a logical sequence and the directions showed the progression of responses, they also answered with this order in mind. Once the error was identified in the first mailing, subsequent mailings indicated that the error existed.

Second, respondents were not asked simply whether they conducted training or not. The section in which respondents were asked to indicate the amount of training they provided to hourly and management employees should have included an overall question about whether they did any training for the particular employee groups. It was concluded that, if the other sections of the questionnaire were completed and the amount-of-training section was left blank, the property did not train that employee type. If the overall question had been asked, any doubt as to the likelihood that someone might have chosen not to answer that section would have been removed.

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Communication With Respondents

Directions should have specified that respondents from properties with limited numbers of employees should consider the operating owners as employees, as well. In the first mailing, several respondents from small properties returned the questionnaire, indicating that they had a family-run business and did not hire any employees; therefore, they did not conduct any training. In subsequent mailings, an attempt was made to explain to respondents that they should consider themselves as employees, and there were other questions to answer beyond the amount of training they conducted. The second and third mailings, however, also included respondents who thought they could not answer the questionnaire.

CHAPTER IV

RESULTS

Introduction

In this study the researcher assessed which theory, the HCT or the SLMT, provided the best explanation for the value placed on training, the factors that influenced training, and the training practices used in Michigan's lodging industry. The results from this investigation are presented in the following sections. The first section provides respondent profiles, lodging property descriptions, and property training characteristics. The second section contains the results of the hypothesis tests, which concern (a) differences in the percentages of properties providing training, by property size and employee type; (b) differences in the value, barrier, and stimuli scales between properties that provide training and those that do not provide training; (c) differences in the amount of training provided and the types of courses offered for both hourly and management employees; (d) the relationship between respondents' attitudes toward training and the amount of training provided; (e) differences among various sizes of lodging properties in the amount of training provided; (f) the relationship between the amount of training provided and employee turnover;

and (g) the relationship between the amount of training provided and various stimuli and barriers that influence training.

Description of Respondents, Lodging Properties, and Property Training Characteristics

Characteristics of Lodging Respondents

Several variables were used to describe the personal characteristics of the responding general managers/owners. These included position title, educational level, age, and length of time in their position. The respondents were split among general managers, owners, and other positions. As can be seen in Table 4.1, 48% of the respondents were general managers, 42% were owners, and 10% were in the "other" category. Eighty-three percent of respondents from small properties were owners, whereas more than 70% of respondents from medium and large properties were general managers. The respondents' educational levels also varied. Fifty-two percent of the respondents had at least a bachelor's degree. Large properties had more respondents with at least a bachelor's degree (70%) than did medium (51%) and small (39%) properties (Table 4.1).

Chi-square analysis was carried out to compare the relationship between property size and educational level. Educational level was classified into three categories, ensuring that at least five responses would be in each category. The categories were high school/some college, associate's/bachelor's degree, and some graduate school/master's degree. The category "other" was eliminated from the analysis. Results indicated that a significant relationship existed

between property size and educational level; the chi-square value was 16.97, which was significant at .002. As the property size increased, the educational level of the respondents also increased.

Table 4.1: Position and educational level of respondents by property size.

	Property Size						Total	
	Small		Medium		Large			
	<u>n</u>	%	<u>n</u>	%	<u>n</u>	%	<u>n</u>	%
<u>Position</u>								
General manager	10	14	34	72	42	71	86	48
Owner	60	83	10	21	4	7	74	42
Other	2	3	3	6	13	22	18	10
Total	72	100	47	99 ^a	59	100	178	100
<u>Educational Level</u>								
High school	21	30	4	9	1	2	26	15
Some college	12	17	13	29	7	13	32	19
Associate's degree	10	14	5	11	8	15	23	14
Bachelor's degree	13	18	17	38	26	49	56	33
Some graduate school	6	9	3	7	3	6	12	7
Master's degree	8	11	2	4	8	15	18	11
Other	1	1	1	2	—	—	2	1
Total	71	100	45	100	53	100	169	100

^aDoes not total 100% due to rounding error.

Respondents had held their positions for an average of 8.8 years.

Respondents from small properties had held their positions the longest—11.4 years. Respondents from medium and small properties averaged 7.8 and 6.2 years in their positions, respectively (Table 4.2).

As shown in Table 4.2, the average age of the respondents was 44 years. Those from large properties were the youngest, averaging slightly more than 39

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years of age (39.1 years). Respondents from medium properties averaged 41.6 years of age, and those from small properties were the oldest, averaging 49.5 years of age.

Table 4.2: Respondents' length of time in position and age by property size.

	Property Size			Total
	Small	Medium	Large	
<u>Length of Time in Position</u>				
<u>n</u>	78	48	58	184
Mean no. of years in position	11.4	7.8	6.2	8.8
<u>sd</u>	9.4	7.3	6.7	8.4
<u>Age</u>				
<u>n</u>	76	48	61	185
Mean age, in years	49.5	41.6	39.1	44.0
<u>sd</u>	10.2	10.6	8.7	10.8

A significant relationship was found between property size and both age and length of time in position. Using an ANOVA comparing the age and property-size variables, the results indicated a significant difference at $p < .000$ ($F = 20.9$, $df = 2$). Property size was compared to the log of the length-of-time-in-position variable. For the variable, length of time in position, there was a lack of homogeneity of variance. A log transformation was used to create homogeneity in the variance. The difference between the two variables was significant at $p < .000$ ($F = 8.1$, $df = 2$). Tukey's post hoc test indicated that significant differences existed only between small and medium properties and small and large properties in both analyses. Medium and large properties did not differ significantly from each other.

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Lodging Property Characteristics

Property characteristics refer to the property's size, occupancy, seasonality, employees, guest type, property type, profitability, corporate status, and franchise affiliation. This information provided an overview of the types of properties represented in the survey. Of the properties represented, 47% (102) were small (between 1 and 35 guest rooms), 24% (51) were medium (between 36 and 100 guest rooms), and 29% (64) were large (more than 100 guest rooms).

Table 4.3 indicates that the average annual occupancy rate of all lodging properties in the study was 62%. Small properties had the lowest annual occupancy rate (57%). Medium properties were occupied an average of 64% of the time, and large properties reported an average annual occupancy rate of 67%. The annual occupancy rate was based on the length of each property's season.

The properties included in the survey were open an average of 11 months each year. Small properties were open an average of 10 months per year. Medium and large properties remained open for a longer period annually (11.5 months and 11.8 months, respectively) (Table 4.3).

The number of employees also varied with size of property. Small properties had the lowest average number of employees in peak and off-peak seasons. An average of 7 employees was reported during peak season. Medium properties reported an average of 29 staff members, and large properties employed an average of 139 staff members.

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The type of clientele at the properties also varied by property size. Small properties had a larger percentage of pleasure travelers (85%) than did the medium (61%) and large (41%) properties (Table 4.3).

Table 4.3: Lodging property characteristics by property size.

	Property Size			Total
	Small	Medium	Large	
<u>Average Annual Occupancy</u>				
<u>n</u>	66	40	55	161
Percentage occupancy	57	64	67	62
<u>sd</u>	22.2	12.4	12.3	17.6
<u>Months Open</u>				
<u>n</u>	77	49	62	188
Number of months	10.0	11.5	11.8	11.0
<u>sd</u>	3	1.7	1.0	2.3
<u>Ave. No. of Peak Employees</u>				
<u>n</u>	75	49	62	186
No. of employees	7	29	139	57
<u>sd</u>	12.3	27.4	180	120
<u>Ave. No. of Off-Peak Employees</u>				
<u>n</u>	72	49	60	181
No. of employees	3	17	100	39
<u>sd</u>	6.9	16.2	123	83
<u>Percent of Pleasure Travelers</u>				
<u>n</u>	80	45	57	182
Percentage pleasure travelers	85	61	41	65
<u>sd</u>	9.6	25.1	20.8	28.6

A significant relationship was observed between occupancy rate and size, using Kendall's tau-b. Occupancy was significant, with a probability of .005 and a value of .180. The larger the property, the greater the occupancy rate.

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The types of properties responding ranged from "rooms only" to "full-service hotels" and "resorts." Small properties had the most "rooms only" accommodations, with 42% of their total falling into this category. More than half of the medium-size properties were "rooms with breakfast," and more than half of the large properties were "full-service hotels."

As shown in Table 4.4, most properties were profitable. Respondents from half of the small properties, 77% of the medium properties, and 75% of the large properties indicated that they had shown a profit the preceding year. Small properties were the least profitable; 17% had lost money the preceding year.

Overall, 46% of the properties reported an equal distribution of destination and transient-type travelers. Forty-four percent of the properties reported more destination/long-term types of travelers, and 9% reported more transient/short-stay types of travelers. Small properties had more destination-type travelers (62%), and large properties had more transient-type travelers (18%).

Respondents were asked to identify the size of the corporation with which their properties were affiliated. Responses ranged from independent corporations (1 property) to small (2 to 10 properties), medium (11 to 100 properties), and large (more than 100 properties) corporations. More than half (63%) of the total respondents' properties were independent corporations. Eighty-one percent of these properties were small properties. The large properties were more likely to be associated with a larger corporation. In addition to being part of a large corporation, large properties also had the most

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franchise affiliations. Sixty-two percent of the large properties, 59% of the medium properties, and only 3% of the small properties had some type of franchise affiliation.

Table 4.4: Additional characteristics of lodging properties by property size.

	Property Size						Total	
	Small		Medium		Large			
	<u>n</u>	%	<u>n</u>	%	<u>n</u>	%	<u>n</u>	%
<u>Property Type</u>								
Rooms only	32	42	5	19	5	8	42	22
Full-service hotel	1	1	8	16	33	52	42	22
Rooms with breakfast	5	7	27	55	14	22	46	24
Full-service resort	9	12	3	6	6	10	18	10
Rooms/restaurant	4	5	4	8	4	6	12	6
Other	26	34	2	4	1	2	29	15
Total	77	101 ^a	50	99 ^a	63	100	189	99 ^a
<u>Level of Profitability</u>								
Lost money	13	17	2	5	4	7	19	11
Broke even	26	34	8	19	11	18	45	25
Made a profit	38	50	33	77	45	75	116	64
Total	77	101 ^a	43	101	60	100	180	100
<u>Guest Type</u>								
Destination	49	62	16	33	19	30	84	44
Transient	4	5	3	6	11	18	18	9
Equal mixture	26	33	30	61	21	51	88	46
Total	79	100	49	100	51	99 ^a	190	99 ^a
<u>Size of Corporation</u>								
Independent (1 property)	63	81	27	55	21	34	111	59
Small (2-10 properties)	13	17	16	33	18	29	47	25
Medium (11-100 properties)	2	3	2	4	10	16	14	7
Large (more than 100 prop.)	—	—	4	8	13	21	17	9
Total	78	101 ^a	49	100	62	100	189	100
<u>Franchise Affiliate</u>								
Yes	2	3	26	59	38	62	66	38
No	67	97	18	41	23	38	108	62
Total	69	100	44	100	71	100	174	100

^aDoes not total 100% due to rounding error.

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Lodging Property Training Characteristics

The training practices of the respondents' properties were addressed in several ways. Training practices included training responsibility, training budget, importance of training, and training priority.

Most often, the general manager/owner was responsible for planning and implementing training at the property. Seventy-four percent of the respondents indicated this person as the individual responsible for training.

Most respondents (93%) indicated that training was "important/valuable" to their business. One hundred percent of respondents from medium and large properties indicated that training was important, whereas only 82% of respondents from small properties agreed. Only 6% of the respondents indicated training to be less of a priority today than it was three years ago. Forty-four percent of the respondents said it was more of a priority now, and 40% said it was a stable priority. Sixty-two percent of the respondents from large properties found training to be more of a priority today. More than half of the respondents from small properties thought training had remained stable during the past three years.

A total of 63% of the respondents indicated that, if the barriers to training were reduced or eliminated, their properties would provide more training. Respondents from more of the large properties than the medium and small properties indicated they would provide more training—80%, 70%, and 42%, respectively, if barriers were reduced or eliminated (Table 4.5).

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Table 4.5: Training patterns of lodging properties by property size.

	Property Size						Total	
	Small		Medium		Large			
	<u>n</u>	%	<u>n</u>	%	<u>n</u>	%	<u>n</u>	%
<u>Budget Line Item</u>								
Yes	3	4	9	19	19	32	31	17
No	68	91	36	77	38	63	142	78
Unknown	4	5	2	4	3	5	9	5
Total	75	100	47	100	60	100	182	100
<u>Responsible for Training</u>								
General manager/owner	59	83	36	84	33	57	128	74
Operation management	6	9	5	12	9	16	20	12
Human resources	1	1	-	-	9	16	10	6
Training manager	1	1	-	-	3	5	4	2
Corporate office	-	-	1	2	1	2	2	1
Other	3	6	1	2	3	5	8	5
Total	71	100	43	100	58	101 ^a	172	100
<u>Training Importance to Business</u>								
Is	42	82	44	100	44	100	128	93
Is not	9	18	-	-	-	-	9	7
Total	51	100	44	100	44	100	137	100
<u>Training Priority Today</u>								
Less	8	12	1	2	1	2	10	6
More	11	16	28	58	39	62	78	44
Stable	37	54	18	38	16	25	71	40
Not able to respond	12	18	1	2	7	11	20	11
Total	68	100	48	100	63	100	179	101 ^a
<u>If Barriers Reduced, Would Train</u>								
More	26	42	33	70	48	80	107	63
Same	36	58	14	30	12	20	62	37
Less	-	-	-	-	-	-	-	-
Total	62	100	47	100	60	100	169	100

^aDoes not total 100% due to rounding error.

Overall, comparing the results by property size, respondents from small properties tended to be owners, were older, had been in their positions longer, and had less formal education. Small properties were usually “rooms only”

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operations that were more likely to be independent, nonfranchise, and seasonal operations located in northern and Upper Michigan. Respondents from small properties tended to view training as important and more of a stable priority today, and that view would remain the same if barriers were reduced.

Respondents from large properties tended to be younger, more educated, in their positions for less time, and general managers. Large properties were open longer each year, tended to have more franchise affiliations, and were part of a larger corporation. The training characteristics at large properties indicated that they were more likely to have a line item in their budget for training, to view training as important, and to provide more training if barriers were reduced.

Medium-sized properties fell somewhere in the middle of small and large properties in all three areas: property, training, and respondent characteristics. The property characteristics (occupancy, number of months open, average number of employees, number of franchise affiliations, and size of corporation) fell in between the small and large properties. Medium properties' training characteristics fell in between those of small and large properties in the areas of percentage of payroll spent on training, training budgets, views of training importance, and whether training would be provided more often if barriers were reduced. Respondents from medium properties also were in between those from small and large properties in terms of average age, level of education, and length of time in position.

The preceding results included all respondents and their respective properties. Yet the focus of this study was primarily on gaining a better

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understanding of those properties that provide training. The remainder of this chapter focuses on the study hypotheses. Two hypotheses focus on both properties that provide training and those that do not provide training, whereas the remaining five study hypotheses reflect only those properties that provide training.

Results of Hypotheses Tests

The results of the hypotheses tests are presented in the following seven sections, one for each hypothesis. The findings for each hypothesis are included in its respective section, and are discussed more fully in Chapter V.

Lodging Properties That Train

Null Hypothesis 1: There is no difference in the percentages of properties providing training, by (a) employee type and (b) property size.

Of the 218 properties represented in the study, 67% conducted training; the remaining 33% did not conduct any training. More than half of the small properties did not conduct training, whereas 16% of the medium and 13% of the large properties did not conduct any training (Table 4.6).

Table 4.6: Percentage of properties that trained versus those that did not train by property size.

Training Activity	Property Size						Total	
	Small		Medium		Large			
	<u>n</u>	%	<u>n</u>	%	<u>n</u>	%	<u>n</u>	%
Do not train	55	54	8	16	8	13	72	33
Train	47	46	43	84	56	88	146	67
Total	102	100	51	100	64	101 ^a	218	100

^aDoes not total 100% due to rounding error.

Of the 146 properties that conducted training, not all provided it to both hourly and management employees. Hourly-employee training was provided at 92% of the properties, whereas 66% of the properties provided management training (Table 4.7).

Table 4.7: Percentage of properties providing training to hourly and management employees.

Employee Type	Properties That Trained	
	n	%
Hourly	135	92
Management	96	66
Both hourly and management	146 ^a	100

^aOverlap occurred because some respondents trained both hourly and management employees.

Even though more hourly than management employees received training, when they were trained, management employees were provided more training. Among those properties that trained, the average amount of training provided to hourly and management employees was 93 hours and 120 hours, respectively. The standard deviation showed that a large variance existed in individual scores; therefore, a range of practices was adopted by lodging properties. The standard deviation for hourly employees was 102 hours, and for management employees it was 113 hours.

These means and standard deviations were larger before the elimination of outlier/extreme responses. The scores were influenced by some respondents indicating they provided hourly and management employees more than 500

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hours of training during the first year of employment. Respondents from nine properties indicated that they provided employees collectively more than 1,000 hours of training during the first year of employment.

Based on findings from the interviews and the literature review, these figures were extremely high for the industry. The researcher contacted the directors of training from two national lodging chains, who indicated difficulty in identifying an exact average amount of training provided to hourly and management employees. However, both indicated that estimations beyond 500 hours would appear to be an overinflation (Barnish, 2000; Sweeney, 2000). Thus, scores beyond 500 hours for either hourly or management employees (or collectively 1,000 hours) were treated as extreme scores, not a result of chance but interpreted as respondents' overinflating the number of hours identified. The nine responses were, therefore, excluded from the data, and the number of hours reported reflects these omissions.

With a large variance in the number of hours still apparent, the median score also was used in examining the results. The median scores for only those properties that trained were 56 hours for hourly employees and 83 hours for management employees. The median score for small properties' training of hourly employees was 28 hours. Yet the median score for medium properties was higher than that for large properties—90 and 71 hours, respectively. Management training showed a similar relationship between property sizes, as the median score for small properties was 32 hours. Medium properties again

provided more management training than did large properties—146 and 91 hours, respectively (Table 4.8).

Table 4.8: Amount of training provided by property size.

	Property Size			Total
	Small	Medium	Large	
Amount of Training (Hourly)				
<u>n</u>	36	42	49	127
Mean	39	122	109	93
<u>sd</u>	62	109	106	102
Median	28	90	71	56
Range	1-363	16-480	3-482	1-482
Amount of Training (Management)				
<u>n</u>	22	24	33	79
Mean	57	172	124	120
<u>sd</u>	72	120	111	113
Median	32	146	91	83
Range	2-328	20-464	4-456	2-464
Amount of Training (Overall)				
<u>n</u>	43	43	48	134
Mean	70	292	201	188
<u>sd</u>	118	259	189	215
Median	40	210	148	119
Range	25-720	19-992	3-859	25-992

The medians present a more realistic view of the middle score from those respondents that provided training. The large variances were minimized, and a more realistic view of the amount of training conducted was reflected.

Null Hypothesis 1 was rejected. As previously indicated, not all lodging properties provided training. And, for those that did provide training, a larger percentage of hourly than management employees were given training

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opportunities. Management employees, however, were provided more hours of training when they were trained. Regardless of these relationships, it was evident that lodging properties did differ and that not all properties provided training. Even though some properties provided training and others did not, findings concerning the differences between properties that trained and those that did not train with regard to the values toward training and factors that stimulate or keep a property from training need to be examined.

Value, Stimulus, and Barrier Scale Comparisons

Null Hypothesis 2: There is no difference in the value, barrier, or stimulus scale scores between various-sized properties that provide training and those that do not provide training.

In general, respondents from those properties that provided training viewed each of the three value scales more positively than did respondents from properties that did not train (Table 4.9). When the data were viewed by property size, most scores followed this same pattern for all three scales. Two sets of scores were identical for properties that did and did not train. However, when compared by the independent samples t -test, only the overall scores for organizational and general value of training indicated a significant difference existed. By property size, no significant difference was found.

Overall, total scores representing the barrier and stimulus scales showed slightly higher scores for properties that trained as compared to those that did not train. This indicates that those properties that provided training viewed barriers and stimuli more positively. When the properties were separated into

Table 4.9: Comparison of mean scores of respondents' attitudes toward the value of training by property size.

Property Size	Value Scales							
	Those That Train			Those That Do Not Train			Overall	
	<u>n</u>	Mean	<u>sd</u>	<u>n</u>	Mean	<u>sd</u>	<u>t</u> -Score	<u>p</u>
<u>Organizational Value</u>								
Small	46	4.0	.42	27	3.9	.49	-1.2	.251
Medium	43	4.2	.41	7	4.2	.46	.096	.924
Large	54	4.3	.43	8	4.1	.60	-1.2	.251
Total	143	4.2	.44	42	4.0	.52	-2.5	.014*
<u>Employee Value</u>								
Small	46	3.9	.35	23	3.8	.42	-1.1	.297
Medium	43	4.0	.41	7	4.0	.28	-2.2	.829
Large	55	4.0	.38	8	3.9	.55	- .51	.611
Total	144	4.0	.38	38	3.9	.43	-1.5	.099
<u>General Value</u>								
Small	46	4.0	.45	24	3.8	.35	-1.0	.318
Medium	43	4.2	.47	7	4.1	.49	- .58	.563
Large	55	4.2	.42	8	4.2	.67	- .08	.940
Total	144	4.1	.46	39	4.0	.47	-2.0	.047*

Note: The higher the score, the more valued training was to respondents (1 = *Strongly Disagree*, 5 = *Strongly Agree*).

*Significant at the .05 level.

size categories, this pattern was not as strong. The properties that trained had slightly higher total scores on the barrier and stimulus scales than did properties that did not train. This indicated that respondents from properties that provided training viewed barriers and stimuli more positively. When all properties were separated into size categories, this pattern was not as strong. The three sizes of properties that trained and did not train had identical scores on the barrier scale. There was more of a difference on the stimulus scale between those that trained

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and did not train, with at least a .1 point difference. When compared using the independent samples t -test, the barrier and stimulus scales did not differ significantly between the properties that provided training and those that did not train (Table 4.10).

Table 4.10: Comparison of mean scores on barrier and stimulus scales by property size.

Property Size	Scale Scores							
	Those That Train			Those That Do Not Train			Overall	
	<u>n</u>	Mean	<u>sd</u>	<u>n</u>	Mean	<u>sd</u>	<u>t</u> -Score	<u>p</u>
<u>Barrier Scale</u>								
Small	46	2.4	.83	23	2.4	.92	-.14	.893
Medium	42	2.4	.56	7	2.4	.85	-.16	.875
Large	55	2.5	.61	8	2.5	.69	-.34	.738
Total	143	2.5	.67	38	2.4	.85	-.46	.647
<u>Stimulus Scale</u>								
Small	45	3.4	.77	22	3.2	1.10	- .88	.386
Medium	42	3.7	.56	6	3.5	.41	-1.10	.263
Large	54	3.6	.54	8	3.5	.73	- .80	.425
Total	141	3.6	.64	36	3.3	.95	-1.80	.076

The null hypothesis was not rejected for all scales. Not enough evidence existed to suggest that a difference existed between properties that provided training and those that did not provide training. Further, no difference appeared to exist in the scale scores for the value of training or the barriers and stimuli that affect training between properties that trained and those that did not train. Thus, overall, Null Hypothesis 2 could not be rejected.

The remaining hypotheses concern only those properties that provided training. The following section provides a rationale as to the statistics used in testing the remaining hypotheses, as well as indicating the characteristics of these respondents and the properties they represented.

Distribution

To assess the use of parametric statistics, the distributions of only those properties that provided training were analyzed. The data for those properties that provided training were not normally distributed, even when the log of the amount-of-training variable was taken. The amount of training overall was measured using Kolmogorov-Smirnov's test of normality because more than 50 cases were included in each variable. Probabilities of less than .05 were obtained in all instances, indicating that the data were not normally distributed. Table 4.11 provides a summary of the normality-test results.

Table 4.11: Results of tests of normality, using log transformation.

Employee Type	Kolmogorov-Smirnov Test		
	Statistic	df	Signif.
Hourly	.108	70	.041
Management	.125	70	.009
Total	.125	70	.008

After normalizing the data by log transformation, parametric statistics still could not have been used. Nonparametric statistics would have to be used because an assumption of many parametric statistics is that the data are

distributed normally. Therefore, for those analyses requiring a normal distribution of the data, nonparametric statistics were used. Nonparametric statistics make few, if any, assumptions regarding the population distribution and are appropriate for use with nominal or ordinal scales. They are not as sensitive as parametric tests as nonparametric procedures "are more likely to fail in detecting a real difference between two treatments" (Gravetter & Wallnau, 1996, p. 548).

Characteristics of Lodging Respondents

More than 50% of respondents whose properties provided training had at least a bachelor's degree, whereas only 35% of those from properties that did not train had that level of education (Figure 4.1).

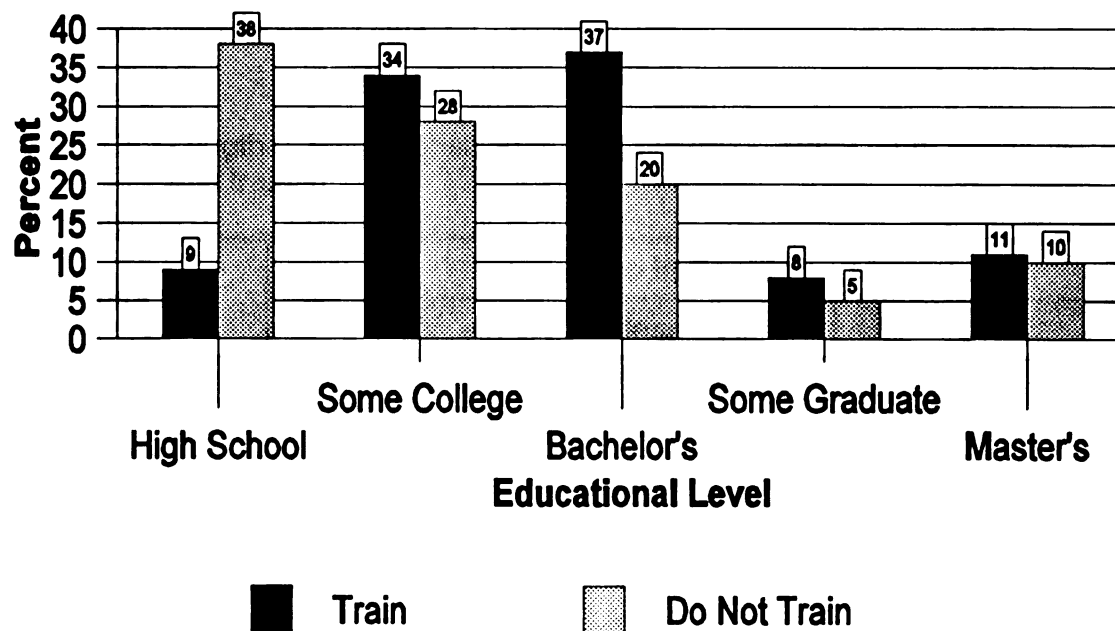


Figure 4.1: Distribution of respondents from properties that provided training by educational level.

For those properties that provided training, the difference between educational level and property size was significant. Using chi-square analysis, the educational level variable was reclassified into high school/college, associate/bachelor, and graduate/master categories. A $p < .020$ with a value of 11.65 indicated that a significant relationship existed. For those properties that provided training, the educational level of respondents increased as property size increased.

The respondents from properties that trained were younger and had been in their positions a shorter amount of time. They had held their positions an average of 8.1 years, compared to 10.9 years for those respondents whose properties did not train. Respondents from properties that trained averaged just over 42 years of age; their counterparts at properties that did not train averaged just over 49 years of age (Table 4.12).

Table 4.12: Length of time in position and age of respondents from properties that trained.

Property Size	Time in Position		
	<u>n</u>	Mean Years	<u>sd</u>
Small	45	10.4	8.7
Medium	42	7.9	7.7
Large	51	6.2	6.6
Total	138	8.1	7.8
	Age		
	<u>n</u>	Mean Years	<u>sd</u>
Small	46	48.8	9.6
Medium	42	40.7	10.0
Large	54	38.4	8.8
Total	139	42.5	10.4

Analyzing only those respondents whose properties provided training indicated that both age of respondent and length of time in position differed significantly with regard to property size. An ANOVA determined that age was significant at $p < .000$ ($F = 16.1$, $df = 2$). Both small and medium and small and large properties were significantly different; however, medium and large properties were not different. Length of time in position was significantly different at $p = .027$ ($F = 3.69$, $df = 2$). Only small and large properties showed this significance. Yakimovicz (1993) found similar results in female small-business owners; those who valued training were younger and had been with their companies a shorter time.

Characteristics of Lodging Properties

The percentage occupancy rate of properties that trained was greater than that of properties that did not train—63% and 59%, respectively (Figure 4.2). This pattern was evident in small properties. However, medium and large properties that did not train had slightly higher occupancy rates. These rates, however, were based on a limited sample size (5 properties). No significant relationships existed using Kendall's tau-b between occupancy percentage and property size. Although these percentages increased, that increase was not significant ($p = .066$, $r = .137$).

In addition to averaging higher occupancy rates, properties that trained also were more often profitable. A greater percentage of respondents from properties that trained (67%) indicated profitability than those from properties that did not train (57%) (Figure 4.3). The relationship between profitability and property size again indicated a significant difference ($p = .030$, $r = .172$). As

property size increased, the likelihood of a property's being more profitable increased as well.

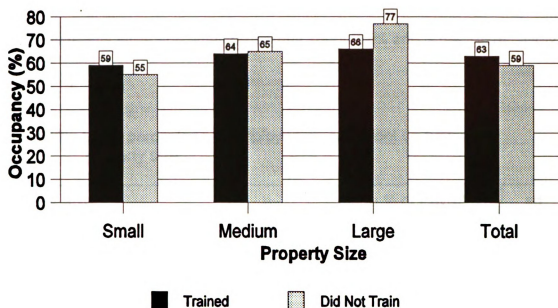


Figure 4.2: Average annual occupancy of properties that did and did not train.

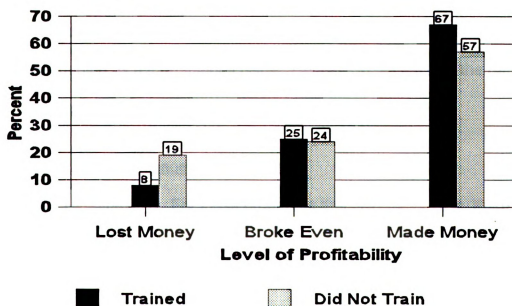


Figure 4.3: Level of profitability of properties that did and did not train.

Training Spending of Properties That Trained

Properties that provided training spent, on average, 3.9% of their employee payroll on training activities. Medium-sized properties spent the most, at 4.5%, whereas large and small properties spent 3.7% and 3.5%, respectively (Table 4.13).

Table 4.13: Mean percentage of employee payroll spent on training by property size.

Property Size	<u>n</u>	Mean % of Payroll	<u>sd</u>
Small	31	3.5	3.8
Medium	25	4.5	3.1
Large	28	3.7	3.2
Overall	84	3.9	3.4

The patterns and characteristics presented furnished a view of the properties that trained and compared these properties with those that did not train. Providing training is an assumption made by both theories as they are based on training as a fundamental issue. Henceforth, all data for the remaining hypotheses pertain only to those properties that trained.

Training Hourly and Management Employees

Null Hypothesis 3: For those properties that provide training, there is no difference in the amount of training provided and the types of training courses offered, by (a) employee type and (b) property size.

Hypothesis 3 was investigated by analyzing the questionnaire results in two ways. The amount of training provided to hourly and management employees and the types of courses provided to hourly and management

employees were evaluated. Each analysis is discussed separately in the following sections.

Amount of training. The analysis of amount of training for hourly and management employees was conducted using a nonparametric test, the two-related-samples Wilcoxon signed ranks test. The Wilcoxon test does not require data to be normally distributed, but the dependent variable should be continuous (Gravetter & Wallnau, 1996, p. 611; SPSS Base, 9.0, 1999, p. 367). This test was used to evaluate the difference between two treatments when a repeated-measures study was involved. Two responses were compared within the same case. The absolute values of the differences were then ranked and compared. The magnitudes of the differences in scores are reported.

As previously indicated in Table 4.7, more lodging properties provided training to hourly employees than to management employees. Hourly employees were provided training by 92% of the properties that provided training, whereas management training was provided by 66% of those properties. Yet, as identified in Table 4.8, management employees were provided more hours of training than hourly employees. The median for hourly employees was 56 hours, whereas management employees received 83 hours of training.

The Wilcoxon signed ranks test was conducted to identify whether a significant difference existed between hourly and management employees in terms of the amount of training they received. Results indicated that the amount of training was significantly different for hourly and management employees ($p < .000$). By property size, medium and large properties differed significantly in the

amount of training provided to both hourly and management employees (Table 4.14). As a result, a significant difference existed overall. Management employees averaged significantly more time in courses when they were trained, but they were not provided training as often as hourly employees.

Table 4.14: Results of the Wilcoxon signed ranks test of the amount of training for hourly and management employees.

Property Size	Median Hours of Training		Hourly & Management Comparison		
	Hourly	Management	<u>n</u>	<u>z</u>	<u>p</u>
Small	28	32	15	-1.2	.235
Medium	90	146	24	-2.7	.007*
Large	71	91	31	-2.9	.004*
Total	56	83	70	-4.1	.000*

*Significant at the .01 level.

The hypothesis that there is no significant difference between the amount of training provided to hourly and management employees was rejected. Results of the Wilcoxon signed ranks test indicated that a significant difference in the amount of training provided existed between hourly and management employees in those properties that conducted training.

Training courses provided. The second portion of Hypothesis 3 relates to the types of training courses offered for hourly and management employees. Two separate analyses were completed. The first concerned whether a significant difference existed in the types of courses offered. The second analysis concerned whether a significant difference existed in the amount of training provided in each course offering. One simply addressed whether a type of course was even offered, whereas the other determined whether the amount

of time spent in the course was significantly different for hourly and management employees.

The first analysis was conducted using the nonparametric two-related-samples McNemar test. This test is used to compare the distributions of two variables where nominal dichotomous variables are used. The McNemar test identifies changes in responses when questions are asked twice in each case. Binary information was appropriate to use as this test compared the initial and final responses (SPSS Base, 9.0, 1999, p. 367).

Respondents were asked whether any of seven course offerings were provided to either management or hourly employees. These course offerings fell into both general and specific categories. The general courses included customer service, safety, maintenance, computers, and teamwork training. Specific courses included job-specific and orientation training. Analysis was conducted comparing whether hourly and management employees received the same type of training.

Types of training courses. Comparisons were made with identical types of courses that were offered to both hourly and management employees. Respondents indicated Yes (1) if they provided that type of training and No (2) if they did not provide that training. Direct comparisons of identical course titles were completed using the McNemar test. Courses that were unique to management employees were excluded from the analysis. In assessing all the properties that trained, it was found that hourly employees were more likely to receive training than management employees. The lower the score, the more likely a property was to provide that type of training. Only one course varied

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from this pattern. Both employee groups received training equally as often in a maintenance course (Table 4.15).

Table 4.15: McNemar and mean scores for course type by hourly and management employees.

Course Type	<u>n</u>	Mean	<u>sd</u>	<u>n</u>	<u>p-value</u>
Job-specific					
Hourly	146	1.13	.34		
Management	146	1.40	.49		
Comparison				146	.000*
Orientation					
Hourly	146	1.15	.36		
Management	146	1.45	.50		
Comparison				146	.000*
Customer service					
Hourly	146	1.19	.40		
Management	146	1.39	.49		
Comparison				146	.000*
Safety					
Hourly	146	1.28	.45		
Management	146	1.50	.50		
Comparison				146	.000*
Maintenance					
Hourly	146	1.59	.49		
Management	146	1.59	.49		
Comparison				146	1.000
Computer					
Hourly	146	1.45	.50		
Management	146	1.51	.50		
Comparison				146	.243
Teamwork					
Hourly	146	1.38	.49		
Management	146	1.56	.50		
Comparison				146	.001*

Note: 1 = yes, 2 = no.

*Significant at the .01 level.

To test the significance of the findings, these data were used to conduct the McNemar test. For five of the seven course types in this hypothesis, a significant difference was found (p value .001 or lower) when analyzed with the McNemar test. Specifically, hourly and management employees did not equally receive job-specific, orientation, customer service, safety, and teamwork training. Typically, hourly employees were more likely to receive the training. With regard to maintenance and computer training, no significant differences were found between groups. Hourly and management employees were provided the same opportunities for maintenance training (Table 4.15).

This analysis compared whether training was offered to each employee group. Overall, the hypothesis was rejected because five of seven course offerings were significantly different across property size.

However, this hypothesis could be tested analyzing the amount of training provided to each employee group for each course offering. One additional analysis was conducted to compare the course type to the amount of training conducted in each course. A Wilcoxon signed ranks test was used.

Amount of training provided in each course offering. The total number of employee training hours was compared between groups in each course offering. The number of properties that provided training and the amount they provided varied by type of course. For example, although 117 properties conducted job-specific training to hourly employees, only 76 properties provided job-specific training to management employees. Therefore, of those properties that trained, more provided hourly employees with job-specific training, whereas

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approximately 40% fewer provided job-specific training to management employees.

Hourly employees were provided training at more properties in each course. However, when management employees did receive training, they averaged more hours for each course than did hourly employees (Table 4.16). Overall, management employees received a higher average number of hours of training when they were trained. The number of properties, type of employee (hourly versus management), and type of training provided are summarized in Table 4.16.

Table 4.16: Type and amount of training offered to hourly and management employees.

Type of Training	Amount of Training					
	Those That Train–Hourly			Those That Train–Management		
	<u>n</u>	Mean	<u>sd</u>	<u>n</u>	Mean	<u>sd</u>
Job-specific	117	39	38	76	61	64
Orientation	117	9	14	76	17	27
Customer service	99	28	42	79	38	66
Safety	94	11	21	68	12	21
Maintenance	55	20	32	55	18	37
Computer	67	27	31	59	42	74
Teamwork	69	23	42	56	47	140

Hours in courses by hourly and management employees. The number of hours provided to hourly and management employees was compared for the seven courses offered. Courses unique to management employees were excluded. Lodging properties showed a significant difference between the

amount of training for hourly and management employees in five of seven courses. No significant differences between groups were found with respect to maintenance and computer training courses. Median hours of training are provided, based on the Wilcoxon test using median scores in the analysis (Table 4.17).

Table 4.17: Wilcoxon test for the amount of training provided to hourly and management employees in specific courses.

Course	Median Hours of Training		Wilcoxon Test		
	Hourly	Management	<u>n</u>	<u>z</u>	<u>p</u>
Job-specific	24	40	67	-3.2	.001**
Orientation	4	6	69	-3.0	.002**
Customer service	10	12	62	-3.2	.001**
Safety	3	6	56	-3.0	.002**
Maintenance	5	8	35	-1.0	.306
Computer	16	16	46	-1.4	.163
Teamwork	8	8	43	-2.4	.016*

*Significant at the .05 level.

**Significant at the .01 level.

Therefore, the second part of Hypothesis 3 was rejected because there were significant differences in the amount of training hourly and management employees received in five of seven courses. Overall, the hypothesis that no significant difference existed between the type of training provided to hourly and management employees was rejected by two separate analyses.

Amount of Training Provided and Attitude Toward Training

Null Hypothesis 4: For those properties that provide training, there is no relationship between the amount of training provided and the attitudes of lodging general managers/owners toward the value of training, by (a) employee type and (b) property size.

Three categories were created to separate the various values of training into related areas. The value of training was divided into employee value, organization value, and general value. As previously indicated, each of these three scales had reliability coefficients between .65 and .81. With appropriate internal consistency, the items listed in each subgroup were combined to indicate a general measure of attitude in each area. The mean score for each scale was used as the independent variable. The relationship between this independent variable and the dependent variable, amount of training, was investigated.

Spearman's correlation was used to analyze these data. Spearman's test is used to analyze ranked data using ordinal scales or when interval or ratio scales are used but ranking data is preferred if "the process of ranking will eliminate a huge difference between one extreme score and the rest of the data points" (Gravetter & Wallnau, 1996, p. 519). Because the data set had a large variance and known outliers, Spearman's was the appropriate test to use.

Assessing only those properties that provided training overall, the general measure assigned to the organizational value of training was viewed most positively, with a mean score of 4.2. A score close to 5 indicates a respondent strongly agreed with the positively worded value statement. Employee and general training value scales received scores of 4.0 and 4.1, respectively. Results followed a similar pattern with various-sized properties. Respondents from medium and large properties viewed the general measures more positively than did those from smaller properties. Medium and large properties had the

same mean scores on the employee value (4.0) and general value (4.2) scales (Table 4.18).

Table 4.18: Mean scores on respondents' attitudes toward the value of training by property size.

Value Scale/Property Size	Value Scale Score		
	<u>n</u>	Mean	<u>sd</u>
<u>Organizational Value</u>			
Small	46	4.0	.42
Medium	43	4.2	.41
Large	54	4.3	.43
Total	143	4.2	.44
<u>Employee Value</u>			
Small	46	3.9	.35
Medium	43	4.0	.41
Large	55	4.0	.38
Total	144	4.0	.38
<u>General Value</u>			
Small	46	4.0	.45
Medium	43	4.2	.47
Large	55	4.2	.42
Total	144	4.1	.46

Note: The higher the score, the more valued training was to respondents.
1 = *Strongly Disagree*, 5 = *Strongly Agree*.

Each value scale was correlated with the amount of training. All three scales had positive correlations with amount of training. Only the organizational scale correlated significantly with amount of training ($r = .225$; Table 4.19). While significant, this is a moderate relationship, suggesting that as managers' and owners' organizational attitudes about training increase, so does the amount of training offered within their businesses. All three scales were significantly correlated with each other, with r values above .6 in each case. This suggests

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that there is overlap in the content covered by each of the three scales (Table 4.19).

Table 4.19: Spearman's correlation matrix of the value scales and the amount of training.

	Amount of Training	Value Scale		
		Organizational Value	Employee Value	General Value
Amount of training	----			
Organizational value	.225*	----		
Employee value	.150	.701*	----	
General value	.165	.691*	.657*	----

*Significant at the .01 level.

Overall scores improved in properties that trained; however, only one scale exhibited a significant relationship with the overall amount of training provided. The organizational value scale was positively and significantly related to the overall amount of training. Therefore, the more valuable someone reported training to be for the organization, the greater the amount of training their organization provided. Further, as the organizational value of training increased, the amount of hourly-employee training increased, and as the employee value of training increased, the amount of hourly and management training increased. In addition, the employee value scale was positively and significantly related to the amount of training for hourly and management employees. Therefore, the more valuable someone reported training to be for employees, the greater the amount of training their organization provided for hourly and management employees (Table 4.20).

Table 4.20: Relationship between amount of training and the value of training, by employee type.

Employee Type	Value Scale								
	Organizational			Employee			General		
	<i>n</i>	<i>r</i>	<i>p</i>	<i>n</i>	<i>r</i>	<i>p</i>	<i>n</i>	<i>r</i>	<i>p</i>
Hourly	128	.234	.008**	127	.210	.018*	127	.150	.093
Management	77	.195	.089	78	.288	.011*	78	.204	.073
Total	132	.225	.009**	133	.150	.085	133	.165	.057

*Significant at the .05 level.

**Significant at the .01 level.

Only three significant relationships appeared when the data were analyzed according to property size. Two of the three relationships were in medium-sized properties. The remaining significance was for management training in large properties with the employee value of training. The employee value scales showed a positive correlation of .356 ($p = .042$). This indicated that, as the employee value scale score increased, the amount of training for management employees in large properties also increased. A relationship existed between medium-sized properties and the amount of hourly-employee training and both the organizational value and general value scales. The organizational value scale had a positive correlation of .440 with the amount of training for hourly employees ($p = .004$). The general value scale had a positive correlation of .383 with the amount of training for hourly employees ($p = .012$). Both indicated that, as the organizational and general value scale scores increased, the amount of training also increased for hourly employees in

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medium-sized properties. No significant relationship existed in small properties (Table 4.21).

Table 4.21: Correlation between amount of training and the value of training by property size and employee type.

Employee Type/ Property Size	Value Scale								
	Organizational			Employee			General		
	<u>n</u>	<u>r</u>	<u>p</u>	<u>n</u>	<u>r</u>	<u>p</u>	<u>n</u>	<u>r</u>	<u>p</u>
Hourly									
Small	36	.082	.633	36	.062	.719	36	.050	.770
Medium	42	.440	.004**	42	.282	.070	42	.383	.012*
Large	48	.085	.568	49	.214	.140	49	-.102	.488
Management									
Small	21	.196	.394	21	.057	.807	21	-.038	.872
Medium	24	-.152	.477	24	-.001	.997	24	.265	.210
Large	32	.137	.456	33	.356	.042*	33	.073	.687
Total									
Small	42	-.007	.966	42	-.080	.616	42	-.086	.589
Medium	43	.225	.148	43	.117	.456	43	.260	.092
Large	47	.099	.507	48	.234	.110	48	-.007	.965

*Significant at the .05 level.

**Significant at the .01 level.

The relationship between the amount of training and respondents' attitudes was weak. Only three of nine possible relationships showed any significance. The hypothesis that no relationship existed between the amount of training and the attitudes of general managers/owners was not rejected.

Amount of Training and Property Size

Null Hypothesis 5: For those properties that provide training, there is no significant difference among various sizes of lodging properties with regard to the amount of training provided, by employee type.

A univariate analysis of variance (ANOVA) was conducted to determine differences between the independent variable, property size, and the dependent variable, amount of training provided. Property size was defined in terms of the number of guest rooms at a property. Size was separated into three categories: small, medium, and large properties. The ratio of the between-group variance to the within-group variance, represented by the F statistic, indicates whether a difference exists between subgroup means. Three assumptions exist when using an ANOVA. First, independent observations need to exist. Second, the population from which the sample was selected must be normal. Third, the population must have homogeneity of variance (Gravetter & Wallnau, 1996, p. 407). Gravetter and Wallnau indicated that "ordinarily, research has not been overly concerned with the assumption of normality, especially when large samples are used, unless there are strong reasons to suspect the assumption has not been satisfied. The assumption of homogeneity of variance is an important one" (p. 407).

The assumption of homogeneity of variance can be influenced by data that are not normally distributed. Therefore, to obtain homogeneity of variance scores that were acceptable, the data needed to be normally distributed. The log transformation of the amount of training was used in this analysis.

Results indicated that the scores of those properties that trained were similar to each other, to the desired value of greater than .05. A score greater than .05 indicated that the hypothesis of equal variances was rejected. If the value was less than .05, it was not rejected (SPSS Base, 9.0, 1999). Levene's test was used to determine whether equal variances existed (Table 4.22).

Table 4.22: Levene's test of the homogeneity of variance.

Employee Type	Probability--Those That Train
Hourly	.216
Management	.165
Total	.042 ^a

^aValues of < .05--not rejected.

As reported, the homogeneity of variance indicated significance values for hourly, management, and total training of .216, .165, and .042, respectively.

Although the total-hours variable did not show a *p* value less than .05, the ANOVA results indicated that a significant relationship existed.

A significant difference was found between the amount of training provided and property size. Means for hourly, management, and total training were significantly different at the .05 significance level, with *p* values of .000, .000, and .000, respectively (Table 4.23). These findings confirmed that there was a significant difference in the amount of training in different-sized properties overall, and specifically for hourly and management employees.

Table 4.23: Results of ANOVA of the log transformation of the amount of training.

Employee Type	E	df ₁	df ₂	Signif.
Hourly	21.0	2	124	.000*
Management	11.3	2	76	.000*
Total	28.0	2	131	.000*

*Significant at the .01 level.

In an ANOVA, conclusions regarding rejecting a null hypothesis do not indicate whether a difference exists between two specific treatments. Post hoc tests are used to identify whether a difference exists between the means of each of the treatments studied. Treatments are compared, two at a time, to identify whether differences exist in each possible scenario (Gravetter & Wallnau, 1996, p. 402).

To further identify whether a relationship existed for each of the size categories, Scheffe tests were used to identify the differences in means between individual subgroups of lodging categories. Specifically, Scheffe's test was used to determine whether a significant difference existed between small and medium, medium and large, and small and large properties. This test adjusts for Type I errors as they become more likely when making multiple pairwise comparisons (Gravetter & Wallnau, 1996). The Scheffe test disclosed which size categories differed from one another in terms of the amount of training, at the 95% confidence level. This test is one of the more conservative post hoc tests as it attempts to reduce the risk of Type I errors (Gravetter & Wallnau, 1996, p. 404).

The overall amount of training differed significantly when comparing small and medium properties and small and large properties. No difference existed between medium and large properties in the overall amount of training. Small properties differed from both medium and large properties in terms of the amount of training for hourly employees. Small and medium and small and large properties also differed significantly in terms of the number of hours of training for management employees (Table 4.24).

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Table 4.24: Scheffe test of property size by amount of training.

Mean ^a and Scheffe Test ^b	Amount of Training		
	Hourly	Management	Total
Small properties	3.0 a,b	3.3 a,b	3.4 a,b
Medium properties	4.4 a	4.9 a	5.2 a
Large properties	4.2 b	4.4 b	4.9 b
Overall mean	3.9	4.2	4.5
<u>E</u>	21.0	11.3	28.0
<u>N</u>	127	79	134
Signif.	.000	.000	.000

^aMean scores are based on the log of the amount-of-training variable.

^bWhere the letters in a column are the same (a or b), there was a significant difference between those two sizes of properties.

Assessing the median amount of training conducted, small properties trained hourly employees 28 hours, medium properties trained them 90 hours, and large properties trained them 71 hours (see Table 4.8). Management employees received more training than hourly employees in all three sizes of properties—32, 146, and 91 hours for small, medium, and large properties, respectively.

Overall, small properties generally were significantly different from medium and large properties in the amount of training provided. Further, training of both hourly and management employees differed significantly between small properties and both medium and large properties. Thus, the hypothesis regarding amount of training in various-sized lodging properties was rejected because a significant difference was found in the amount of training

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provided for both hourly and management employees. Property size was a factor in the amount of training an organization provided.

Amount of Training and Employee Turnover

Null Hypothesis 6: For those properties that provide training, there is no relationship between the amount of training provided and employee turnover in lodging properties, by (a) employee type and (b) property size.

Spearman's correlation was used to determine whether a relationship existed between the dependent variable, amount of training provided, and the independent variable, employee turnover. Employee turnover was reported as an annual percentage.

The annual percentage of turnover at properties that trained was 37%. In those properties that provided training, small properties had lower turnover rates than did medium and large properties—21%, 31%, and 56%, respectively (Table 4.25).

Table 4.25: Average employee turnover in properties that trained by property size.

Property Size	Annual Employee Turnover (%)-- Those That Train		
	<u>n</u>	Mean %	<u>sd</u>
Small	39	21	24
Medium	38	31	25
Large	45	56	48
Annual turnover	122	37	38

As the mean scores indicate, as the property size increased, the employee turnover rate also increased. In general, if a property was more likely

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to train, it also reported a higher employee turnover rate. This was evident in the relationship between amount of training overall and employee turnover, which was .277 ($p = .033$). Those properties with higher turnover provided more hours of training (Table 4.26).

When the total amount of training was separated into hourly-employee and management training, a significant difference relationship was found between management training and employee turnover, which was .295 ($p = .015$). Therefore, as management training increased, the amount of employee turnover also increased. The amount of hourly training did not show a significant relationship with turnover, with a correlation of .171 ($p = .080$) (Table 4.26).

Table 4.26: Spearman's correlation of employee turnover and amount of training by employee type.

Employee Type	n	r	p
Hourly	106	.171	.080
Management	67	.295	.015*
Total	112	.277	.003**

*Significant at the .05 level.

**Significant at the .01 level.

An analysis of the correlations by property size indicated that no significant relationship existed for hourly, management, or overall training. Even though a significant relationship existed overall with management and total training, when the properties were broken into size categories the relationship was no longer significant (Table 4.27).

Table 4.27: Spearman's correlation of employee turnover and the amount of training by property size and employee type.

Employee Type	Property Size								
	Small			Medium			Large		
	<i>n</i>	<i>r</i>	<i>p</i>	<i>n</i>	<i>r</i>	<i>p</i>	<i>n</i>	<i>r</i>	<i>p</i>
Hourly	30	.056	.768	37	.097	.569	39	-.069	.677
Management	20	.149	.531	20	-.192	.417	27	.250	.208
Total	36	.237	.165	38	-.199	.230	38	.168	.313

Although evidence suggested that a significant difference existed in the amount of training for management and overall, hourly, management, and overall training indicated no significant relationship existed between employee turnover and the three sizes of properties. Therefore, there was not enough evidence to support rejecting Null Hypothesis 6.

Amount of Training and Stimuli and Barriers

Null Hypothesis 7: For those properties that provide training, there is no relationship between the amount of training provided and the various stimuli and barriers that influence training activities, by (a) employee type and (b) property size.

Scales were created to represent the various factors that influence training activities. These were identified as the stimulus and barrier scales. As previously indicated, the general measures representing the factors were reliable, with reliability coefficients of .81 and .91 for barriers and stimuli, respectively. To determine whether a relationship existed between the independent variables and the dependent variable, amount of training provided, Spearman's correlation again was used with each factor and scale.

Although the scores for all three sizes of properties were similar, scores on the barrier scale revealed that respondents from large properties viewed barriers slightly more positively than did their counterparts from small and medium properties, at 2.5, 2.4, and 2.4, respectively. Conversely, respondents from medium-sized properties viewed stimuli more positively, with a mean score of 3.7. Respondents from large properties had a mean score of 3.6, whereas those from small properties had a mean score of 3.4 (Table 4.28).

Table 4.28: Mean scores of factors that influenced training by property size.

Scale/ Property Size	Scale Scores—Those That Train		
	<u>n</u>	Mean	<u>sd</u>
<u>Barrier Scale</u>			
Small	46	2.4	.83
Medium	42	2.4	.56
Large	55	2.5	.61
Total overall	143	2.5	.67
<u>Stimulus Scale</u>			
Small	45	3.4	.77
Medium	42	3.7	.56
Large	54	3.6	.54
Total overall	141	3.6	.64

The stimulus scale had a positive correlation with the amount of training, whereas the barrier scale had a negative correlation with the amount of training. Only the stimulus scale correlated significantly with amount of training ($r = .206$; Table 4.29). While significant, this was a moderate relationship, suggesting that as managers and owners indicated stimuli as a higher factor that influenced training, the amount of training offered within their business also increased.

Correlations between the two scales appeared to be low. This confirmed the validity of the scales' being separate measures (Table 4.29).

Table 4.29: Spearman's correlation matrix of barriers, stimuli, and the amount of training.

	Amount of Training	Barriers	Stimuli
Amount of training	----		
Barriers	-.011	----	
Stimuli	.206*	-.022	----

*Significant at the .05 level.

Although no significant relationships appeared to exist between the barrier scale overall and the amount of training provided, one significant relationship was found between the stimulus scale overall and the total amount of training, with a positive correlation of .206 ($p = .019$). Therefore, as respondents indicated various stimuli influenced training, the more likely they were to train employees overall (Table 4.30).

Both barrier and stimulus scales had significant relationships with amount of training for medium-sized properties overall. Barriers had a negative correlation, whereas stimuli had a positive correlation. This indicated that, as barrier scores were reduced for medium-sized properties, the amount of training increased across employee types. When stimulus influences increased, the amount of training increased in medium-sized properties across employee types. More specifically, the amount of training for hourly workers increased as stimulus scale scores increased. As the influences of stimuli increased, hourly

workers' training also increased in medium-sized properties. In small and large properties, there was no significant relationship between amount of training and barrier or stimulus scale scores (Table 4.30).

Table 4.30: Correlation between amount of training and the barrier and stimulus scales by property size and employee type.

Scale/ Property Size	Hourly			Management			Total		
	<i>n</i>	<i>r</i>	<i>p</i>	<i>n</i>	<i>r</i>	<i>p</i>	<i>n</i>	<i>r</i>	<i>p</i>
<u>Barrier</u>									
Small	36	.187	.276	21	.281	.218	42	.224	.154
Medium	41	-.278	.078	24	-.136	.527	42	-.351	.022*
Large	49	.041	.778	33	-.169	.346	48	.062	.674
Total	126	-.057	.530	78	-.038	.741	132	-.011	.902
<u>Stimulus</u>									
Small	35	.098	.577	20	.386	.093	41	.176	.272
Medium	41	.437	.004**	23	.175	.424	42	.359	.020*
Large	48	-.074	.616	33	.020	.913	47	-.042	.780
Total	124	.171	.058	76	.189	.101	130	.206	.019*

*Significant at the .05 level.

**Significant at the .01 level.

Although some support to reject the null hypothesis existed, the relationships were weak. Few significant relationships existed. Overall, the amount of training and the stimulus and barrier scales showed no significant relationships. Therefore, Null Hypothesis 7 was not rejected.

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CHAPTER V

SUMMARY AND CONCLUSIONS

Although training literature is readily available in a variety of industries, little evidence exists regarding training in the lodging industry specifically. This chapter is focused on which theory, the HCT or the SLMT, provides the best explanation of the value placed on training, the factors that influence training, and the training practices of Michigan lodging properties.

This chapter is divided into five sections. In the first two sections, the procedures and findings are summarized. Section three addresses conclusions drawn from the hypothesis tests. A discussion of lodging industry implications and future research is highlighted in the fourth section. Section five contains concluding statements.

Summary

Procedures

In an effort to understand the training beliefs, values, and practices of Michigan's lodging industry, both qualitative interviews and a questionnaire were completed. Lodging property general managers/owners were interviewed to verify the relevance of training literature to the lodging industry and to uncover factors that influenced training initiatives. Fifteen general managers/owners were interviewed regarding their training practices and views. From these

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interviews and a thorough literature review, the researcher developed a questionnaire. A population sample of 1,782 hotels, motels, resorts, cabins, and cottages was identified from the Travel Michigan Product Database. Six hundred thirty-three general managers/owners of Michigan lodging properties were sent a questionnaire; 616 were considered to have usable addresses.

A pilot-tested and revised questionnaire was sent via first-class mail with a cover letter, postage-paid return envelope, and incentive card. Three complete mailings were conducted with reminder postcards after the first two mailings. Thirty-five percent (218 out of 616) of those sampled responded to the questionnaire.

Findings

A profile of the lodging general managers/owners and property characteristics was completed for the entire data set. Of the 218 respondents, 36% were from small properties (1 to 35 rooms), 31% were from medium-sized properties (36 to 100 rooms), and 39% were from large properties (more than 100 rooms). An analysis by property size indicated that the educational level of lodging general managers/owners increased as the property size increased. In addition, both the average length of time general managers/owners had held their current positions and the average age of the general managers/owners decreased as the property size increased.

The lodging-property characteristics indicated that, as a property increased in size, it was, on average, open longer, more likely to belong to a large-size corporation, and to have some type of franchise affiliation. A significant relationship existed between occupancy and profitability, as well. As

properties became larger, they were more profitable and enjoyed higher occupancy rates.

Analysis was completed on only those properties that provided training. The respondent, property, and training characteristics were profiled. The characteristics of properties that provided training differed from those of properties that did not provide training. General managers/owners at properties that provided training were significantly more educated, younger, and had been at the properties a shorter time than those at properties that did not provide training. Further, the properties that trained averaged higher occupancy and were also more likely to indicate that they “made money.”

The property training characteristics were summarized, and the results indicated that, on average, 3.9% of annual payroll was spent on training. It appeared that, as the properties decreased in size, the amount spent on training also decreased. This finding indicates that these lodging properties spent more on training than other researchers have reported. Many studies have indicated that an investment from 1/2% to 4% of annual payroll is more the norm (ASTD, 1995; Bassi & VanBuren, 1988; Bergman, 1995; Dedoussis, 1995). Respondents from thirty-one percent of the properties indicated that more than 5% was spent on training. This differed from a study of the lodging industry by Conrade et al. (1994), who found that 61% of lodging organizations invested between 1/2% and 1% of annual payroll in training.

When so much money was dedicated to training, it was notable that only 17% of all properties had training as a budget line item. As property size increased, the likelihood of having training as a budget line item also increased.

Other research on the lodging industry has found that more properties had training as a budget line item. Conrade et al. (1994) found that more than 50% of lodging properties included training as a line item in the budget.

Ninety-three percent of the general managers/owners indicated that training was important/valuable to their business. More than half of the medium and large properties indicated that training is more of a priority today than it was three years ago, yet only 16% of small properties indicated this to be so.

The respondent, property, and training characteristics were summarized before the analyses of the hypotheses. The seven hypotheses are discussed separately in the following section.

Conclusions Drawn From the Hypothesis Tests

Lodging Properties That Train (Hypothesis 1)

Hypothesis 1: There is no difference in the percentages of properties providing training, by (a) employee type and (b) property size.

This hypothesis was rejected. The hypothesis focused on whether all lodging properties provided training. It was found that 67% of the respondents' properties conducted some form of training. The majority of those that did not train fell into the small-size-property category. This finding supported the notion that many investigations have focused on larger organizations, which are more likely to provide training (VanBuren, 1999).

An analysis of who receives training revealed that, of those properties that did train, 92% trained hourly employees and 66% trained management employees. Previous researchers have indicated that more than half of all

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employees in U.S. and European organizations receive training (Bassi & VanBuren, 1998; Goodenough & Page, 1993).

The amount of training conducted by those properties that provided training varied by property size. Overall, employees were provided 119 hours of training. For those properties that trained, the median amount of training was 56 hours for hourly employees and 83 hours for management employees. Medium-sized properties provided the most training—90 and 146 hours for hourly and management employees, respectively. Large properties followed, with 71 and 91 hours for hourly and management employees, respectively. Small properties trained hourly employees for 28 hours and management employees for 32 hours.

Management employees received more hours of training in each of the property-size categories than did hourly employees. Past research has supported this finding (Carnevale & Carnevale, 1994; Jackson et al., 1989; Medoff, 1982; Scott, 1995). The lodging industry appears to provide more training than many organizations. As suggested in the literature, organizations provided employees 21 to 90 hours of training (Bishop, 1991; Colarelli & Montei, 1996; Training Magazine, 1996). Some studies have indicated that reports of the amount of training conducted may be incomplete because organizations failed to measure the amount of informal training conducted (Bassi & VanBuren, 1998; Conrade et al., 1994). Both formal and informal training were quantified in this study.

The findings regarding general training practices relate to the theories studied in this research project. The human capital theory would suggest that all

organizations provide training to employees, but as the findings from this study suggest, not all lodging properties provide training. Further, property size and employee type would not be variables that influence a property to train or not. Therefore, regardless of property size and type of employee, properties would provide training. This was not verified by the findings. Management and hourly employees received different amounts of training, and the percentages of these employee groups who were trained varied.

The segmented labor market theory specifically suggests that management employees receive more training because they have more value to the organization. Further, property size influences the amount of training conducted because smaller properties would be less likely to hire a number of skilled employees. The few employees who are needed would be hourly by nature and have skills that many people would possess. The results supported these suggested outcomes. The SLMT helps to explain why lodging properties provide more hours of training to management employees. The theory also helps to explain why larger properties provide more training than smaller properties.

Value, Stimulus, and Barrier Scale Comparisons (Hypothesis 2)

Hypothesis 2: There is no difference in the value, barrier, or stimulus scale scores between various-sized properties that provide training and those that do not provide training.

This hypothesis was not rejected. Although both the HCT and the SLMT generally suggest that training should occur, the theories can also be used to explain the likelihood that properties would train. It was therefore useful to

determine why some properties did not provide training. The findings indicated that, for the five scales compared, the properties that did not provide training were not significantly different from those that did provide training.

The HCT suggests that properties that do not provide training may indeed do so for several reasons. The first possibility is that, even though they do not provide training, they find high value in training. The second possibility is that the various factors that simulate a property to train are low, and the factors that act as barriers to providing training are high, indicating that these organizations are restricted from training due to a great number of barriers that exist. In this case, if a property found a way in which to remove the barriers, it would be inclined to provide training in a manner in which the HCT would suggest. These findings suggest that properties in this study that did not train did not place significantly lower value on training, were not significantly less stimulated to provide training, and were not significantly different regarding the barriers to training. Therefore, because no significant difference exists, the HCT does little to explain the training attitudes of properties that do not provide training.

Because the SLMT suggests that properties that train are influenced by various stimuli, this pattern would hold true with those properties that do not provide training. The SLMT also suggests that properties that do not provide training would find training to be of less value and the factors that act as barriers to training could be either high or low. In this case, properties may not value training highly, but should they decide to train, it would most likely be for a stimulus such as a legal mandate. These findings suggest that properties that do not train generally are not significantly different from properties that provide

training. This suggests that the SLMT would not provide a framework to understand the beliefs of those properties that currently do not provide training.

Although the HCT and the SLMT have been used to understand the practices related to organizations that provide training, in this study, evidence suggests that the theories do not clearly explain why organizations do not provide training and the likelihood that they will provide training in the future. Both theories are better equipped to address the practices of those properties that provide training, and the remaining five hypotheses were tested only with data from the properties that provided training.

Training Hourly and Management Employees (Hypothesis 3)

Hypothesis 3: For those properties that provide training, there is no difference in the amount of training provided and the types of training courses offered, by (a) employee type and (b) property size.

This hypothesis was separated into two sections for discussion of each part of the hypothesis. The amount of training and types of training courses offered to hourly and management employees will be discussed.

The first part of the hypothesis suggested that no difference existed in the amount of training provided to hourly and management employees. This was rejected. For those properties that trained both hourly and management employees, management employees received significantly more training, as suggested by the SLMT. More specifically, the theory was supported in medium-sized properties. Small and large properties showed no significant difference at the .05 level.

The SLMT was addressed specifically in this hypothesis. The theory suggests that employee groups with less needed skills and higher turnover rates are trained less than those employees with more perceived value to the organization. Comparing the training received by hourly and management employees offered support for this theoretical perspective in the lodging industry.

Support for the SLMT was once again evident in the second part of the hypothesis. In this section, each particular course offering was analyzed. In five of seven courses, there was a significant difference between the training of management and hourly employees. Assessing the amount of training given to each employee group, by course, showed that a significant difference existed between the two groups. Management received more training in five of the seven courses compared.

The HCT suggests that the balance of training various employee groups would be more equal. Only small properties showed this type of relationship. For those that trained, small properties had median scores of 28 and 32 hours of training for hourly and management employees, respectively. Medium and large properties exhibited quite a difference between hourly and management employees and did not appear in support of the theory.

Becker (1995) contended that specific types of training courses have the greatest reward for the organization providing training. In times of high competition, firms are less likely to provide beneficial general training programs, such as attitudinal or general-topic training and are more likely to provide specific types of training programs such as orientation or job-specific training.

Literature suggests that both general and specific types of training are provided in organizations. However, the lodging industry provided mostly specific types of training.

Hourly employees received specific training most often, including job-specific and orientation training, at 67% and 56% of the properties, respectively. Thirty-six percent of lodging properties provided management with specific training in the form of job-specific and orientation training. Research on training has suggested that employers provided orientation training most often to employees, with many writers indicating at least 70% of organizations provided this type of training (Bassi & VanBuren, 1998; Lynch & Black, 1995; Society for Human Resource Management, 1995; Training Magazine, 1996). This was also found in the lodging industry. Of those properties that trained hourly employees, 80% (117/146) of those employees received orientation training, whereas 95% (76/80) of management employees received this type of training.

Of properties that trained, general training courses in the form of computer, teamwork, and customer service training were provided by 46% (67/146), 47% (69/146), and 68% (99/146) of properties, respectively. (Properties could respond to more than one course; therefore, the total of all courses exceeds the sample size.) Whereas management employees received customer service training at 99% (79/80) of properties that provided training, computer and teamwork training were provided by 74% (59/80) and 70% (56/80) of properties, respectively.

The different amounts of training provided to management and hourly employees offers support for the SLMT. For those properties that provided

training to both hourly and management employees, management decisions about who received training fell in line with the SLMT. As in other industries, upper-level staff received the most training.

The HCT was not confirmed. Tinto (1981) viewed human capital as a homogeneous market with no specific employee submarkets. In this study, a homogeneous market was not found. Management and hourly employees were treated differently. The HCT suggests that training should be provided equally in any organization. Management received more hours of training than hourly employees in every significant course. Nor does the HCT address the finding that more hourly employees received training than did management employees. Here again, it appears that training decisions are segmented in some way. Given the data and findings from this study, lodging properties did not support this theory in their management decisions.

Overall, the SLMT was supported based on the results for this hypothesis test. Employees were treated differently in the lodging industry, with management being provided more hours of training when they were trained. As noted, less than 40% of the properties provided training for management employees.

Attitude and the Amount of Training **(Hypothesis 4)**

Hypothesis 4: For those properties that provide training, there is no relationship between the amount of training provided and the attitudes of lodging general managers/owners toward the value of training, by (a) employee type and (b) property size.

This null hypothesis was not rejected because only three of a possible nine relationships were significant for the value scales, more specifically,

between training and the value that managers/owners attributed to training. Across all comparisons by property size, only 3 of 27 comparisons showed a significant relationship between these variables.

The literature indicated that there was value to both the employer and the employee when training was provided. A lack of training contributed to job dissatisfaction. Conversely, training improved supervisory relations, communication, job satisfaction, and commitment (Anderson et al., 1995; Bonsutto, 1993; Burke, 1995; Freeman, 1978; Gaertner & Nollen, 1989; Geale, 1995; Payne, 1996; Senat, 1992). Employers have found that training added to productivity and profitability. Specifically in the lodging industry, consistent service delivery, employee skill and knowledge, repeat business, and profit were the positive outcomes of training (Bergman, 1995; Conrade et al., 1994; Doyle, 1994; Lankard, 1991).

The findings from the analysis of three scales supported these conclusions. Property general managers and owners indicated that they valued training for the organization and the employee. However, the amount of training did not increase or decrease in unison with value scores. Therefore, the value of training was generally the same, regardless of the amount of training provided.

The HCT suggests that both employees and employers have a positive view of training as these investments provide returns for both employees and employers (Becker, 1995; Sweetland, 1996). Even though the amount of training did not increase as the value of training increased, general managers

and owners did find training important and valuable. General managers/owners had high scores on the value scales. These results suggest that the HCT provides a framework to understand the value of training. Regardless of whether 1 hour or 500 hours of training were provided, the attitudes toward training remained similar.

The SLMT suggests that employers perceive training to be good for some but not for all employees. The results for this hypothesis indicated that the SLMT did not help to explain the value placed on training in Michigan's lodging industry. The value scales did not suggest whether one part of the organization would find greater rewards from training than another. Therefore, the results and findings did not lend support to the SLMT.

Amount of Training and Property Size (Hypothesis 5)

Hypothesis 5: For those properties that provide training, there is no significant difference among various sizes of lodging properties with regard to the amount of training provided, by employee type.

This hypothesis was rejected. A significant difference was evident among the various sizes of lodging properties in the amount of training they provided. The larger the property, the more training that was provided.

Although Bishop (1991) found a curvilinear relationship between organizational size and training, with the smallest and largest organizations providing the most training, and Colarelli and Montei (1996) found that organizational size did not influence the amount of training, several others have supported the findings of this research. Size has been found to have a

relationship with the amount of training provided (Carnevale & Carnevale, 1994; Jacobs et al., 1996; Knoke & Kalleberg, 1994; Saari et al., 1988). Specifically, larger organizations were more likely to have a perceived need for training and were more likely to provide more training (Scott, 1995).

Both the HCT and the SLMT offer little insight into the role of property size and the amount of training. The HCT, however, suggests that, regardless of size, organizations will have similar proportional investments in training. The SLMT suggests the opposite view. Size may influence the amount of training conducted because size affects the number and types of employees in an organization. Properties with fewer employees may have simpler job tasks, and those employees, therefore, receive less training.

These findings supported the SLMT as a significant difference existed between the amount of training provided and the size of the lodging property. In hourly, management, and overall training, significant differences existed between small and medium and small and large properties. However, no significant difference was found between medium and large properties in hourly, management, or overall training. Although property size affected the amount of training, once properties reached between medium and large size, this significant difference no longer existed. The SLMT provides a framework for understanding property size and the amount of training conducted because size of property influences the type and number of employees.

Amount of Training and Employee Turnover
(Hypothesis 6)

Hypothesis 6: For those properties that provide training, there is no relationship between the amount of training provided and employee turnover in lodging properties, by (a) employee type and (b) property size.

This null hypothesis was not rejected. Two positive relationships between turnover and the overall amount of training were significant; however, no other significant relationship was found when the analysis was conducted by property size. Separated by property size, none of nine possible relationships indicated significance. This evidence was not enough to suggest rejecting the hypothesis.

The literature regarding turnover indicated two relationships between turnover and training. First, it was suggested that training influences turnover in organizations. Second, an organization's turnover may be a predeterminant for investing in training.

Several researchers have investigated the relationship between turnover and training in organizations. Most have found that turnover was reduced when organizations provided training. Some found the opposite to be true. Salipante and Goodman (1976) discovered that offering training alone had no effect on employee retention. However, the more specific the training received (job skills), the higher the retention. Bishop (1991) also found no relationship between job turnover and training intensity or length of training.

Many other investigators, however, have found a significant relationship between training and turnover. Turnover has been found to have a negative correlation with training. Providing training resulted in lower turnover because

training was a predictor of longevity, separation, and long-term commitment (Conrade et al., 1994; Vaughan & Berryman, 1989; Wanous et al., 1979).

The findings from this study indicated that, in many instances, no relationship existed between turnover and the amount of training. When a significant relationship was found, that relationship was positive. Turnover was found to be significantly higher in properties that provided overall training. And individually in small, medium, and large properties there were no significant relationships between turnover and amount of training.

The HCT indicates that organizations with higher specific training experience lower turnover. This theory was not supported by the results of the present study even though the lodging industry provides mostly specific types of training. No relationships existed by property size; therefore, there is not enough evidence that the lodging industry practices could be explained by the HCT.

The SLMT suggests that high turnover in an organization will negatively affect the amount of training provided. Those organizations with higher turnover would not provide as much training because their priority lies with employees who are more inclined to be with the organization a longer period of time. Results of the present study did not support this notion. Training overall was found to have a significant positive relationship with turnover.

Neither theory explained the relationship of turnover to the amount of training in lodging properties. These results were contrary to some of the literature.

Amount of Training and Stimuli and Barriers
(Hypothesis 7)

Hypothesis 7: For those properties that train, there is no relationship between the amount of training provided and the various stimuli and barriers that influence training activities, by (a) employee type and (b) property size.

The null hypothesis was not rejected. Two scales representing a general measure for several factors that influence training were grouped as stimulus and barrier scales. No significant relationship was found between stimuli and barriers, and the amount of overall training provided.

The stimulus and barrier scales were constructed using information obtained from the literature, interviews, and pilot-study feedback. Four factors were developed specifically from the literature: competition, change, technology, and culture. Becker (1995) found that organizations that had little competition invested more heavily in training. Lynch and Black (1996) found that, as organizations changed, the need for higher skill training existed. The more technological advancement a company had, the more likely the organization was to train employees (Colarelli & Montei, 1996; Dedoussis, 1995; Mellan, 1988). And the more positively leadership viewed training, the more employees viewed it positively as well (Facteau et al., 1995; Ford & Noe, 1987; Guthrie & Schoerer, 1994).

The HCT and SLMT only make suggestions as to the effects of various factors that influence training. The HCT suggests that both barriers and stimuli may or may not affect an organization's training practices. Conversely, the SLMT would support the same relationship with barriers, but it would not react

the same way to stimuli. This is so because the SLMT suggests properties provide training as a reaction to various stimuli. The more factors stimulate a property to train, the more training would occur.

The barrier scales did not have a significant relationship with the amount of training. However, the stimulus scale and the total amount of training showed a positive correlation. Analyzing each factor by property size indicated that a relationship existed in medium-sized properties. Training of hourly employees in medium-sized properties showed a significant relationship with the stimulus and barrier scales overall. Therefore, respondents from the medium-sized properties that trained employees indicated that various stimuli and barriers influenced training overall.

Although several variables have been found to have a relationship with training, the stimulus/barrier scales showed that a weak relationship existed. Both the HCT and the SLMT support these findings. The theories help address the fact that the scales were not shown to have a relationship with the amount of training.

Theoretical Summary

The researcher's intention in this study was to determine which theory, the HCT or the SLMT, best explains the training practices of Michigan's lodging industry. Both theories contributed to understanding the training practices of Michigan's lodging industry.

The SLMT, however, provided a better framework for explaining training practices of the Michigan lodging industry. The SLMT suggests that employee

groups receive training differentially, and this was confirmed in the lodging industry. As evident in the related results, different employee groups did not receive training equally. When training was offered, management employees received more training than hourly employees. Results further indicated that the amount of training was influenced by property size. As property size increased, so also did the amount of training provided to employees.

One of these relationships was clearly stated in the theory (employee groups do not receive training equally), whereas the other was only suggested. This indicates that the SLMT may be expanded to include other issues, such as property size, in future theoretical studies.

Of these related results, the differences noted between various-sized properties was the most significant conclusion from the study. Different-sized properties had varying employee demands, and the amount of training provided increased as the property size increased. This finding is supported by the SLMT and represents new ground from which to apply the theory.

Even though it is suggested that the SLMT provided a better framework to understand the training practices in the lodging industry, the HCT also made contributions to understanding the value placed on training. The related results indicated that respondents had a positive view of training, regardless of the amount of training they conducted. This finding is explained through the HCT. However, the actual practices of Michigan's lodging industry contradicted other human-capital propositions. The HCT did not help explain the issues relating to the amount of training and employee turnover, the difference in training for

hourly and management employees, or the influence of property size. The HCT would suggest that organizations with higher specific training have lower turnover. In the Michigan lodging industry, there is no evidence of such a relationship between turnover and training. Properties in this study provided training to diverse employee groups differently, and not all employees received training. The amount of training increased as the property size increased. Therefore, even though lodging managers'/owners' attitudes did not change depending on the amount of training they provided, a difference did exist related to their training practices. Therefore, the HCT does not appear to apply well to training practices in the lodging industry. The SLMT furnished a better view of how general managers/owners in Michigan's lodging industry behaved with regard to training practices.

Discussion

Implications for the Lodging Industry

Based on the findings and the conclusions drawn from this study, several implications are important for the lodging industry to consider. As suggested in Chapter I, the increased interest in training has stemmed from the need to improve the labor situation for employers. The following comments focus on what the industry can do to improve this situation. Eight suggestions are outlined below.

1. The lodging-industry respondents stated that they valued training and that training was important; they spent more on training than most other businesses (when they did it) and provided more hours of training than most

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other businesses (when they did it). Yet, one-third of all properties did not provide training and, even in those that did provide training, not all employees received training. If organizations are to commit to providing training, they must start at the top of the organization. Managers who do not receive training may not support training for hourly employees. As this is only one possible reason why organizations do not provide training, it is important that the industry reflect on the reasons why properties of various sizes do or do not provide training. This type of analysis will help determine what might need to be done to encourage the industry to become more human-capital oriented, and how to do it. Otherwise, the industry may not focus on the true issues that keep a property from training. The top barriers to training for each size of property are summarized in Table 5.1. Scores for individual barriers are provided in Appendix F.

Similar to what Clark (1994) found, respondents from all properties thought a lack of time was the number-one barrier to training. Also included in the top five barriers for all sizes of properties were high employee turnover and high business demands. Medium and large properties had identical lists of the top five barriers, whereas poor profits and seasonality tended to be bigger issues for small properties (Table 5.1). This implies that the industry must address the unique nature of the lodging industry, which is plagued with employee turnover and time restraints due to business demands. This reinforces the need to identify ways in which employee turnover can be reduced,

as well as exploring ways in which training can be added to an already demanding industry.

Table 5.1: Top five barriers for small, medium, and large properties.

Property Size/Barrier	<u>n</u>	Mean ^a	<u>SD</u>
<u>Small</u>			
Lack of time	46	3.0 ^b	1.4
High employee turnover	46	2.7 ^b	1.4
Poor profits	46	2.7 ^b	1.3
Seasonality of my property	46	2.7 ^b	1.4
High business demands	44	2.5 ^b	1.2
Lack of qualified trainers	46	2.5 ^b	1.5
<u>Medium</u>			
Lack of time	42	3.2 ^b	1.2
High business demands	42	2.8 ^b	1.2
High employee turnover	42	2.8 ^b	1.3
Cost of training	42	2.7	1.1
Lack of qualified trainers	42	2.5	1.4
<u>Large</u>			
Lack of time	55	3.4 ^b	1.1
High employee turnover	54	3.1 ^b	1.2
High business demands	55	3.1 ^b	1.0
Cost of training	55	2.8	1.1
Lack of qualified trainers			
<u>Overall</u>			
Lack of time	143	3.2	1.2
High employee turnover	142	2.9	1.3
High business demands	141	2.8 ^b	1.1
Cost of training	143	2.6 ^b	1.1
Poor profits	143	2.6 ^b	1.2
Lack of qualified trainers	141	2.6 ^b	1.3

^aScores closer to 5 indicate a higher barrier.

^bIndicates a tie score.

In addition, identifying those factors that stimulate a property to train can help indicate what continued steps may need to take place to encourage training. Items that stimulated a property to train were similar across size categories. Customer, employee, and management feedback; poor performance/profitability; and lack of skill in employees were reasons why properties were stimulated to train. The top stimuli for each size of property are summarized in Table 5.2. Scores for all individual stimuli are identified in Appendix G.

These results imply the need for continued communication with customers and employees. Hence, it is important to have customer and employee feedback mechanisms, such as understanding satisfaction through a questionnaire or conducting a needs assessment through a focus group. In addition, assisting properties with training when performance has dropped may also be necessary.

Because training is viewed as important and valuable by lodging properties yet not all of them provide training, it is critical that steps be taken to ensure that training can be conducted. The lodging industry must therefore address these factors that influence training, by property size, and develop strategies to overcome the barriers and reinforce stimuli. This has initially been completed in this study. Steps can now be taken locally, regionally, and at the state level to eliminate barriers and reinforce stimuli. Additional steps can be taken to confirm these findings with individual properties and identify action steps for specific properties to provide training. Identifying how the barriers can be removed and how properties might be influenced toward training is an important consideration for the industry.

Table 5.2: Top five stimuli for small, medium, and large properties.

Property Size/Stimulus	<u>n</u>	Mean ^a	<u>SD</u>
<u>Small</u>			
Customer feedback/expectations	44	4.0 ^b	.87
Improved profitability/performance	45	4.0 ^b	.80
Employee/management feedback	42	3.9	1.00
Poor profitability/performance	44	3.8	1.10
Lack of skill in employees	44	3.7	1.00
<u>Medium</u>			
Improved performance/profitability	42	4.1 ^b	.88
Lack of skill in employees	42	4.1 ^b	.72
Customer feedback/expectations	41	4.1 ^b	.88
Poor performance/profitability	41	3.9	.86
Employee/management feedback	40	3.8 ^b	.82
Introduction/advancement of technology	41	3.8 ^b	1.10
Increased competition	42	3.8 ^b	1.00
Change(s) at the property	41	3.8 ^b	.82
Change(s) within the industry	42	3.8 ^b	.96
<u>Large</u>			
Customer feedback/expectations	53	4.3	.72
Lack of skill in employees	54	4.0 ^b	.90
Poor performance/profitability	52	4.0 ^b	1.00
Employee/management feedback	54	4.0 ^b	.93
Change(s) at the property	53	3.8 ^b	.83
Introduction/advancement of technology	54	3.8 ^b	1.10
<u>Overall</u>			
Customer feedback/expectations	137	4.2 ^b	.82
Lack of skill in employees	140	3.9 ^b	.90
Improved performance/profitability	141	3.9 ^b	.95
Employee/management feedback	136	3.9 ^b	.94
Poor profitability/performance	137	3.9 ^b	.99

^aScores closer to 5 indicate a higher barrier.

^bIndicates a tie score.

2. The influence of property size on the amount of training conducted should be an issue in the lodging industry. As suggested in Chapter I, large businesses are more often provided resources than smaller organizations.

However, the needs of smaller properties cannot be ignored. More than half of all small properties did not provide or participate in training. Conferences specializing in the training needs of smaller lodging properties should be conducted in various regions around the state. Because resource issues, including time, qualified trainers, poor profits, and high business demands, were reported for these properties, government support from state training and development offices should be considered. Although smaller properties employed fewer staff than did large properties, they do represent a large portion of the properties in the state. Two-thirds of the total number of properties in this study's sampling frame fell into the small-property category.

3. To facilitate the communication to small, medium, and large properties, a more thorough database of lodging properties must be created. No clear means of communication to these separate or collective groups exists. About one-sixth of the entire lodging population in Michigan belongs to the MHMRA. Therefore, the majority of properties are not affiliated with an association that can support and address their needs.

4. The value of training needs to be clearly communicated to lodging properties that may be reluctant to provide training to employees. This could be done through publications or presentations at conferences. These findings indicated that, overall, most respondents indicated that training was the same or more of a priority than it was three years ago. When asked why the change toward more training today, the most popular open-ended responses centered on staff recruitment, desire for guest satisfaction/excellence, changes in guest demands, higher turnover, greater competition, low unemployment rate, and the

need for greater employee job satisfaction (for retention). The most popular responses related to labor issues. These and other training findings need to be shared with those who have yet to develop training practices at their properties.

5. In general, respondents thought labor, guest, and competitive issues were the most frequently stated reasons they needed more training today. However, fewer respondents indicated a concern for employee satisfaction. Concern for employees, as much as external guests, should be addressed if lodging properties are to survive in today's labor market. Employee satisfaction studies should be completed, and steps to improve employee satisfaction must be taken at the property level.

6. An indication of the commitment to training by properties is the addition of training as a budget line item. Very few properties indicated training in their budgets specifically, yet properties allocated an average of about 4% of their payrolls to training activities. Properties must begin to commit to training as an item for which funds are a requirement, not a luxury. Therefore, training should be a line item in property budgets. This would indicate a greater commitment to training as funds would be allocated ahead of time. Training must become mandatory, just as a uniform for an employee or a smile for a guest would be.

7. Benchmarking has allowed organizations to assess their practices in relation to other similar organizations. This comparison provides organizations with more relevant information as the data are from organizations that are similar in size and characteristics. This information provides an opportunity to see the effect of organizational decisions. Individual properties can benchmark their

training practices against other similar lodging properties. Properties can begin to assess their level of training compared to other properties in similar size categories in the lodging industry. This self-assessment can provide properties with an understanding of the effect that training has had on several other properties by assessing the results of this study.

8. Because the conclusions of this study are not clear regarding the influence employee turnover has on providing training, the industry must better understand the factors that influence employee turnover. Further analysis is needed to identify how training specifically influences turnover in lodging properties. Such analysis might include extensive research on a few properties to understand factors that specifically influence employee turnover (i.e., supervision, scheduling, and benefit issues).

To address the labor issues of today, the industry must be motivated to provide employee training. Steps must be taken collectively by the industry to make this a reality. Human capital must be a top concern for the industry, and practices must begin to mirror what the industry says it values. The aforementioned recommendations should be addressed by the lodging industry to make this a reality.

Recommendations for Future Research

Reflecting on the study literature, methodology, limitations, findings, conclusions, and implications for the industry, the following recommendations are related to future research. Nine suggestions are outlined below.

1. To continue to address the unique components of various-sized properties, this study should be replicated by property size specifically and

expanded to address why these practices occur. An investigation addressing a specific size of property could help address why medium-sized properties provided more training than small and large properties or why small properties provided the least training--specifically, what factors influence a property to provide training.

2. Properties that do and do not conduct training should be further studied to understand how training and a lack of training influence both the property's business results and the employee's attitude toward the organization. Further, understanding why such decisions and priorities were made and why training was or was not worth conducting will help the industry understand the impact of training. These findings could further identify why specific organizations do or do not offer training.

3. Employees' impressions regarding what they think of training, how they value training, and how training affects what they do should also be studied. Results from this study could be analyzed and compared to the findings of employees' views to address how training is or is not valuable to organizations and employees.

4. To improve training, further investigation into why training is conducted but also what specifically should be done to improve training should be undertaken. Respondents could then respond to a list of barriers in terms of what might be done to reduce them. In addition, properties could indicate how they might reinforce the factors that stimulate them to train.

5. The existing data should be analyzed to determine the type of training conducted, the methods used in training, and the providers of training. These

data will be helpful in identifying training protocols and resources in the lodging industry.

6. The effectiveness of training needs to be studied. In this study, it was assumed that all training was considered effective. However, this assumption might or might not be true. Employees could be sampled to determine the effect of training content, delivery techniques, and formal/informal training methods. Organizations should be studied to identify the type of formal evaluation of training that currently is being completed and why they did or did not complete a formal evaluation of their training efforts. This would isolate the value of training and the effect on the organization more specifically.

7. Other tourism industries should be studied. Lodging does not represent the entire tourism field. The unique elements of restaurants, attractions, retail establishments, and recreation facilities could be analyzed to make generalizations about the industry or identify unique elements within related businesses that experience the same unique dimensions of high employee turnover, seasonality, and an industry comprising a large number of small businesses.

8. The attitude, stimulus, and barrier scales developed in this dissertation should be used in other studies attempting to learn about training. All five scales were reliable and found to be helpful in succinctly identifying training issues in the lodging industry. An additional analysis would be to identify individual factors in the scales (i.e., competition and customer feedback) to thoroughly assess their specific influence on the amount of training. An

example would be to determine whether customer feedback specifically had a relationship with the amount of training provided.

9. Finally, the applications of the SLMT and the HCT should be further expanded to address the orientation of organizations with training and nontraining activities. One of the future areas for research should include other types of human-capital investments. The lodging industry needs to be investigated more thoroughly with regard to the value placed on human capital collectively. Separating hourly and management employees may continue to provide unique insight as to the employee group that is emphasized in an organization. In addition, specific research regarding employee benefits, wages, and quality of work life would be beneficial as training is only one of the ways human capital is valued by an organization. Understanding the value placed on human capital in the lodging industry in a variety of ways is necessary to deal effectively with labor issues today and in the future.

Conclusions

The Michigan lodging industry resembles the training practices of other nontourism industries in several ways. They provide training to employees (a) at almost 70% of the properties; (b) with mostly informal methods; (c) unequally, providing training opportunities more often to hourly employees, yet allowing managers more training time in courses; (d) from 28 to 146 hours in their first year of employment, and (e) they value training for employees and employers.

However, several unique conditions exist in the lodging industry as well. Lodging properties (a) provide management employees fewer opportunities to train than they do hourly employees; (b) vary greatly in the amount of training

they provide within and across property-size categories; (c) exhibit distinct differences in the amount of training, value of training, and the factors that influence training between small and both medium and large properties; and (d) have more training in higher-turnover properties. Conclusions can be drawn from each of these unique conditions.

Management Training

Management employees were trained for longer periods of time, but fewer were provided opportunities for training than hourly employees. Slightly more than one-third of all management employees were provided training in lodging properties, whereas twice as many hourly employees were provided training. This suggests that respondents from Michigan's lodging industry either believed management already had the skills needed to perform in their roles or they did not value training for managers as much as for front-line employees. This finding is of great concern if either case is true. Several studies have not only indicated the importance of providing training to all employees, but some have suggested the influence management has on the success of employee training. Some have suggested that, the less managers value training, the less employees value it, as well (Facteau et al., 1995; Ford & Noe, 1987; Guthrie & Schoerer, 1994). If organizations do not provide training for managers, it may be difficult for managers to support employee training. And managers who do not believe training is valuable may not support training for employees. In addition, if managers are not provided the tools to do their jobs successfully, they may create an environment that employees will leave. Even if general managers/owners of properties believe managers possess needed skills, there

is still property-level training that acclimates managers to the culture of the organization. This is frequently done through orientation training. Management employees cannot be ignored as they are the leaders for employees. Their knowledge, skills, and abilities need to be developed to ensure that their employees have the opportunity to work with a skilled professional.

Variance in the Amount of Training

The large variance in the number of hours provided for training employees indicated that some members of the industry did not train at all or provided very few hours, and that another part of the industry trained a great deal. This large variance is a concern. Employees who are untrained may leave the industry and speak poorly of the quality of work life. In an effort to identify the value of training to organizations that have an interest in developing training, profiles of those properties that train were created. This is similar to how Bassi and Van Buren (1998, 1999) profiled leading-edge firms to provide a model to other organizations striving to develop a training system. The amount of training was compared to several variables, including occupancy, profitability, employee turnover, and amount of payroll spent on training. In each property-size category, the 25% of properties that trained the most, the middle 50%, and the 25% that trained the least were analyzed. In general, small and medium-sized properties providing the middle amount of training achieved the best scores. These properties achieved higher occupancy and indicated they were more often profitable.

Small properties in the middle 50% trained an average of 43 hours and spent an average of 3.2% of payroll on training. They achieved higher occupancy rates, and were more often profitable. However, they did not achieve the lowest employee turnover (Table 5.3).

Table 5.3: Profile of small leading-edge lodging properties that trained.

Variable	Top 25%			Middle 50%			Bottom 25%		
	<u>n</u>	Score	<u>SD</u>	<u>n</u>	Score	<u>SD</u>	<u>n</u>	Score	<u>SD</u>
Mean # hours of training	11	187	191	21	43	22	11	5	2.8
Mean occupancy (%)	11	55	18	17	61	20	9	55	23
Mean profitability ^a	11	2.2	.75	21	2.6	.6	11	2.3	.8
Mean employee turnover (%)	9	24	25	16	28	26	11	13	20
Mean % of payroll spent on training	8	5	4.3	11	3.2	3.2	8	2.4	3.6

^a1 = low, 3 = high.

Medium-sized properties also maximized their value in training in the middle 50% of respondents. Higher occupancy rates and more-often-profitable properties trained an average of 222 hours. They also spent the least amount on training, at 3.8% of annual payroll. These middle properties, however, had a higher employee turnover percentage than did either the properties that trained more or those that trained less (Table 5.4).

Table 5.4: Profile of medium leading-edge lodging properties that trained.

Variable	Top 25%			Middle 50%			Bottom 25%		
	<u>n</u>	Score	<u>SD</u>	<u>n</u>	Score	<u>SD</u>	<u>n</u>	Score	<u>SD</u>
Mean # hours of training	11	666	195	21	222	81	11	49	31
Mean occupancy (%)	9	54	15	19	68	8	7	66	12
Mean profitability ^a	10	2.6	.7	19	2.8	4	9	2.6	.73
Mean employee turnover (%)	9	27	38	19	34	19	10	28	23
Mean % of payroll spent on training	6	5.6	3.2	12	3.8	2.6	7	4.9	4

^a1 = low, 3 = high.

Among large properties, those that spent the most time on training reaped the greatest rewards. The average number of hours spent on training averaged 441; these properties had higher occupancy and lower employee turnover, and they were more profitable (Table 5.5).

Table 5.5: Profile of large leading-edge lodging properties that trained.

Variable	Top 25%			Middle 50%			Bottom 25%		
	<u>n</u>	Score	<u>SD</u>	<u>n</u>	Score	<u>SD</u>	<u>n</u>	Score	<u>SD</u>
Mean # hours of training	12	441	232	24	160	45	12	44	27
Mean occupancy (%)	11	67	13	22	65	10	10	66	17
Mean profitability ^a	12	2.8	62	22	2.6	.5	11	2.7	.6
Mean employee turnover (%)	11	59	39	19	61	49	8	57	69
Mean % of payroll spent on training	7	4.3	3.0	12	3.2	2.7	7	4.4	4.0

^a1 = low, 3 = high.

Property Size

Some might argue that small properties do not hire as many staff, or may not have as many complex operations, which may be the reason that smaller properties do not train as much as larger properties do. However, small properties represented 69% of the sampling frame in this study, and they represent a great number of properties in Michigan's lodging industry overall. Understanding their practices is important to the industry.

Small properties had several differences from medium and large properties in terms of respondent characteristics, property characteristics, and training practices, including:

1. Respondents from small properties were significantly different on several demographic descriptors from their counterparts from medium and large properties. They had been in their positions longer, were older, and had less formal education. This may indicate that the leaders from small properties who responded did not believe they needed to learn anything more, as they had been doing their jobs for a long time. Scott (1995) supported this contention. Also, a smaller operation requires an owner to be a "jack of all trades," but on a much smaller scale. Many owners operate the facility alone and do not think they need any additional training. During the interviews and pilot-study work, small property owners appeared tired of the business demands. Many indicated their interest in selling the property because the struggle to keep the business afloat was overwhelming and exhausting.

2. Respondents from small properties were less likely to provide training; more than half did not provide any training. Yet, most respondents from small

properties agreed that training was valuable and important. This indicated that the properties had barriers to providing training, such as a lack of resources, funding, or perceived need for training (Clark, 1994; Scott, 1995; Subcommittee on Development, 1994). Although the findings represent only a few properties, they highlight potential issues with small-property management and ownership.

3. Small properties had lower scores on several variables, including attitude toward training, amount of training, percentage trained, and amount of payroll spent on training. This suggested that respondents from small properties did not see as much of a need for training, or they had barriers to providing training that had not been overcome.

In general, respondents from small properties thought they currently trained an appropriate amount and, unlike medium and large properties, thought their situations had not changed in the past three years. Because small properties experienced lower turnover than medium and large properties, they found little pressure to develop new ways to operate their businesses.

Small properties had unique beliefs, values, and practices. They were significantly different from medium and large properties in several areas, and hence they should be addressed separately.

Medium and large properties resembled each other more closely regarding values, beliefs, and practices. Investigation of the demographic characteristics of respondents showed that, as the property became larger, the more educated and younger the general managers were, and the less time they had been in their positions. Also, the properties had higher occupancy, were more often profitable, and had higher turnover as they became larger. Medium

and large properties had similar scores regarding attitude toward training, and they did not differ significantly in the amount of training provided. Medium properties exhibited differences in the following areas:

1. As medium properties provided more training, they experienced significantly lower turnover.

2. Medium properties' median number of hours of training was greater than that of large properties. Like their counterparts at small properties, employees of medium properties were responsible for a broad range of tasks. Medium-sized properties may train more due to a similar environment. Employees at large properties tended to specialize in one area, possibly in one job. In medium-sized properties, employees may be needed at the front desk, restaurant, and housekeeping all in one day. They may need additional training to perform each of these roles. As a result, all employees would need additional training.

3. Medium-sized properties were the only size category to provide significantly different amounts of training to management and hourly employees. Management employees may need to master a variety of positions. Medium properties also provided significantly more hours in five of seven course offerings than either small or large properties provided.

4. Medium-sized properties were the only ones whose size had a significant relationship with the stimulus and barrier scales. This may suggest that medium-sized properties were more susceptible to various factors that influence properties to train or not to train. Smaller properties have simpler operations, larger properties have more specialized operations, and medium-

sized properties have more complexity and do not have available resources to specialize. Thus, employees in medium-sized properties must become skilled at a variety of positions.

Although medium and large properties were found to be similar in several ways, it is important to understand the unique differences of medium properties. And although turnover in medium properties was reduced as more training was conducted, this is not always the case.

Employee Turnover

The issue of employee turnover in this study is intriguing. Most literature suggests either that no relationship exists between turnover and the amount of training or that a significant relationship exists, with increased training resulting in lower turnover. Cline (1997) found in the hospitality industry that training was one of the most important ways to improve employee satisfaction and ultimately employee turnover. Although this relationship was found to be true for medium properties, small properties showed just the opposite relationship. And large properties showed a positive and negative relationship between employee turnover and hourly and management training, respectively.

In general, in Michigan's lodging industry, properties with higher turnover provided more training. The open-ended comments provided insight into this issue. Respondents were asked why they thought training was or was not important/valuable to their business. Ninety-three percent of the respondents indicated that training was important/valuable to their business; the more frequent responses included: (a) fewer problems with customer satisfaction; (b) improved productivity, morale, and profitability; (c) reduced turnover, and

(d) employee job satisfaction and pride. Therefore, respondents indicated that training was valuable and that reducing turnover was a reason why they trained. There are two possible explanations for these findings. First, those properties with high turnover trained more in an effort to reduce turnover. Second, turnover at the properties was higher before the introduction of training, and the current figures reflected an improved turnover percentage. However, there was still a positive relationship with the amount of training conducted.

These four conclusions regarding management training, the amount of training, property size, and turnover represent the significant findings in this study. In addition, several concluding thoughts regarding the findings and discussion are shared in the following section.

Final Comments

Overall, this study provided an opportunity to explore the training practices of Michigan's lodging industry. Little research has been conducted on training in this industry, and none was identified that used a theoretical approach to understanding what was occurring. With expanding labor-force issues in the forefront, the lodging industry must address ways in which it may become more human-capital oriented. If the industry is to be a competitive employer or even an employer of choice, steps must be taken to continue to develop as an industry concerned with the development of its most important resource, people. Several properties have adopted these human-capital approaches, but, collectively, the industry has not reached its full potential. Until the entire industry addresses this issue and becomes more human-capital oriented, it may be plagued as an industry that does not value investments in people. Even

though some properties are human-capital oriented, their practices will be overshadowed by the majority.

One final observation relates to the difficulty of gaining support from the industry to conduct this research. As respondents reported, the lodging industry has very high business demands, which may prohibit the industry's participating in similar research and future developmental practices. Many lodging property owners/general managers were reluctant to participate in the study interviews, pilot work, and ultimately filling out the questionnaire.

Overall, the lodging industry is a difficult one to understand. Business demands may be so significant that many industry leaders are unable to look beyond the day-to-day challenges they face. Obviously, many respondents were willing to contribute the time and energy necessary to look at the industry overall; however, this represented a small percentage of the industry. Cooperation from the industry is critical if developing a progressive, competitive industry is desired.

Research is one of the means by which collective practices can be assessed and efforts can be made toward improving the overall industry. A current issue of concern in the lodging industry centers on the management of people, and, unless an understanding of current practices exists, proactive assistance cannot be provided. The labor issues of today are apparent, and changes must be made to continue to develop the lodging industry into a human-capital-oriented system that values continual training for all employees. The industry collectively must continue to develop its greatest asset, people.

APPENDICES

APPENDIX A

INTERVIEW QUESTIONS

SITE: _____ **GM:** _____ **# rooms** _____ **Date:** _____

Today purpose: to ask you questions regarding your training practices and help to write a questionnaire that will be sent to a sample of lodging general managers.

- 189

6. How important is training to the overall organization?
7. Why do you or don't you train?
8. What does your training investment do for the organization?
9. What challenges are you facing as an organization?
10. How would you assess your level of competition?

Low					high
1	2	3	4	5	
11. How would you assess your profitability (reaching goals)

1	2	3	4	5
---	---	---	---	---
12. How would you assess employee turnover?

1	2	3	4	5
---	---	---	---	---
13. Final question: would you be willing to complete a "draft" questionnaire as part of a pilot study??

APPENDIX B

FINDINGS FROM QUALITATIVE INTERVIEWS

Summary of Findings
General Manager/Owner Interviews
Training in Michigan Lodging Organizations
January – March, 1999

Small Sized Properties (1-35 rooms): five interviews

- All respondents conduct one on one and on-the-job training for hourly and non-owner/management employees.
- None of the respondents provide formal training.
- Average time spent training 1 day to 2 weeks.
- Most respondents felt they currently conducted the ideal amount of training and no additional resources were therefore needed.
- Most respondents found value in training.
- Stimuli to training included insuring standards were met, consistency, and customer expectations.
- Barriers to providing training included low numbers of employees, seasonality, size of the operation, and resources.
- The current environment is competitive for employees and for business. Strategies for dealing with this competition include higher pay and getting family/friends to participate in the business seasonally.
- Many expressed dissatisfaction with the industry. They appeared tired of the operation. Some indicated a desire to sell their properties.
- Employees were viewed as having more general skills in a simple operation.

Medium Sized Properties (36-100 rooms): five interviews

- The quantity of training conducted in medium sized properties appears to be similar and sometimes greater than large sized properties. Training averages a few days to a few weeks.
- Respondents suggested a variety of training takes place, mostly informal. Some formal training is provided but barriers keep properties from providing more.
- All respondents valued training and found it to be important to their operations.
- Each expressed a desire to complete more training.
- Ideally, training would include outside professionals due to a lack of internal skill in training.
- There appears to be a relationship between the amount of training in a medium sized property and franchise affiliation. Those with franchise agreements were required to conduct more training than those independent properties.
- Those properties that conducted some type of evaluation process appeared to train more often. The evaluation data provided a means to focus training goals and develop skills in needed areas.
- Barriers to completing training included resources, expertise, and business demands.
- Stimuli to training were evaluation results, guest feedback, competition, and franchise relationships.

Large Sized Properties (over 100 rooms): five interviews

- Most respondents indicated providing formal training and informal training to employees.
- Most popular delivery method is on-the-job training averaging 1 day to 1 week.
- Formal training is provided in the form of an orientation at each property. A few provided a variety of additional formal training programs.
- Each property indicated they would provide more training if the barriers were removed.
- All properties not only valued training but felt it was one of the most important parts of their business.
- Most had at least part of a person solely responsible for training. Some assign this to an operation manager and others have a dedicated training staff member.
- The future plans for training are the most advanced for any other sized properties. Properties have plans in place to further develop training programs.
- Barriers included time, practicality, business demands, and cost (but not as apparent as in medium sized properties).
- Stimuli included the quest for guest satisfaction, recruiting and retaining employees, making it a part of the organizational culture, 4 star rating (Mobil/AAA), reduced complaints, employee turnover, and a change in employee skills (employees today do not have the service skills of employees historically).

APPENDIX C

THE QUESTIONNAIRE

D16. Who is most responsible for planning training for the property?

- ☐ gm/owner ☐ operations management ☐ human resources
☐ training manager ☐ corporate office ☐ other _____

D17. Check the box that best describes your lodging property (check one).

- ☐ rooms only ☐ full service hotel
☐ rooms with continental breakfast only ☐ full service resort
☐ rooms with a restaurant ☐ other _____

D18. Check the box that best describes the type of customers you most often serve (check one).

- ☐ destination (advanced reservations, stay more than one night, use services in the area)
☐ transient (stay a short duration, few reservations in advance, use as a stopover only)
☐ equal mixture of both destination and transient

D19. What percent of your customers are pleasure versus business travelers?
 _____ % pleasure _____ % business

D20. This lodging property is a(n) _____

- ☐ independent facility (only 1 property)
☐ small corporation (2-10 properties)
☐ medium corporation (11-100 properties)
☐ large corporation (over 100 properties)

D21. This property is a franchise affiliate.

- ☐ yes, name: _____ ☐ no (go to Q24)

D22. What involvement(s) does the franchise have in training (check all)?

- ☐ mandates training ☐ provides training resources
☐ encourages training ☐ has no involvement with training
☐ other _____

D23. This property provides _____ than we would if we did not have a franchise agreement.

- ☐ more training ☐ less training ☐ about the same training

D24. Location of lodging property.

- ☐ rural ☐ urban ☐ suburban ☐ other _____

D25. Your geographic location.

- ☐ Southeast ☐ Southwest ☐ Mid-Michigan ☐ Northern ☐ UP
 Michigan Michigan Michigan

THANK YOU! Your information will help move the industry forward.

TRAINING IN MICHIGAN LODGING ORGANIZATIONS

Thank you for taking time to provide information regarding the training practices at your lodging property. Your input is critical and should only require approximately 15-20 minutes of your time. For the purpose of this questionnaire, training can be considered any activity completed by the employer in an effort to develop the knowledge, skills and/or abilities in employees, which in turn improves an employee's ability to perform (hourly or management). By completing this questionnaire you consent to participate in the research study. Participation is voluntary and the information will be confidential.

SECTION A: PERCEPTION OF TRAINING

Please circle your response to these statements regarding your view of training using the following scale.

SA = Strongly Agree A = Agree N = Neutral D = Disagree SD = Strongly Disagree

ORGANIZATIONAL VALUE

- | | | | | | | |
|------|--|----|---|---|---|----|
| A1. | When times are tough, money spent on training is one of the first items to be cut. | SA | A | N | S | SD |
| A2. | Trained employees have greater job satisfaction. | SA | A | N | S | SD |
| A3. | Training reduces employee turnover. | SA | A | N | S | SD |
| A4. | Training is an expense rather than an investment. | SA | A | N | S | SD |
| A5. | Training can improve employee productivity. | SA | A | N | S | SD |
| A6. | Customers view training positively. | SA | A | N | S | SD |
| A7. | Training has no impact on organizational profit. | SA | A | N | S | SD |
| A8. | Training has no effect on employee attitude. | SA | A | N | S | SD |
| A9. | Training is a top priority in my organization. | SA | A | N | S | SD |
| A10. | Training positively impacts guest revenue. | SA | A | N | S | SD |
| A11. | Trained employees have less job satisfaction. | SA | A | N | S | SD |
| A12. | Training increases guest satisfaction. | SA | A | N | S | SD |
| A13. | I have seen no organizational improvements as a result of training. | SA | A | N | S | SD |

MANAGEMENT EMPLOYEES

Indicate the type, amount, and provider of training for management employees. The amount of training may vary by position, therefore, provide an estimated average across management positions.

C3.

To help provide an estimate of training, suppose you hired a management employee a year ago. Check each type of training he/she received in the past 12 months.	Indicate the average number of days of hours spent on each topic checked in the past 12 months.	Indicate the method(s) of delivery C=classroom V=video C=computer M=mentor/buddy JT=on-job-training OB=observation O=other	Identify the provider(s) of the training I=In house C=consultant CO=corporate E=educational institution O=other
☐ Job specific	Hours - OR - Days		
☐ Orientation			
☐ Customer service			
☐ Safety			
☐ Maintenance			
☐ Computer			
☐ Teamwork			
☐ Time management			
☐ Finance/budgeting			
☐ Hiring			
☐ Coach/counseling			
☐ Other _____			

C4. If you could provide three training topics/programs at no cost for your management employees, what topics would you choose in priority order?

1. _____
2. _____
3. _____

SECTION B: FACTORS THAT INFLUENCE TRAINING

Please read each statement and either circle the number or fill in the blank that best describes your opinion about the relative influence each topic has on your decision to implement training at your property.

TRAINING BARRIERS

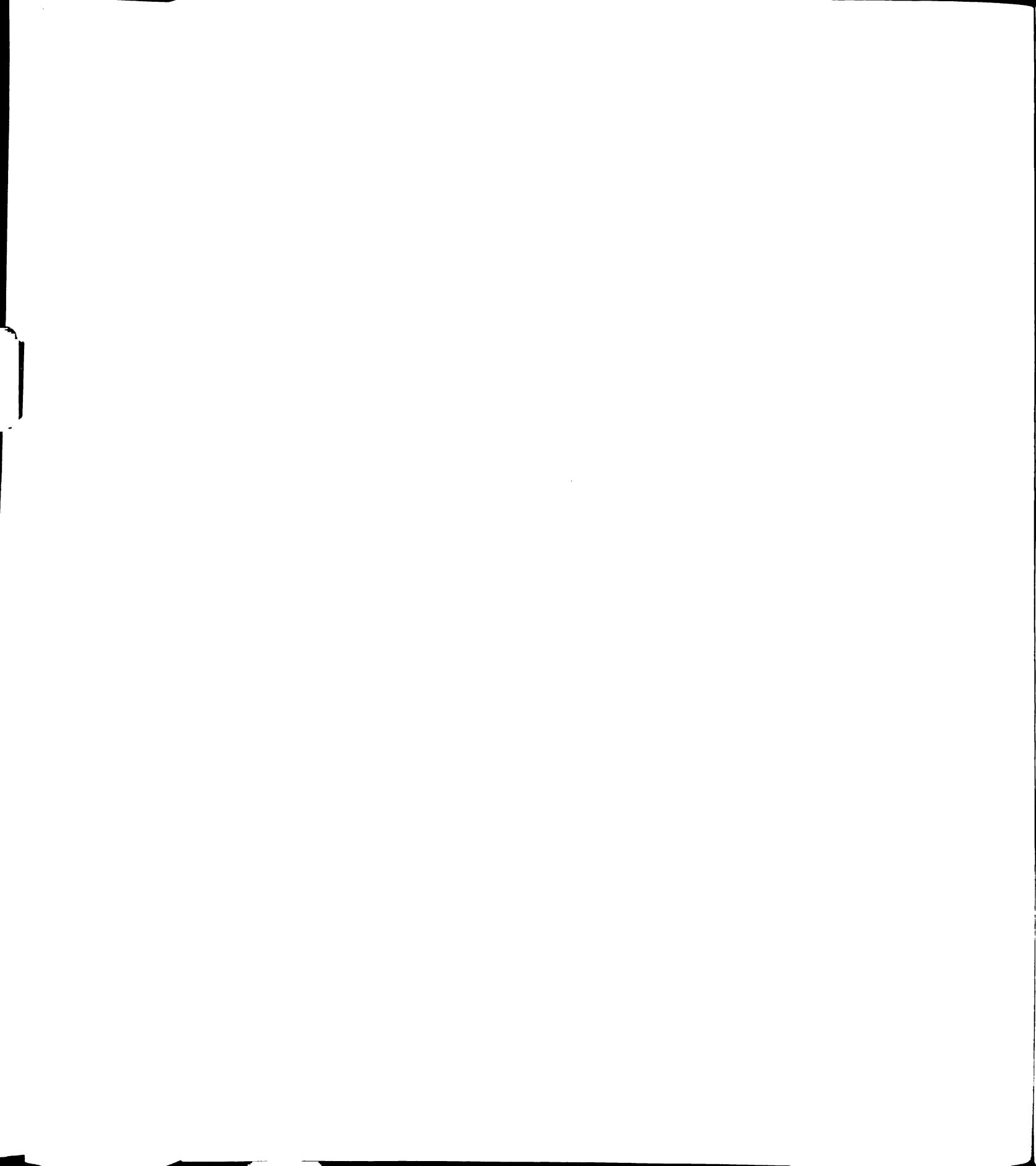
To what extent would each of the following factors be considered barriers to you providing employee training.

	Amount of Influence						
	no barrier	1	2	3	4	5	high barrier
B1. High employee turnover							
B2. Poor profits							
B3. Seasonality of my property							
B4. Lack of training expertise							
B5. Cost of training							
B6. Lack of time							
B7. Organization does not value training							
B8. Lack of need (employees are skilled)							
B9. High business demands							
B10. Usefulness of training							
B11. Lack of qualified trainers							
B12. Lack of training space							
B13. Other _____							

B14. If your barriers to providing training were reduced/removed, you would ...

- ☐ provide more training
- ☐ provide the same amount of training (go to B16)
- ☐ provide less training

B15. How would you change your training plan?



TRAINING STIMULI

How much has or would each of the following factors stimulate your decision to provide employee training.

	Amount of Influence				
	no stimulus	-----	high stimulus		
B16. The introduction or advancement of technology at the property	1	2	3	4	5
B17. Improved profitability/performance	1	2	3	4	5
B18. Increased competition	1	2	3	4	5
B19. Change(s) at the property	1	2	3	4	5
B20. Change(s) within the industry	1	2	3	4	5
B21. High employee turnover	1	2	3	4	5
B22. Existing in-house expertise	1	2	3	4	5
B23. Existing resources	1	2	3	4	5
B24. Owner/franchise/corporate mandates	1	2	3	4	5
B25. Difficulty recruiting employees	1	2	3	4	5
B26. Lack of skill in employees	1	2	3	4	5
B27. AAA/Mobil ratings	1	2	3	4	5
B28. Customer feedback/expectations	1	2	3	4	5
B29. Poor performance/profitability	1	2	3	4	5
B30. Employee/management feedback	1	2	3	4	5
B31. Other _____	1	2	3	4	5

B32. Training at this property . . .

- ☐ is less of a priority today than it was three years ago.
- ☐ is more of a priority today than it was three years ago.
- ☐ has remained stable (in priority) in the last three years.
- ☐ Not able to respond, please go to Section C.

B33. I attribute the change or stability in the priority of training to . . . ?

SECTION C: CURRENT TRAINING PRACTICES

Please complete the following sections for BOTH hourly and management employees. If you are the only employee, complete the management section only. If you have many employees and training varies greatly by position, provide an estimated average of the amount of training across the various positions. Owner/operators are considered management employees for this questionnaire.

HOURLY EMPLOYEES

Indicate the type, amount, and provider of training for hourly employees. The amount of training may vary by position, therefore, provide an estimated average across hourly positions.

C1.

To help provide an estimate of training, suppose you hired an hourly employee a year ago. Check each type of training he/she received in the past 12 months.	Indicate the average number of days or hours spent on each topic checked in the past 12 months.	Indicate the method(s) of delivery	Identify the provider(s) of the training
☐ Job specific	Hours - OR - Days	CR= classroom V=video C=computer M=mentor/buddy OJT=on-job-training OB=observation O=other	I=In house C=consultant CO=corporate E=educational institution O=other
☐ Orientation			
☐ Customer service			
☐ Safety			
☐ Maintenance			
☐ Computer			
☐ Teamwork			
☐ Other _____			

C2. If you could provide three training topics/programs at no cost for your hourly employees, what topics would you choose in priority order?

1. _____
2. _____
3. _____

TRAINING STIMULI

How much has or would each of the following factors stimulate your decision to provide employee training.

	Amount of Influence				
	no stimulus	1	2	3	high stimulus
B16. The introduction or advancement of technology at the property	1	2	3	4	5
B17. Improved profitability/performance	1	2	3	4	5
B18. Increased competition	1	2	3	4	5
B19. Change(s) at the property	1	2	3	4	5
B20. Change(s) within the industry	1	2	3	4	5
B21. High employee turnover	1	2	3	4	5
B22. Existing in-house expertise	1	2	3	4	5
B23. Existing resources	1	2	3	4	5
B24. Owner/franchise/corporate mandates	1	2	3	4	5
B25. Difficulty recruiting employees	1	2	3	4	5
B26. Lack of skill in employees	1	2	3	4	5
B27. AAA/Mobil ratings	1	2	3	4	5
B28. Customer feedback/expectations	1	2	3	4	5
B29. Poor performance/profitability	1	2	3	4	5
B30. Employee/management feedback	1	2	3	4	5
B31. Other _____	1	2	3	4	5

B32. Training at this property . . .

- ☐ is less of a priority today than it was three years ago.
- ☐ is more of a priority today than it was three years ago.
- ☐ has remained stable (in priority) in the last three years.
- ☐ Not able to respond, please go to Section C.

B33. I attribute the change in stability in the priority of training to . . . ?

SECTION C: CURRENT TRAINING PRACTICES

Please complete the following sections for BOTH hourly and management employees. If you are the only employee, complete the management section only. If you have many employees and training varies greatly by position, provide an estimated average of the amount of training across the various positions. Owner/operators are considered management employees for this questionnaire.

HOURLY EMPLOYEES

Indicate the type, amount, and provider of training for hourly employees. The amount of training may vary by position, therefore, provide an estimated average across hourly positions.

C1.

To help provide an estimate of training, suppose you hired an hourly employee a year ago. Check each type of training he/she received in the past 12 months.	Indicate the average number of days or hours spent on each topic checked in the past 12 months.	Indicate the method(s) of delivery	Identify the provider(s) of the training
☐ Job specific	Hours - OR - Days	CR= classroom V=video C=computer M=mentor/buddy OJT=on-job-training OB=observation O=other	I=in house C=consultant CO=corporate E=educational O=other
☐ Orientation			
☐ Customer service			
☐ Safety			
☐ Maintenance			
☐ Computer			
☐ Teamwork			
☐ Other _____			

C2. If you could provide three training topics/programs at no cost for your hourly employees, what topics would you choose in priority order?

1. _____
2. _____
3. _____

SA = Strongly Agree A = Agree N = Neutral D = Disagree SD = Strongly Disagree

EMPLOYEE VALUE

- A14. Employees view training positively. SA A N S SD
 A15. Employees who participate in training are more committed to the organization. SA A N S SD
 A16. Training builds employee skills. SA A N S SD
 A17. Front line employees have more to gain from training than management employees. SA A N S SD
 A18. Employees are satisfied with the amount of training they receive. SA A N S SD
 A19. Employees benefit from receiving training. SA A N S SD
 A20. Training improves employee self-awareness. SA A N S SD
 A21. Training does not affect employee work quality. SA A N S SD
 A22. Trained employees receive higher wages. SA A N S SD
 A23. Organizations that train are more attractive to new employees. SA A N S SD
 A24. Training does not build employee skills SA A N S SD

GENERAL TRAINING VALUE

- A25. Training programs are worthwhile. SA A N S SD
 A26. Training programs have no impact on turnover. SA A N S SD
 A27. Training programs are necessary. SA A N S SD
 A28. With additional resources I would train more. SA A N S SD
 A29. On-the-job training (working along side an employee) is the most beneficial type of training. SA A N S SD
 A30. Training is a luxury. SA A N S SD
 A31. Training programs are unnecessary. SA A N S SD

A32. Training IS / IS NOT (circle one) important/valuable to my business because . . . ?

SECTION D: DEMOGRAPHIC INFORMATION

Please complete the following questions regarding you and your lodging facility.

- D1. Position. ☐ general manager ☐ owner ☐ other _____
 D2. Length of time in position. _____ years _____ months
 D3. Age. _____ years
 D4. Highest level of education completed.
☐ high school ☐ some college ☐ associate degree ☐ bachelors degree
☐ some graduate school ☐ masters degree ☐ other _____
 D5. Average annual occupancy percentage of the lodging property. _____ %
 D6. This lodging property is open _____ months each year.
 D7. Number of guest rooms. _____
 D8. Estimate the level of profitability at the property in the past 12 months.
☐ lost money ☐ broke even ☐ made a profit
 D9. Estimate your level of competition with other properties in the past 12 months.
 1 _____ 2 _____ 3 _____ 4 _____ 5 _____
 no competition moderate high competition
 D10. Estimate the amount of organizational change in the past 12 months.
 1 _____ 2 _____ 3 _____ 4 _____ 5 _____
 little change moderate high change
 D11. Estimate the average number of employees during peak season. _____
 D12. Estimate the average number of employees during off peak season. _____
 D13. Excluding seasonal hires, estimate the annual employee turnover percentage at the property. _____ %
 D14. Estimate the percent of total payroll spent on training annually. _____ %
 D15. Do you have a specific budget line item for training?
☐ yes ☐ no ☐ unknown

APPENDIX D

MAILING ENVELOPE, COVER LETTER, AND INCENTIVE CARD



Patricia L. Janes
3540 Mineral Springs Trail
Mt. Pleasant, Michigan 48858

Ms. Patricia Janes
LITE, Inc.
3540 Mineral Springs Trail
Mt. Pleasant, Michigan 48858

48858-8202 03





March 2, 1999

Ms. Patricia Janes
Consultant
LITE, Inc.
3540 Mineral Springs Trail
Mt. Pleasant, Michigan 48858

Dear Ms. Janes:

In the past three weeks you may have received a call indicating that a questionnaire, inquiring into your employee training practices, would be forthcoming. Enclosed is the questionnaire that is designed to investigate the training practices of Michigan's lodging industry. With your assistance, the answers provided will help 1) determine the amount of training lodging properties provide, 2) understand the value placed on training by general managers, and 3) assess factors which influence training decisions. Please complete the questionnaire and return it in the self-addressed stamped envelope provided.

Travel Michigan, the Michigan Hotel, Motel, and Resort Association (MHM&RA), Michigan State University, and Central Michigan University have partnered to support this study. These organizations hope that you will help quantify the training practices and issues within the state of Michigan. As part of my doctoral studies at Michigan State University, I hope to assist lodging organizations across the state address their training needs. I believe the data will be useful for you and your organization as it will provide you an opportunity to 1) compare your training practices against the practices of other lodging organizations with similar characteristics, 2) assess the training needs within your geographic area, and 3) identify strategies for developing training systems.

Your name can be entered into a drawing for one paid conference attendance to the 1999 MHM&RA annual conference, April 12, 1999 at the Amway Grand Plaza. This award has been provided by MHM&RA. Simply indicate on the enclosed card that you would like to be entered in the drawing. You do not have to complete the questionnaire to be included in the drawing.

Thank you for your assistance and support of this research study. Your responses, regardless of the property size and employee number, are beneficial to the future of our industry. You may have been asked to complete a similar questionnaire this past month. However, this study addresses separate issues and is not related to another study that looked at industry needs related to Michigan's Virtual Tourism University. Your responses will remain confidential and should only take approximately 15-20 minutes for a medium sized property. Please respond within one week. If you have any questions please contact me at (517) 774-7311 (daytime).

Sincerely,

Patricia L. Janes
Doctoral Student, Michigan State University
Instructor, Central Michigan University

Enclosure

3540 Mineral Springs Trail Mt. Pleasant, Michigan 48858
(517) 775-7885 pljanes@aol.com (517) 775-7886 (fax)

- ☐ **YES! Enter me in the drawing for the FREE attendance to the MHM&RA 1999 Conference on April 12, 1999 at the Amway Grand Plaza.**
- ☐ **YES! Please provide me a summary of the study findings.**

Name: _____

Address: _____

E-Mail: _____

Please return this in the envelope provided.

APPENDIX E

NONRESPONSE QUESTIONS

Memorandum

To: General Manager/Owner

From: Patty Janes, Michigan State University, doctoral student

fax (517) 775-7886
3540 Mineral Springs Trail
Mt. Pleasant, MI 48858
(517) 775-7885
pljanes@aol.com

Date: September 25, 1999

Re: Training study results

Several months ago you were mailed a questionnaire designed to understand the training practices in Michigan's lodging organizations. The following questions have been sent to you in an effort to verify data collected and ensure the results provide a complete and thorough understanding of the training activities in various sized properties. Please answer the following questions and fold, staple, and mail your response in the self addressed stamped form or fax your responses to me. Thank you!

Please respond to the following questions with the directions provided.

1. The number of guest rooms at the property _____.
2. Do you provide employee training (check one)?
 - ☐ Yes (if yes, go to question #3)
 - ☐ No (if no, go to question #5)
3. Estimate, *in hours*, the amount of training a new *hourly* employee would receive in his/her first year of service?
_____ *hours for an hourly employee*
4. Estimate, *in hours*, the amount of training a new *management* employee would receive in his/her first year of service?
_____ *hours for a management employee*
5. Estimate the annual employee turnover experienced at the property _____ %.
6. Using the scale provided circle your response to the following statements.

SA= strongly agree, A= agree, N= neutral, D= disagree, SD= strongly disagree

- | | | | | | |
|--|----|---|---|---|----|
| a. Trained employees have greater job satisfaction. | SA | A | N | D | SD |
| b. When times are tough, money spent on training. | | | | | |
| is one of the first items to be cut. | SA | A | N | D | SD |
| c. Training does not build employee skill. | SA | A | N | D | SD |
| d. Employees are satisfied with the amount of training they receive. | SA | A | N | D | SD |
| e. Training programs are unnecessary. | SA | A | N | D | SD |
| f. On-the-job training is the most beneficial type of training. | SA | A | N | D | SD |
7. Please check why you were unable to respond to the questionnaire mailed to you titled **Training in Michigan Lodging Organizations** (check the one or two that we most critical to your decision).
- ☐ I am too busy.
 - ☐ My demands at the property are too great.
 - ☐ The questionnaire was too long.
 - ☐ We do not conduct any training at this property.
 - ☐ We do not hire any employees (beside owners) at this property.
 - ☐ I am not interested in learning about training practices.
 - ☐ The questionnaire was not relevant.
 - ☐ We do so much training at the property it is hard to summarize all we do.
 - ☐ Completed a similar training survey earlier.
 - ☐ I did not receive the questionnaire.
 - ☐ I do not remember.
 - ☐ Other: _____

Thank you! I appreciate your assistance to ensure the results previously collected were reliable.

APPENDIX F

INDIVIDUAL SCORES FOR BARRIER SCALE ITEMS, BY PROPERTY SIZE

Table F1: Barriers for small-, medium-, and large-sized properties that provided training.

Property Size/Barrier	<u>n</u>	Mean	<u>SD</u>
<u>Small</u>			
High employee turnover	46	2.7	1.4
Poor profits	46	2.7	1.3
Seasonality of my property	46	2.7	1.4
Lack of training expertise	46	2.4	1.2
Cost of training	46	2.4	1.1
Lack of time	46	3.0	1.4
Organization does not value training	44	2.2	1.3
Lack of need (employees are skilled)	43	2.2	1.1
High business demands	44	2.5	1.2
Usefulness of training	45	2.1	1.2
Lack of qualified trainers	46	2.5	1.5
Lack of training space	45	1.8	1.2
<u>Medium</u>			
High employee turnover	42	2.8	1.3
Poor profits	42	2.4	1.1
Seasonality of my property	42	2.4	1.4
Lack of training expertise	41	2.4	1.1
Cost of training	42	2.7	1.1
Lack of time	42	3.2	1.2
Organization does not value training	42	1.9	1.1
Lack of need (employees are skilled)	42	2.0	1.0
High business demands	42	2.8	1.2
Usefulness of training	42	1.9	1.1
Lack of qualified trainers	42	2.5	1.4
Lack of training space	42	2.0	1.1
<u>Large</u>			
High employee turnover	54	3.1	1.2
Poor profits	55	2.6	1.1
Seasonality at my property	54	2.3	1.3
Lack of training expertise	55	2.5	1.2
Cost of training	55	2.8	1.1
Lack of time	55	3.4	1.1
Organization does not value training	55	2.1	1.4
Lack of need (employees are skilled)	54	1.9	1.0
High business demands	55	3.1	1.0
usefulness of training	54	1.9	1.0
Lack of qualified trainers	53	2.7	1.1
Lack of training space	54	2.0	1.1

Table F1: Continued.

Property Size/Barrier	<u>n</u>	Mean	<u>SD</u>
<u>Overall</u>			
High employee turnover	142	2.9	1.3
Poor profits	143	2.6	1.2
Seasonality of my property	142	2.4	1.4
Lack of training expertise	142	2.4	1.2
Cost of training	143	2.6	1.1
Lack of time	143	3.2	1.2
Organization does not value training	141	2.1	1.3
Lack of need (employees are skilled)	139	2.0	1.0
High business demands	141	2.8	1.1
Usefulness of training	141	2.9	1.1
Lack of qualified trainers	141	2.6	1.3
Lack of training space	141	2.0	1.1

Note: Scores closer to 5 indicate a higher barrier.

APPENDIX G

INDIVIDUAL SCORES FOR STIMULUS SCALE ITEMS, BY PROPERTY SIZE

Table G1: Stimuli for small-, medium-, and large-sized properties that provided training.

Property Size/Barrier	<u>n</u>	Mean	<u>SD</u>
<u>Small</u>			
Introduction or advancement of technology at the property	45	3.4	1.3
Improved profitability/performance	45	4.0	.80
Increased competition	45	3.4	1.2
Change(s) at the property	45	3.4	1.2
Change(s) within the industry	44	3.4	1.1
High employee turnover	45	3.2	1.3
Existing in-house expertise	45	3.2	1.2
Existing resources	43	3.1	1.1
Owner/franchise/corporate mandates	41	2.8	1.5
Difficulty recruiting employees	43	3.2	1.1
Lack of skill in employees	44	3.7	1.0
AAA/Mobil ratings	43	2.7	1.3
Customer feedback/expectations	44	4.0	.87
Poor performance/profitability	44	3.8	1.1
Employee/management feedback	42	3.9	1.0
<u>Medium</u>			
Introduction or advancement of technology at the property	41	3.8	1.1
Improved profitability/performance	42	4.1	.88
Increased competition	42	3.8	1.0
Change(s) at the property	41	3.8	.82
Change(s) within the industry	42	3.8	.96
High employee turnover	42	3.7	.94
Existing in-house expertise	42	3.6	.89
Existing resources	42	3.6	.94
Owner/franchise/corporate mandates	42	3.5	1.2
Difficulty recruiting employees	42	3.6	.80
Lack of skill in employees	42	4.1	.72
AAA/Mobil ratings	42	3.0	1.3
Customer feedback/expectations	41	4.1	.88
Poor performance/profitability	41	3.9	.86
Employee/management feedback	40	3.8	.82

Table G1: Continued.

Property Size/Barrier	<u>n</u>	Mean	<u>SD</u>
<u>Large</u>			
Introduction or advancement of technology at the property			
Improved profitability/performance			
Increased competition			
Change(s) at the property			
Change(s) within the industry			
High employee turnover			
Existing in-house expertise			
Existing resources			
Owner/franchise/corporate mandates			
Difficulty recruiting employees			
Lack of skill in employees			
AAA/Mobil ratings			
Customer feedback/expectations			
Poor performance/profitability			
Employee/management feedback			
<u>Overall</u>			
Introduction or advancement of technology at the property	140	3.8	1.2
Improved profitability/performance	141	3.9	.95
Increased competition	141	3.6	1.1
Change(s) at the property	139	3.7	.98
Change(s) within the industry	139	3.6	.98
High employee turnover	141	3.5	1.2
Existing in-house expertise	139	3.4	1.0
Existing resources	138	3.3	.97
Owner/franchise/corporate mandates	136	3.3	1.4
Difficulty recruiting employees	139	3.5	1.0
Lack of skill in employees	140	3.9	.90
AAA/Mobile ratings	138	2.8	1.3
Customer feedback/expectations	137	4.2	.82
Poor performance/profitability	137	3.9	.99
Employee/management feedback	136	3.9	.94

Note: Scores closer to 5 indicate a higher barrier.

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