

# HOSPITALITY INDUSTRY: **OPPORTUNITIES, CHALLENGES AND PERSPECTIVES'20**

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**“Hospitality Industry:  
Opportunities, Challenges and Perspectives’20”**  
Article Digest

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## **Foreword**

Dear colleagues, please, welcome the collection of articles from the student conference “Talent Management in the Service Industry” organized by HOTEL SCHOOL Hotel Management College and for the first time held online on 14 May, 2020. The reason for that was an unprecedented public health crisis with far-reaching consequences - Covid-19 outbreak, the impact of which will take a long time to assess and can already be felt in all spheres of life including hospitality industry and education.

Talent management which is one of the most significant functions of strategic human resource management reveals that the most valuable and important resource for the company is human. Recruit, retain, develop, reward and make people perform in the organization is all part of talent management. Companies that engage in talent management are strategic and deliberate in how they source, attract, select, train, develop, retain, promote, and move employees through the organization. In terms of competence, it is very important for the strategic implementations to discover and develop bright and promising employees. Talented employees are in demand, at all times and in all places. That is why serious motivation is needed to make them stay.

The conference provided the opportunity for HOTEL SCHOOL students to discuss the variety of issues related to talent management. We hope that you will find it useful, interesting and inspiring. The articles analyze talent management as a means of quality management improvement; investigate the effects of different types of talent management strategies on organisational performance; the role of talent management in the food & beverage industry; the influence of organizational culture on talent management; talent management and sustainable development; most effective talent management practices on the example of particular hospitality-related enterprises; how talent management shall be viewed in a culturally diverse business environment, etc.

Due to the situation in the world with the Covid-19 pandemic, there were obvious research limitations many authors being unable to include the practical part in their research papers. As most hotels were closed and employees were on quarantine, the ability to receive data from respondents was limited, which resulted in most cases in analyzing literature sources and case studies instead as an alternative. However, some authors were able to create an online questionnaire for potential respondents, thus, adapting to the moment.

We are very thankful to all the participants of the conference, all the authors who submitted papers, all our colleagues and HOTEL SCHOOL management and are looking forward to the opportunity to discuss new challenges and perspectives of hospitality industry at the next conference.

*Yours faithfully,*  
*Chief Editor, Catherine Koryuhina*

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## **THE MOST EFFECTIVE TALENT MANAGEMENT PRACTICES FOR RETAINING EXPERIENCED RESTAURANT MANAGERS FOR THE RADISSON OLD TOWN RIGA HOTEL**

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**Abstract.** There are many talent management practices that organizations use to retain qualified candidates. Staff retention is one of the most important and least understood links in the talent management system. The purpose of this study is to analyze effective talent management practices to retain experienced restaurant managers and answer the question: “What talent management methods are most effective for retaining experienced restaurant managers at the Radisson Old Town Riga Hotel? “ Based on a comparative analysis of international scientific research, a number of factors had been identified that affect staff retention. The identified factors formed the basis of the questionnaire, with the help of which a survey of 23 potential restaurant managers was conducted. The purpose of the survey is to analyze what factors influence the retention of restaurant managers, which methods of motivation are the most effective. Analysis of the survey showed that the monetary factor for most managers of the hospitality industry is decisive, while intangible factors have a significantly greater impact on employee motivation: advanced management, career, corporate culture, training programs, social package. The survey results helped confirm important factors that directly affect the retention of experienced restaurant managers: professional development; career; financial stability; self-esteem; atmosphere within the working group. Based on these factors, a design methodology for the design of the retention program and tasks for the organizational project are proposed that will help the hotel retain talented employees.

*Keywords:* talent, talent management strategy, talent management system, retention of talent

### **Introduction**

The aim of the research is to explore the best talent management practices to retain experienced restaurant managers at the Radisson Old Town Riga. Hypothesis can be formulated the following way: The most effective talent management techniques help hotels retain experienced restaurant managers.

The relevance of the topic of talent attraction and retention practices is confirmed by global demographic and social trends observed around the world. In modern conditions of globalization processes, which characterize crises and rapid changes in the external environment, only those companies that not only most fully and efficiently use their material and financial resources, but also direct their main investments into key employees, create conditions, can win, attract, reveal your talent and retention.

The practical significance of this topic is that the hospitality industry is currently an important component of the tourism economy in many countries and brings a very good income. The

effectiveness of a modern hotel enterprise is based on its employees, due to whose qualifications the hotel can constantly attract customers and, as a result, receive high incomes. According to Deloitte’s research conducted in 2019 “2019. The Global Human Capital Trends”, a new approach is needed, namely, it is time to think about how organizations can mobilize internal resources. The largest potential source of talent for an organization can be its own people. To stimulate growth, organizations need to use their current workforce more effectively to identify and retain talent with the necessary skills, capabilities, motivation and knowledge about the organization, its infrastructure and its culture (Deloitte, 2019).

It is necessary to consider not only the possible prospects for the development of the enterprise itself, but also with special care to approach the work with personnel choosing the right management tools. Working with staff, ensuring his interest in the work, the hotel company will receive managers who will be trained, qualified, motivated in order to satisfy all the needs of the guests and ensure that the company receives constant profit. All of the above confirms the need to change the approaches of companies to talent management.

### **Literature Review**

Scientists interpret the concept of “talent” in different ways. The variability of definitions significantly limits the formation of a unified approach to the management of talented employees (Latuha & Tsukanova, n.d.). Almost every company has its own approach to understanding what “talent” is, why the organization needs it and what the organization can and should do with it. The author agrees with the definition of C. Ashton and L. Morton (2005) that talent is a strategic balance between performance and potential.

The concept of “talent management” at the moment does not have a unified approach to determining its content. M. Armstrong (2014) determined “talent management” as the use of an integrated set of activities, to ensure that the organization attracts, retains, motivates and promotes talented employees whom she needs now and in the future (Bystrova & Shreyder, 2018). According to Bersin (2006), talent management is a powerful and important trend in the field of human resources. This changes the way employees are organized, how they use technology, how they allocate their resources, and how they measure what they do (Baqtayan, 2014). The term “talent management” has many meanings, and therefore the goals of “talent management” can be very different.

A talent management strategy should be integrated and aligned with the organizational strategy. According to studies by companies in which talent management is consistent with organizational strategy, they have an average success rate of 72% (ibid.). In other words, a talent management strategy is an action plan to optimize employee performance. This means optimizing performance in a broad sense.

There are three main components of talent management: attracting and selecting talent, retaining talent, and developing talent (Rabbi, 2015). The following components of the management system can also have a significant impact on employee retention: staff recruitment and hiring, orientation and adaptation; education and development; efficiency mark; education and development. Effective problem solving in these areas will allow the best employees to stay in the company (Retention textbook, 2019).

Josh Bersin in his article “Employee Retention Now a Big Issue: Why the Tide has Turned” wrote: “High-performance companies serve their employees as well as their customers. Regardless of the role that full-time employees play, they are of far greater value than those who “sort out” the business.” Many studies show that the total cost of losing an employee can vary from tens of thousands of dollars to 1.5-2x annual salary (Bersin, 2013).

Studies by many international companies allow their results to be used to correlate retention programs. The results made by analyzing 32 million LinkedIn profiles are interesting: three factors are closely related to the best retention of employees: career, management, independence in decision making (Cheng, 2019).

Three key points from Peakon research that should be considered in a retention program are: communication affects employee performance, management plays an important role in retaining employees, the work environment matters (HR-Portal, 2019).

According to a Willis Towers Watson study, nearly three quarters of employees in the “high risk of retention” category are eager to leave because they have nowhere else to go up their careers in their current organization. Therefore, to retain key personnel, it is necessary: to provide and encourage training and development; to offer the best position and / or provide them with the opportunity to show their leadership skills (Brammel's, 2019).

Deloitte published a study titled “Talent Edge 2020: Blueprints For The New Normal,” which says that when choosing effective retention practices, one must also consider different age groups (Generation X, Y, Baby Boomers, Veterans). In particular, the article analyzes

information about the effectiveness of retention strategies for different age groups of employees. According to this report, for Generation Y, non-financial aspects are crucial. The company's culture, flexible working mechanisms, training opportunities, managerial support and recognition are key factors that make these employees stay in organizations. For generation X, baby boomers, and “veterans” retention strategies are more focused on financial incentives (Schwartz, 2010).

American scientist J. W. Quinn, a specialist in strategic planning in the service sector, has identified key retention strategies for key employees based on an analysis of the reasons people leave or stay in the organization. The first and main requirement is that it is necessary to measure key factors that affect the level of retention, such as expected salary, employee engagement, work environment and executive managers, etc. (Elitarium, 2019).

Of great importance in the hospitality sector is the incentive system for managers not only to attract new and retain old customers, but also to retain talented employees in the company. Building an effective staff incentive system at all times has been an important area of hotel management.

The lack of competent staff motivation programs is the main reason for staff turnover. The basic tools of retention of qualified staff - motivation/stimulation include monetary and nonmonetary stimuli. Most often these tools are used in combination to retain staff, which has priority in each organization of their choice depending on the financial possibilities, style of personnel management and a specific employee that should be kept (Freelancehack, 2019).

### **Methodology**

The study is based on the following research methods: primary research: online survey; secondary research: literature review, as well as qualitative data collection and analysis (gathering information on best practices in retention in modern company's case studies, observation, expert opinions) and quantitative data collection and analysis (an informal survey of potential restaurant managers).

### **Results**

Research question: What talent management methods are most effective for retaining experienced restaurant managers at the Radisson Old Town Riga? To answer this question a

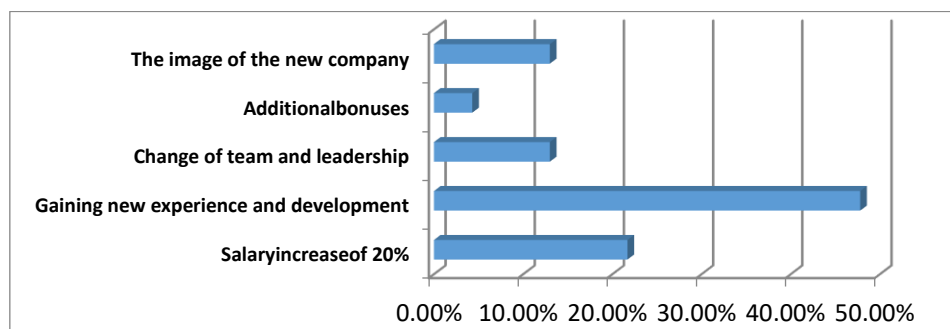
study was conducted using an online survey to identify factors affecting the retention of restaurant managers.

After analyzing the articles of various authors on this topic, key motivators for managers working in the restaurant were identified. Important motivators for managers turned out to be: development, management, career, the money factor and social package. The questionnaire contained 10 questions covering various aspects of motivation and involvement of participants in the job as restaurant manager. The questionnaire was registered on the site <http://ru.visidati.lv>. Potential restaurant managers were selected as respondents. The following results were obtained:

**a) Socio-demographic characteristics.** Most of the respondents (65%) are women, 35% of the respondents are men, which corresponds to the general trend of the hospitality industry, where traditionally the proportion of women workers is greater than men. Most of the respondents (41%) fall into the age interval between 25-30 years; 23% - between 31 and 37 years old; 23% between 31 and 37 years old; and 13% under 24 years old.

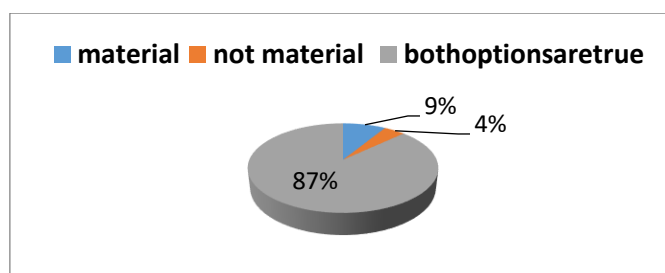
**b) Aspects of motivation and involvement.**

**1. Development.** Question: “Imagine that you were offered the same position (restaurant manager) in another hotel. What would be the motivating factor for the acceptance of this proposal? 47.8% of respondents said they were ready to change their jobs even holding the same position, since it was important for them to gain new experience and self-development (see Fig.1).



**Figure 1.** *Motivating factors (Source: made by the author, 2020)*

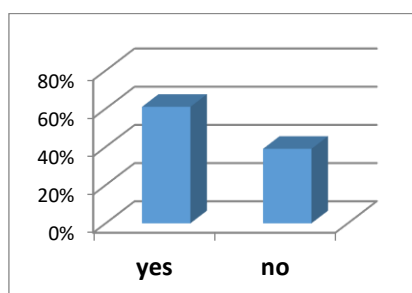
**2. The money factor.** Question: “What types of motivation for retaining experienced restaurant managers do you consider the most effective ones?”



**Figure 2.** *Types of motivation (Source: made by the author, 2020)*

9% of respondents said that only monetary compensation can extend the desire to work in one company. At the same time, 87% of respondents said that material motivation is important, but only in conjunction with intangible incentives. At the same time, this suggests that, although financial motivation does not come first, decent and competitive wages are a prerequisite for retaining an employee in an organization (see Fig.2). 26% of respondents said that if they are offered a salary increase of 20%, this will be a motivating factor to stay working (see Fig.1).

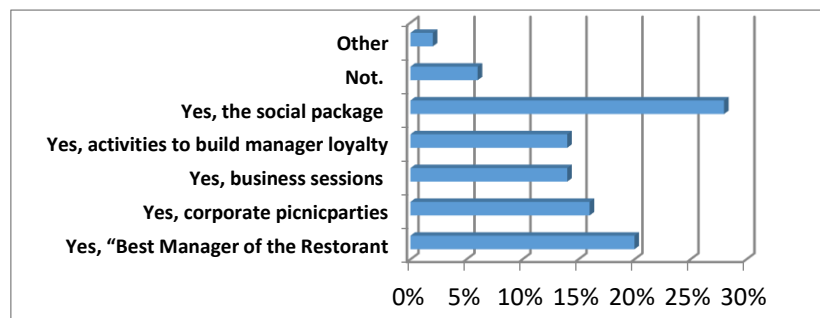
**3. Management.** Question: “In your opinion, is the statement “People do not leave the company; people leave the boss” true?”



**Figure 3.** *Management factor (Source: made by the author, 2020)*

61% of respondents answered positively. This suggests that in companies with more competent management, employees are more willing to stay and continue working. In addition, 87% said that HR employees need to analyze the effectiveness of the current activities of managers to identify and retain talent leaders (see Fig.5).

**4. Social package.** Question: “If a company organizes corporate programs for managers of a Radisson restaurant, will this be a motivating moment to remain in this position for 3 more years? If yes, indicate the type of the program (multiple selections).”



**Figure 4.** *Corporate programs (Source: made by the author, 2020)*

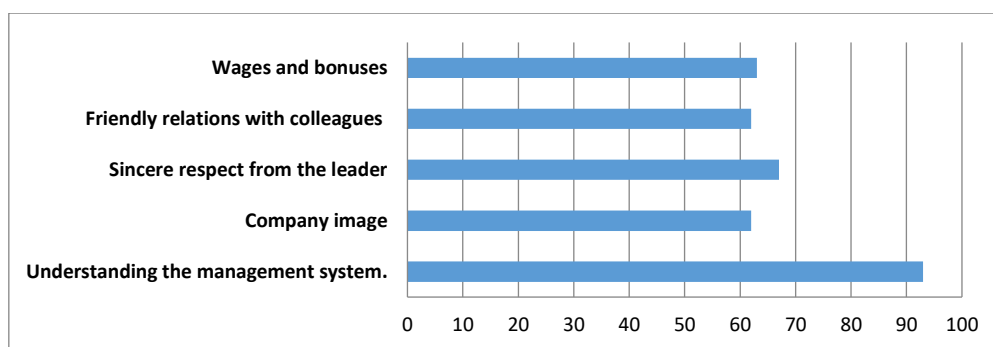
28% of respondents consider the improvement of the social package will allow them to remain in this position for another 3 years (see Fig. 4).

#### **4. Corporate programs.**

92% of respondents consider this a motivating factor. 20% of respondents believe that holding various contests “The best manager of the month / year will be a motivating factor for them to be retained. 16% of respondents believe that corporate picnic parties and 14% of respondents believe that periodic business session’s parties will allow them to remain in this position for another 3 years (see Fig. 4).

**5. The team and corporate culture.** To the question: “Imagine that you got a job as a manager of a restaurant of a large hotel chain. What do you think is the most important for the development of your loyalty, and, as a result, retention in this hotel chain? (Rank your choice from 1 to 5, where 1 - not at all important, 5 - very important)”. 57% (67points of importance) of respondents noted friendly relations with colleagues as “important” and “very important” (see Fig. 5).

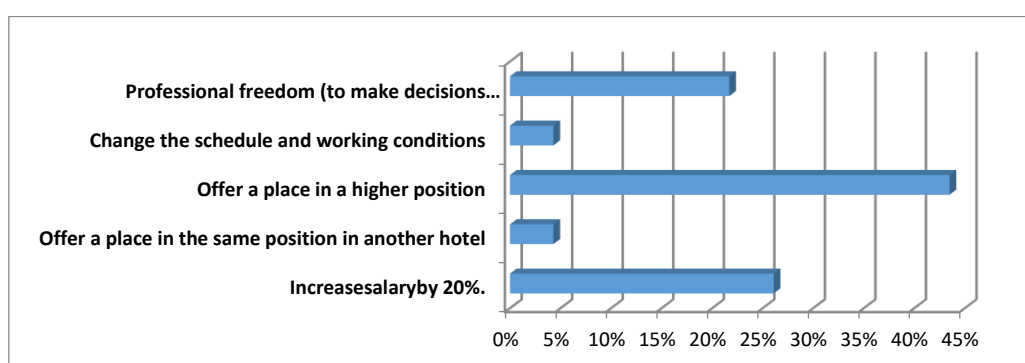
The hospitality industry is a business about people and for people in which success and reputation depend primarily on the staff and the quality of its work. Therefore, a friendly team with a healthy atmosphere is one of the main motivations of employees.



**Figure 5.** *Retention factors (Source: made by the author, 2020)*

**6. Commitment-loyalty.** To the question: “Imagine that you got a job as a manager of a restaurant of a large hotel chain. What do you think is the most important for the development of your loyalty, and, as a result, retention in this hotel chain? (Rank your choice from 1 to 5, where 1 - not at all important, 5 - very important)” (see Fig.5) 69% (1 place: 94 points of importance) of respondents noted “important” and “very important” - a clear delineation of power, areas of responsibility, understanding of the hierarchy. All these points make it possible to structure the entire management system and, as a result, create an atmosphere of trust among employees. At the same time, 65% of respondents (2nd place: 67 point of importance) held the retention factor “Respect from the leader” as an important factor.

**7. Career.** Question: “Imagine that you have been working as a manager of a large chain restaurant for 3 years. You wanted to change jobs. In your opinion, what needs to be done by the hotel for you to remain in this position at this hotel?”



**Figure 6.** *Career prospects (Source: made by the author, 2020)*



44% of respondents indicated that they would remain in the company if they were offered a place in a higher position. Employees who change positions are more likely to remain, even if they do not advance through the ranks (rotation).

To conclude one may say that in spite of the fact that the monetary factor for most managers of the hospitality industry is decisive, intangible factors, such as developed management, career, corporate culture, training programs, social package, have a significantly greater impact on employee motivation. The results of the survey have helped to identify the important factors that have a direct effect on the retention of experienced restaurant managers: professional development; career; financial stability; a sense of self-importance; the atmosphere inside the working group.

### **Conclusion**

In order to retain the best specialists and remain competitive, companies need to go beyond the traditional strategies of staff motivation, which are reduced to salary and social benefits.

To improve the talent management system to retain the experienced managers of the Radisson Old Town Riga Hotel restaurant, the following activities are recommended: improving the retention program for experienced managers; development of a system of training and education; providing opportunities for advanced training; development of an understandable new system of material incentives for employees: bonuses and incentives; perfection of the system of non-material incentives for personnel.

In addition, methodological recommendations for solving the problems of motivation and the risk of demotivation of staff are proposed (see Table 1).

**Table 1.** *Retention Management Talent Development Methodology (Source: made by the author, 2020)*

<b>Retention Management Talent Development Methodology</b>	
Stage1	Improving HR policy at the Radisson Old Town Riga Hotel. Responsible: HR department.
Stage 2	Identification of problems of the talent management system at the Radisson Old Town Riga Hotel. Responsible: HR department.
Stage 3	Formation of the draft retention program for experienced managers of the Radisson Old Town Riga Hotel. Responsible: HR department.

Stage 4	Budgeting the draft retention program for experienced managers of the Radisson Old Town Riga Hotel, in particular the incentive system. Responsible: accounting department.
Stage 5	Calculation of the effectiveness of the project of the retention program for experienced managers of the Radisson Old Town Riga Hotel, in particular the motivation system. Responsible: analytics department, accounting department.

A well-developed retention program for talented restaurant managers allows not only to attract staff of the required level, but also to retain them in the restaurant, thereby reducing the risk of key specialists leaving.

### **Limitations of the study**

Due to the fact that the study was conducted in the unfavorable epidemiological situation (COVID-19), it represents a stamp of the moment which reflects the situation, and the study, therefore, describes only trends. In this study, there is also regional limitation, and the results cannot be transferred to any company, because the study involved only the potential managers in Latvia. Moreover, the results of the study may not be valid for other national cultures: this aspect of the research requires more detailed study.

### **Directions for future research**

The study is the basis for further quantitative and qualitative long-term research. A promising continuation of this study could be the expansion of the scope of practices regarding retaining of talented employees to empirical verification of the existence of differences in the results of expert interviews of CEOs of hospitality: top-managers, guiding talented restaurant managers; heads of HR departments, as well as the survey of active managers of the restaurant, which in practice can be expressed in different strategies of talent management. So, structured research design will allow to analyze the study matter from different points of view and to draw the right conclusions for the formation of the program of retaining talented employees.

In this work the author wanted to draw the attention of heads of companies of hospitality, specialists of HR departments to the problem of retaining talented personnel. In the process of writing the work the author has developed skills of independent creative work, mastered the techniques of primary and secondary research and developed ability to formulate judgments and conclusions, to present them consistently. The work helped the author to take a new look

at the great opportunities of one's own development, at building a career in the hospitality industry, and the last but not least, at relationships between colleagues.

### Acknowledgements

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## MANAGING CULTURALLY DIVERSE TALENT IN THE HOSPITALITY INDUSTRY

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**Abstract.** The aim of this research paper is to examine the value of the idea of culturally diverse talent being implemented by certain hospitality organizations. The research design used a case-study approach and quantitative method to analyze the phenomenon of culturally diverse talent employees and how the managers react in culturally diverse staff. The author's working experience also contributed to the research. Both secondary and primary data were used in the research. Survey questionnaires were used at both the management's and employees' levels to reflect the authentic practices in place.

**Keywords:** culturally diverse talent, hospitality organizations, culturally diverse staff, talent management.

### Introduction

Cultural diversity (also referred to as multiculturalism) may be a group of diverse individuals from different cultures or societies. Usually, cultural diversity takes under consideration language, religion, race, sexual orientation, gender, age and ethnicity. Companies began to embrace corporate diversity within the early 2000s. This was thanks to many trends in demographics and a changing workforce (study.com, 2013). Cultural diversity is the term to describe many various cultures co-existing within one larger culture (study.com, 2019). Cultural diversity is when population differences are well represented within a community. These incorporate race, ethnicity, age, capacity, language, nationality, financial status, sex, religion, or sexual direction. The gathering is assorted if a good assortment of gatherings is spoken to (Amadeo, 2011). The term cultural diversity generally refers to the cultural differences between people. The prevailing differences include language, dress, traditions, morality and religion, society's organization, and, therefore, the way they interact with the environment (United Nations Educational, Scientific and Cultural Organization, 2001). Cultural diversity involves differences in gender, age, color, ethnicity, sexual orientation, religion, disability, education, personality, and skills (Lashley & Lee-Ross 2003, 2004).

Talent management is described as the methodically structured, strategic process of bringing the right talent onboard and helping them to develop to their optimum capabilities while keeping organizational goals in mind. Talent management is the systematic process of identifying the vacant position, hiring the suitable person, developing the skills and expertise

of the person to match the position and retaining him to achieve long-term business objectives (Ghosh, 2018).

### **Literature Review**

Workforce diversity variety needs to be concentrated to trace and measure the advancement it's making toward accomplishing its hierarchical strategic, and goals. In the 21st century, diversity variety within the workforce has been a key practice in propelling an assortment of hierarchical objectives and practices as showed by DiversityInc's Top 50 Companions for Diversity list (DiversityInc, 2013).

Cultural diversity is significant for companies in the long-term. It especially is vital for hospitality industry organizations to spot cultural diversity beforehand when growing internationally. Unfortunately, there are companies who go international without a strategic plan and obtain surprised by the cultural issues which their international business encounters (Peterson, 2004).

Talent Management has been a well-known idea both for organizations and the scholarly world since mid-90s. Regarding the matter of key administration, the significance of ability the board rehearses get from the way that gifted workers have the vital abilities that can expand the profitability, effectiveness and upper hand of associations in all ventures. As per Butter and associates (2015) the ‘talent’ idea fuses different implications; that is, having a capacity, insight, and capacity in some calling that license performing explicit acts. In wide terms, ‘talent’ fundamentally implies a person's degree of insight or ability that empowers easily and capably lead a movement (Butter, Valenzuela & Quintana, 2015).

The hospitality industry features a sort of major players operating internationally setting market standards for his or her clients, many of whom travel internationally. Additionally, the industry features a sizable amount of internationally mobile staff that has got to adapt to different cultures. What is more, industrial workers find different operating conditions in several countries that produce to the paradox of what proportion of an area approach should be taken from the worldwide experience of the industry. Researchers claim that hospitality workers’ cultural identity affects the organizational culture, which successively affects performance, which indirectly impacts performance by the cultural identity (Nazarian, Atkinson, & Foroudi, 2017).

Since globalization rising, increasingly companies have come to know that they're competing not only for the domestic market but also for the worldwide market. Currently, global companies rule over quite half the world's assets (Lim & Noriega, 2007). Within the hospitality sector, globalization is additionally a phenomenon. The expansion of multinational hospitality firms was never halted (ibid.). In the hospitality industry a culturally diverse workforce has long been a significant focus (Christensen-Hughes, 1992).

As globalization has become a drive behind the strategic corporate strategy of most multinational hospitality firms (Hudson, 2008), more and more foreign labour and minority workers join the hospitality industry, dealing with a multicultural challenge. All the management and staff have various national and cultural backgrounds. With globalization, an ever-increasing number of organizations have understood that they're not just viewing for household showcase, yet additionally for the worldwide market. Today, the greater a part of the world's advantages is constrained by global companies (Lim and Noriega, 2007). Talent management process is connected with recognizable proof, drawing in, creating, fulfilling and holding representatives with basic properties by which they can bolster maintainability of hierarchical accomplishment just as authoritative improvement (Collings and Mellahi, 2009). As indicated by Vaiman, Haslberger and Vance (2015) talent management process incorporates the accompanying arrangement of exercises:

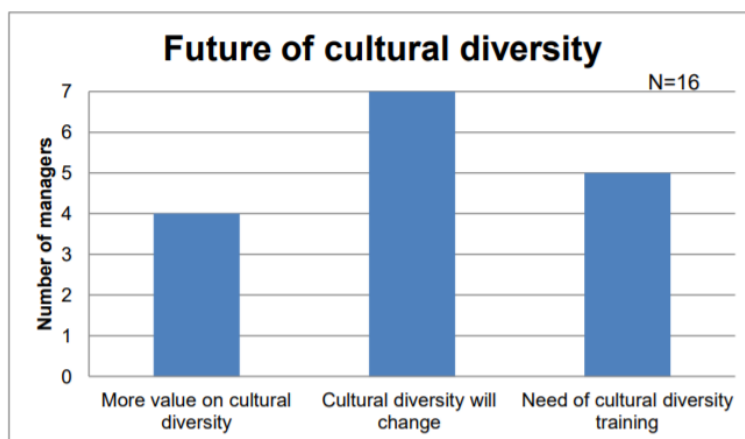
- Characterizing, distinguishing, picking and enrolling ability from outside of organization inside business
- Commercial centre
- Characterizing and distinguishing interior ability
- Preparing skilled representatives
- Holding skilled representatives

Cultural diversity has been divided into four dimensions:

1. Personality
2. Internal dimension
3. External dimension
4. Organizational dimension

Personality is the inner layer which evolves personality from day to day life. Internal dimension has subparts in it which are age, gender, sexual orientation, physical ability, ethnicity, and race. In external dimension subparts are divided into geographic location, income, personal habits, recreational habits, religious and spirituality, educational background, work experience, appearance, personal status, marital status. Outer dimension is called organizational dimension which has some subparts like functional level, work content, department unit, seniority, work location, union affiliation, management status (Korjala, 2012).

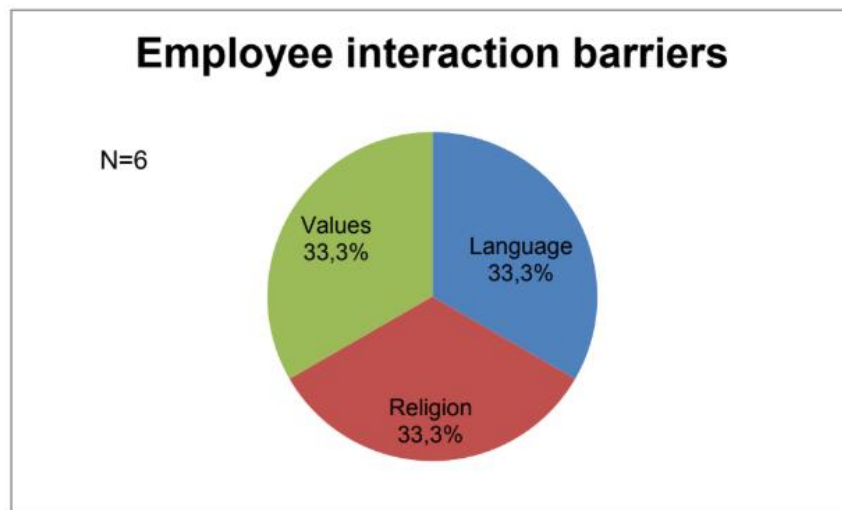
Both supervisors and staff adhere with considerable variance to their particular conventional cultural values. Cultural ideals have varying degrees of appeal, which may draw ones more than others. Supervisors are, however, considered to stick less to their self-identified community than workers are. Cultural diversity will definitely change in the future, as well as there will be need to organize some training programs to employees from other countries (see Fig.1).



**Figure 1.** *Future of cultural diversity* (Source: Korjala, 2012)

As to employee interaction barriers it turned out to be that the major ones are cultural values, language barriers and differences in religion (see Fig.2). The middle manager should discover various ways for the employees to cooperate and see one another. Social obstructions should have been overcome so as to arrive at a goal.





**Figure 2.** *Employee interaction barriers (Source: Korjala, 2012)*

Benefits of cultural diversity are obvious:

- Cultural diversity management enables employees to become more knowledgeable of diverse employees and customers of the organization.
- Organizations employing a diverse workforce can supply a greater variety of solutions.
- Diverse members can better understand and ultimately help those customers who are similar to them.
- Diversity improves the organization regardless of its mission; it makes the organization proactive and flexible to new things and issues to problems, especially in customer service.
- The collection of a diverse workforce enables an organization to see things from a different perspective.
- Cultural diversity increases productivity on complex tasks. These tasks usually require difficult cognitive input which in turn requires knowledge resources, like information, skills, critical analysis and perspectives that diverse members can provide.

There are, however, challenges and problems with cultural diversity:

- Communication is a huge challenge for culturally diverse organizations due to perceptual, cultural and language barriers.

- Miscommunication is very likely to occur among diverse organization members. Even if all the people around a table speak English, cultural differences can create strong barriers to understanding.
- Commitment and loyalty can be a challenge for the organization.
- Cultural diversity also complicates decision-making.

### **Methodology**

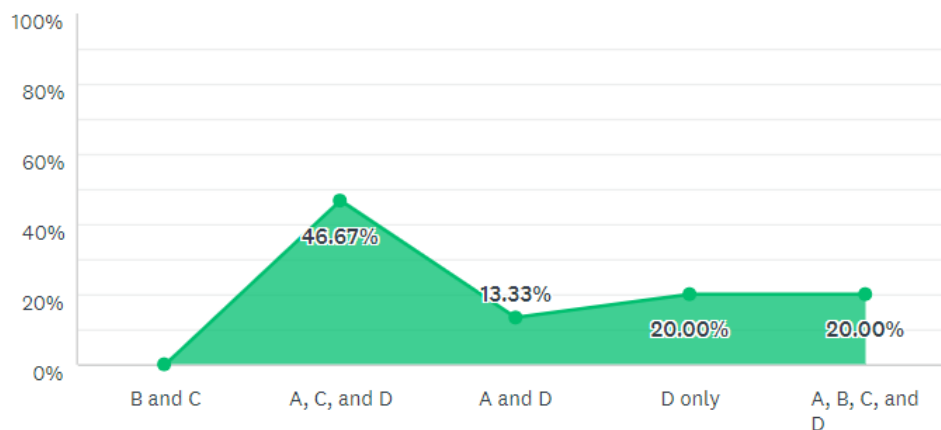
Literature review the author used allowed learning more about cultural diversity and talent management. The author has also analyzed case study cultural diversity at workplace and conducted online survey for this research paper. The survey containing 10 questionnaires about cultural diversity was completed by 15 respondents. In the survey the emphasis has been on culturally diverse talent and how to cope up with cross cultural issues. Study includes information about how managers in the author's previous workplace encouraged or discouraged the talent and whether managers succeeded in understanding their staff.

### **Results**

#### **The first question of the questionnaire was:**

Diverse employees need their managers' awareness of their culture and language so that the employees can \_\_\_\_\_ (multiple answers are possible).

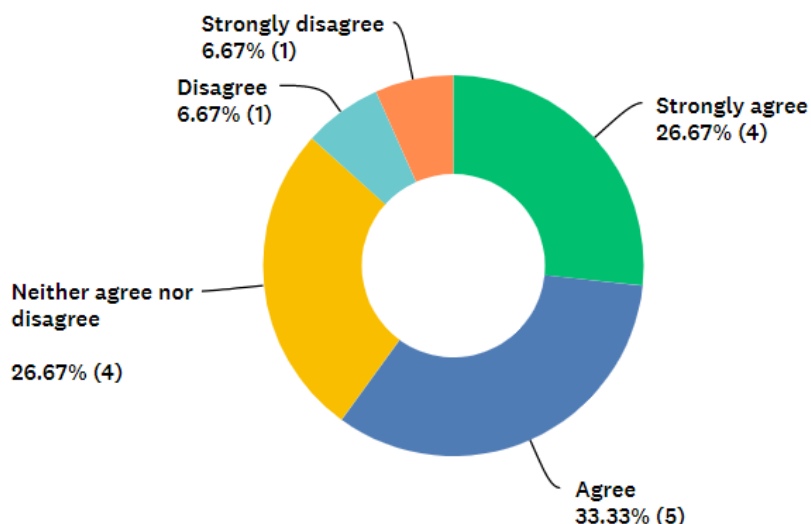
- A. Develop their professional talents.
- B. Find appropriate food in the company cafeteria.
- C. Make friends at work.
- D. Communicate successfully with colleagues.



**Figure 3.** *Diverse employees' and managers' cultural awareness (Source: made by the author, 2020)*

The replies are as follows: from the above graph A, C, and D – 46.67%, D only and A, B, C, and D have same ratio - 20.00%, A & D – 13.33%, B & C -0.00%. So, for this question the response got high for A, C, D option which is 46.67%; and the lowest response is for B and C which is 0% (see Fig.3).

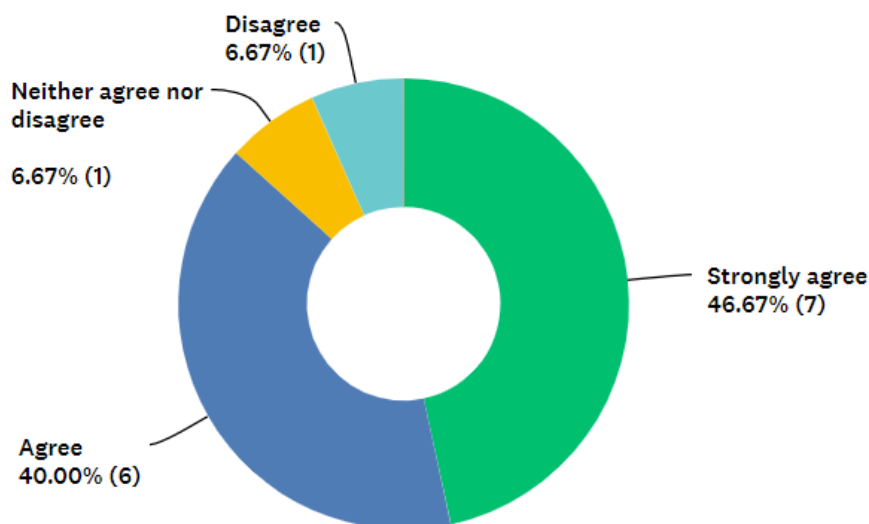
In the second question the respondents had to agree or disagree to the following statement: “Employees who are different from the others are treated fairly”.



**Figure 4.** *Employees' fair treatment (Source: made by the author, 2020)*

From the above question the results are (from high to low): agree-33.33%; strongly agree & neither agree nor disagree have the same ratio-26.67%; disagree & strongly agree have the same ratio-6.67% (see Fig.4).

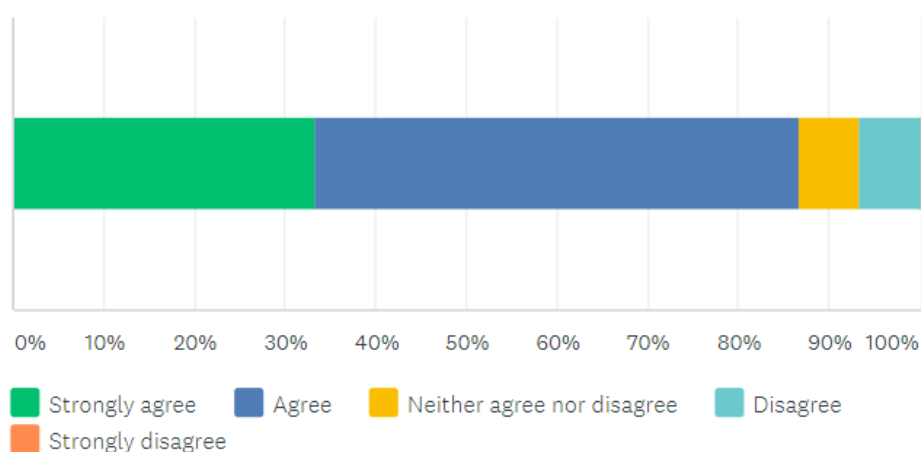
In the next question the respondents also had to agree or disagree to the following statement:  
“People of all cultures and backgrounds are respected and valued”.



**Figure 5.** *Other cultures' respect and recognition (Source: made by the author, 2020)*

The following results were obtained (from high to low): strongly agree-46.67%; agree-40.00%; neither agree nor disagree, as well as disagree-6.67%; strongly disagree-0.00% (see Fig.5).

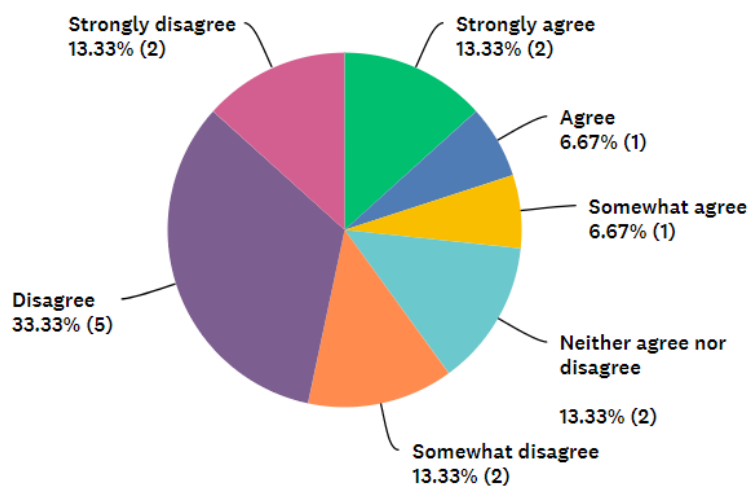
In the fourth question the respondents had to express their agreement or disagreement to the following statement: “Employees with communication and cultural gap but demonstrating high professionalism in their work are supported”.



**Figure 6.** *Encouragement of employees with cultural gap (Source: made by the author, 2020)*

The responses were as follows (from high to low): agree-53.33%; strongly agree-33.33%; neither agree nor disagree and disagree share a common ratio-6.67%; strongly disagree-0.00% (see Fig.6).

In the last question the respondents also had to agree or disagree to the following statement: “Culturally diverse talent programs like developing communication skills will not help employees to improve professionalism at their work and their personal life”.



**Figure 7.** *Improving professionalism of culturally diverse employees (Source: made by the author, 2020)*

Majority of respondents disagreed (33.33%). The other replies were: strongly disagree, somewhat disagree; neither agree nor disagree and strongly agree share a common ratio-13.33%; agree and somewhat agree-6.67% respectively (see Fig.7).

## Conclusion

From literature review the author has concluded that in an organization culturally diverse talent should be encouraged. Survey results demonstrated that the participants who did survey were likely to share their culture with their employees and wanted to communicate with their colleagues. They want to encourage their co-employees to move further with their successful professional life and personal life by shining their talent. According to the questionnaire co-employees want to know about their co-worker's cultural values. Also, suitable programs to

fill the cultural gap between them would be welcomed. All this should be supported by managers.

The author's own working experience has shown that associates were very friendly, clarified everything in English and lenient to culture blunders.

Coming to case study there are four layers of dimensions of culture. Personality, internal dimension, external dimension and organizational dimension are layers from where cultures are defined. In each and every dimension there are sub-parts determining each layer. The case study has shown that in future some cultural awareness programs would be necessary to fill in communication gaps.

### **Recommendations**

- Culturally diverse talent is about cross-culture understanding. Having a greater emphasis on customer-related issues is a great tool to motivate people and to infuse cultures within the workplace.
- Communication is the most important key to being successful in the hospitality business. All the managers, from supervisor positions to executive levels admitted the importance of cultural diversity in the workplace.
- Diversity implies having a workforce made out of a wide range of kinds of individuals. Distinctive race is only one model.
- Distinctive strict foundations, various sexual orientations, various nationalities, and contrasting physical capacities are greater assorted variety alternatives.
- Diversity programs can assist with being increasingly comprehensive, which can aid maintenance endeavors. It can assist individuals with understanding the advantages of having an increasingly differing and comprehensive workforce, which, thus, helps with making an all the more inviting condition.
- Treating everybody in the organization with deference and honesty, building up a solid authoritative culture with clear standards and qualities, and selecting individuals associated with the organizational values can help managing culturally diverse talent in the hospitality industry.

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## **ATTRACTING, DEVELOPING AND RETAINING THE RIGHT TALENT IN THE HOSPITALITY INDUSTRY**

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**Abstract.** Attracting right talents has always been a difficult thing to make. Lack of motivation, skills and little knowledge have always existed and will exist. Attracting talent should be taken as seriously as possible. Nevertheless, attracting a talent is one thing, but developing it is quite another. Employers must understand how to attract, develop and retain these talents. Each of these factors should have its own strategy and approach. The most difficult thing is to develop and keep the right employees. To do this, a lot of investment and understanding of the final goals is needed. The aim of this research is to understand how attracting, developing and retaining the right talents will affect the business and the company as a whole. This work consists of a literature review, theory, case study and recommendations.

*Keywords:* attracting talent, developing, employers, strategy, retaining

### **Introduction**

Nowadays, employers are experiencing many difficulties in attracting and retaining employees. Probably, people are trying new jobs, places and positions to find themselves in their life. For employer, the hardest thing here is to retain and develop the right employees. As the workforce flow is huge, it is hard to notice a real talent. To make perfectly well organization, it is necessary to have talents, who will help it to grow. Therefore, the main point here is to develop a strategy that will help to find and retain new talents, which will be able to take it to a new level. These talents will not grow if they do not see their future in the organization. That means that employers should show their interest to employees as well as support them for their future career.

### **Methodology**

This research was done in qualitative design model. As the topic of this research is more philosophic, a lot of information was gathered from the author's experience, as well as from other research articles and books. Currently, it is not possible to make a survey with real professionals from the industry and due to that, the author included a case study, where he tried to show some facts from real example. Main data sources are mostly books, journals and information from other research with similar topics. The main technique here is analysis of available information. Validity and reliability of information is probably subjective because all of the information was based on different people experience.

### **Literature Review**

Talent management is the science of using strategic HR to improve business value and to make it possible for companies and organizations to reach their goals. Everything done to recruit, retain, develop, reward and make people perform forms a part of talent management as well as strategic workforce planning (NTTdata, 2017).

Talent is a strategic issue, and a human capital strategy is an intrinsic part of any business strategy. This means understanding the value of talent, and recognizing the critical components of business strategy that require us to think through the talent and organizational implications and options (Cheese, Thomas & Craig, 2008).

Talent consists of those individuals who can make a difference to organizational performance either through their immediate contribution or, in the longer-term, by demonstrating the highest levels of potential. Talent management is the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organization, either in view of their ‘high potential’ for the future or because they are fulfilling business/operation-critical roles (CIPD, 2012).

In groups, talent can refer to a pool of employees who are exceptional in their knowledge, skills, and abilities either in a specific technical area (such as financial asset management), a specific competency (such as innovative thinking), or a more general area (such as general management or leadership potential talent) (Silzer & Church 2009).

In the literature, retaining employees means an effort to create an environment which keeps engaged employees and encourage employees to remain with organizations for a maximum period of time. For more detailed and recent definition for the concept of employees retention, it is known as the process in which employees is encourage to stay with organizations for a long period of time despite more attractive salaries elsewhere (Das, 2013; Nema & Nougriaya, 2015).

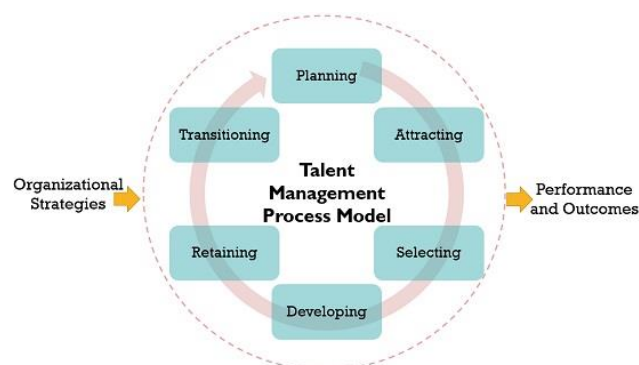
The term ‘talent’ has existed in multiple languages for thousands of years at least – as demonstrated by the Parable of the Talents – but has also been defined differently over the centuries. Before the 14th century, ‘talent’ as a noun had a denotative meaning. It referred to a precisely defined denomination of silver, and so it was simultaneously (and without contradiction) a denomination of weight and a unit of currency. This sense of ‘talent’, as in

‘one talent of silver’, is in the early interpretation, compared with later interpretation of the Parable of the Talents, primarily the denotative meaning (Tansley, 2011).

Employee engagement is about the connections we have with our work and workplace and the relationships we build with the people we work with. As human beings, relationships and connections are important to our well-being and commitment to what we do (UNT System Human Resources, 2016).

Within the object approach to talent, it is possible to further distinguish between approaches that conceptualize talent as natural ability; approaches denoting talent as the mastery of systematically developed skills; approaches that associate talent with commitment and motivation; and approaches that stress the importance of fit between an individual’s talent and the context within which he or she works (i.e., in terms of organization and/or position) (Gallardo-Gallardo et al. 2013).

Dries (2013) suggest that an exclusive approach to talent will coincide with a belief that talent is both innate and transferable, and talent management concerns itself with taking care of individuals. In contrast, if talent is mastery then talent management may include knowledge management. Implicit beliefs of the operating manager regarding the malleability of talent may however have an impact on the assessment of talent (Gallardo-Gallardo et al., 2013). It follows that it is imperative for the organization to explicitly define if they want to approach talent as something to identify or develop in order to recruit or develop the most suitable individuals to or in their talent management program.



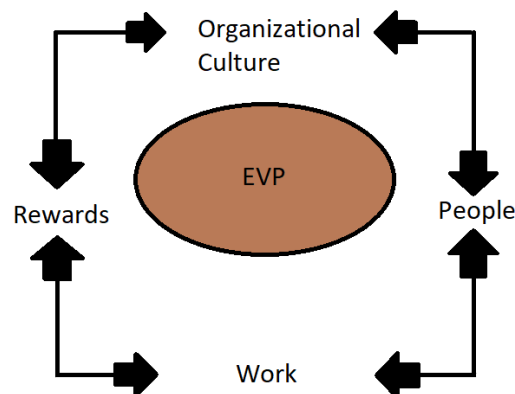
**Figure 1.** *Talent Management Process Model* (Source: <https://businessjargons.com/talent-management.html>, 2019)

Talent management process model can be seen in Figure 1 (see Fig.1). The employee value proposition (EVP) might be very useful and helpful, while evaluating new job. In a few words,

this is a set of attributes, which employees perceive as the value that they receive when working in the company. The benefits of creating a managed EVP are measured in the following metrics:

- Coverage of the labor market increases to 60% and captures the segment of weakly active candidates.
- The level of commitment of both working staff and newcomers is increased up to 30%, compared with companies that do not manage EVP, where the level of commitment is 3-7%
- Employee expectations for annual salary have increased from 33% to 11% (Cuenllas, 2014).

As a result of these advantages, a well-managed, differentiated and competitive EVP improves ability to attract high-quality candidates, and increases the company's ability to retain talented employees (see Fig.2). The EVP is a means of conveying individuals' feelings and experiences at their workplace. The EVP competes in the market with other EVPs or brands to attract the best talent. As Davies et al. (2007) argue organizations should have a brand soul that conveys three messages about the company: the company is a good company to work for, a company to stay with, and a company building for the future. Such a brand creates 'an emotional bond (Rueff & Stringer, 2006). It is this emotional bond that helps the company to compete against other companies to attract top talent. Moreover, unlike an employer brand, the emotional bond of an EVP can help the company retain talented recruits once they are on board. Thus, effective EVPs not only deliver a message that helps attract prospective employees, but also actions and behaviors that are attractive to those already working within the organization (Hatum, 2010).



**Figure 2.** *The Employee Value Proposition (Source:*

*<https://www.talentlyft.com/en/resources/what-is-employee-value-proposition-evp>, 2019)*

According to Hatum, (2010), employee referral program is one of the best recruitment channels. The author's experience proves it. Each job, where he worked had this referral program and it was good thing to earn extra money as well as to invite friend to work with you. Usually in Latvia, there is the rule in the companies, which says that referred candidate has to work at least 90 days for the company, so that referring employee could be eligible for the reward. This approach is very successful for the company and for employees as well. Definitely, employees will explain to their friends how the job is going on in the company and then they will decide whether they see themselves there or not. In this case, newcomers most likely will work in the company for longer time as they will know their responsibilities in advance.

## Results

The author believes that it is necessary to try different strategies since not every can suit a particular business. Speaking of the hospitality industry, it is quite simple to notice a talent. Each position needs certain characteristic. In general, to work in it one should be able to find different approaches to different people. Since this industry is based on communication with people, a candidate needs to have good public speaking skills as well as charisma.

There are few ways how to attract and retain workers. According to the author, the referral system is a very good choice for large companies. It provides benefits to both, employees and companies. In addition, a bonus system can be a very good choice to help improve the quality

of work. Its meaning lies in the fact that an employee performing work in a quality manner will receive extras to salary. It is possible to say with confidence that one of the best strategies is training. It is best to organize training before entering to real work environment. They usually last from a few days to a month. After that, the employee will feel more confident and do work better. Trainings should also be done from time to time if an employee wants to develop. Under such conditions, people will understand that they still have room to develop.

Such an approach to new people will be very well appreciated on their part, which initially will give a good start at the beginning of their career. But with all this it is very important to give them the opportunity to express themselves and in some situations to allow them to act as they see it, thereby providing the opportunity to discern in it the potential for the future and the desire to develop themselves. Hardly anyone likes the same type of work, so it is very important that employees feel free and that they have the opportunity to contribute to it. It is very well if the manager immediately tells the employee to criticize certain factors at work that he might not like or that he considers incorrect. These actions will make it clear that the company is ready to listen to employee's opinion and that it is important for the management. But it should be indeed this way, as there are companies that say this to their employees, but in fact, it does not matter, they only create a fake image. In general, psychology plays a big role here and you need to have at least external knowledge, so that people could enjoy working.

### **Conclusion**

To sum up, having the right people who want, can and will develop is already half the success in the business. The most important thing is to find the right and successful approach and strategy. Since many employers have a problem with related topic, it is very important to make an effort to this. Many people are trying new jobs and positions, as well as looking what fits best to them. Therefore, there are many opportunities to notice real talent and try to keep him, what in the end will become a key moment for business development. There are no costs for employee training because this is an investment. It is important to keep that in mind, as many managers think differently. Definitely, company will win because of knowledge, motivation and improved skills of employees, as well as workers will gain their benefits. They grow professionally and personally. The company must plan for the long-term if it wants to succeed and investing in workers is one of the best, correct and successful choices. A very simple conclusion can be made based on the fact that in the hospitality industry, the basis of quality is

the skill and talents of employees, i.e. service, which means that a comparison of two hotels will benefit one in which employees show or have more skills. Investing in training employees gives them motivation and improves their sense of self in the company. Thus, it is possible to say that this increases the chance to keep them in a company for a long time, what will lead to their self-development and improve the quality of their work. Another important fact is that such employees need to move up the career ladder over time, as well as raise salaries, so that they do not lose motivation to stay there. Many people will not want to leave their comfort zone, but there are people, who seeing that their promotion in the company is not going well, will be ready to leave in favor of better conditions

### **Research limitations**

There were a few research limitations, such as a lack of experience of the author in writing research papers and impossibility to make real practical research, due to the world epidemic. All hotels are closed and this is impossible to contact with them to ask questions on related topic, as well to make and give questionnaire to personnel.

### **Implications and Future Research**

The results of the research were not surprising. This research can be continued in many ways, for example, it would be possible to describe in detail the strategies for attracting employee retention and development. In future the most interesting would be to conduct a survey or to do interviews with real professionals in this industry, where subsequently it would be possible to interview employees. From the obtained data, it would be possible to make statistics and reinforce with certain factors that could prove certain theories.

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## MOBILE TECHNOLOGY AS THE FUTURE HOSPITALITY DIGITAL EMPLOYEE

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**Abstract.** The overall purpose of the research is to review and analyze digital technologies and their aspect in hospitality industry; investigate what kind of mobile applications already exist, and what features they offer to their users; as well as evaluate the role of personalization and the possibility of replacing real human with digital technologies. Digital technologies are really important nowadays and it is not a critical problem for hospitality industry. Digital technologies can help in creating loyalty between company and customer, and also help in creating great customer experience. Talent management could be replaced with technology, because of quality of digital technologies nowadays and the demand of the latest features. A lot of hotel processes have been and will be digitalized and companies have to be ready for that not to stay behind their competitors.

*Keywords:* talent management, digital technologies, mobile applications, hospitality industry

### Introduction

Nowadays the world is in always growing period, and technologies are developing and improving every day and people are getting used to mobile technologies and applications more and more, as they are facilitating their daily life. The author of this research project will explore digital technologies in hospitality industry, and possibility to replace real employees with them, as digital technologies can help in improving such things as communication, collaboration and content management. The idea of the research is to explore the digital technologies in hospitality industry, and how they make impact in customer decision making process, what is the role of digital technologies in period of traveling. What kind of digital technologies already exist in the hospitality industry and what are the features, which they offer to customers and how important is the personalization for the customers.

The author of this research thinks, that digital technologies have to be in all hospitality industries, as the features, which they provide and time, which they save, make really important impact on customers' daily life. The current research is important, because digital technologies are innovating new features in really short period of time and companies, which can follow them, have possibility to stay ahead of their competitors. Moreover, the author thinks, that digital technologies are really important for company to stay modern and provide their guests with unbelievable experience, and the talent management could be replaced with technology

management, as the modern digital technologies can provide big number of different features for customers and for employees, and save time for both.

### **Methodology**

The main research problem is to investigate, if it possible for digital technologies to replace real human in hospitality industry enterprise. To find an answer for the problem, the author explored different articles and compared information from them, and also investigated different charts with statistics, to determine the importance of digital technologies in different aspects of hospitality. The author of the research used mixed methods to gather all necessary information, such as theoretical overview of digital technologies in hospitality companies and charts to get a visual overview of the current situation. Different Internet sources, to collect the latest information about digital technology trends and the popularity of mobile applications between tourists, have been studied.

The author of the research used secondary data to collect all necessary information from research and internet sources. The author also used case studies, to collect information about already existing mobile applications in hospitality industry and the importance of digital technologies in today's world, investigated their popularity and searched for reasons why talent management could be replaced with technology management. All findings were used for analyzing and creating visual overview.

For this research paper, the author used non-probability sampling, as the hotels were picked by popularity, and then research about digital technologies was made. Reliability corresponds to internal consistency, as the research could be repeated and the results would stay the same, because at the moment, that's the real situation in the hospitality industry. Validity corresponds to content, because primary research could not be done.

### **Results**

People from all over the world have started to become more interested in engrossing ourselves in the local culture of the places to which we travel, using digital technology as their guide. For example, Google Maps no longer makes people wary of travelling to new areas because they can see places highlighted on an app, which even has helpful reviews to let them know whether they would like to visit those attractions or bars/restaurants/hotels (David, 2015).

As mobile devices were invented to make it easier for people to stay in touch with each other by calling, texting, tweeting, etc., but, the reality is that people use them for so much more than basic communication, that is a tool that is given to people to help them make their lives easier by letting them do a lot of different processes through their phones (ibid.).

In the pre-arrival stage, main processes are being done by the potential customer, such as process of gathering information and hotel booking (see Table 1). Customer searches information about stay options in the place he/she needs to go. He/she checks different types of hotels and their services and then makes reservation. At this moment hotel must be visible for their customers. Such technologies as virtual reality or virtual assistants, or mobile technologies are powerful marketing tool for guest experience and loyalty (Lukanova, 2019).

**Table 1.** *RAISA adoption in Hotel Companies (Source: Lukanova, 2019)*

	<b>Robots</b>	<b>Artificial intelligence</b>	<b>Service automation</b>
<b>Pre-arrival</b>		AI search platform Chatbots	Virtual reality Mobile check-in
<b>Arrival</b>	Porter robots		Digital kiosks Smartphone Room Keys/Non-stop check-in
<b>Stay</b>	Front desk robots Concierge robots Delivery robots Vacuum cleaning robots Room assistant robots	Interactive Social Hubs Chatbots	In-room smart technologies
<b>Departure</b>	Porter robots	Travel assistant	Express Checkout Digital kiosks
<b>Assessment</b>		AI platform	

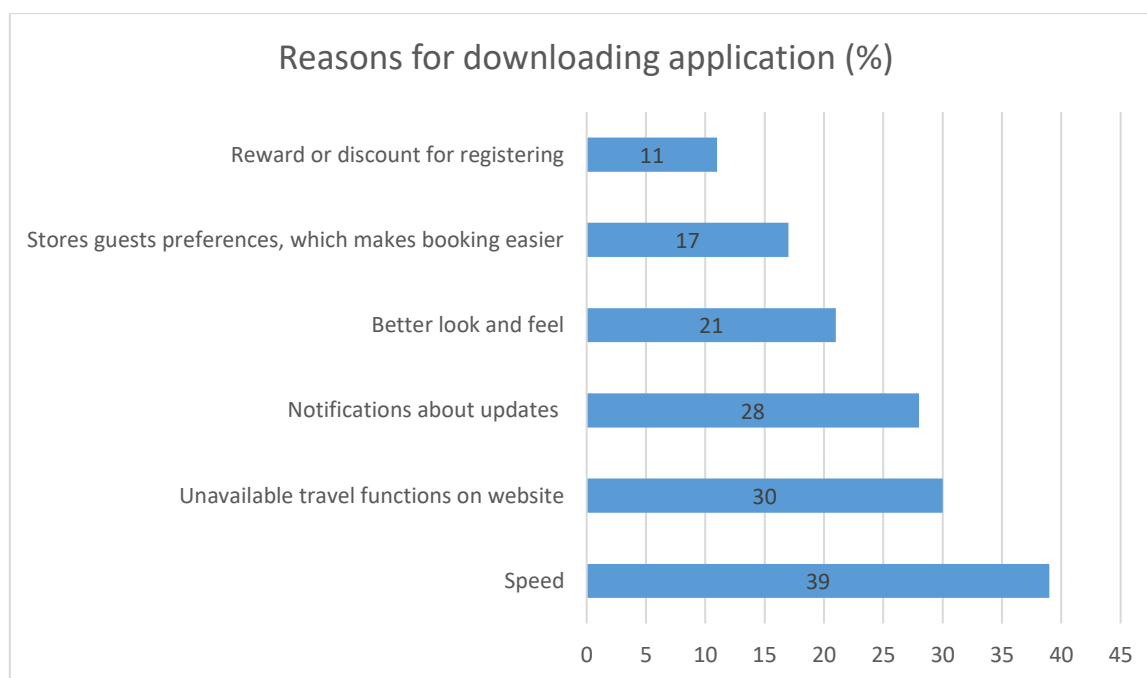
Now in this, technologically improved era, hospitality companies take different approaches for growth. Customer experience has to be at the top, hotels are taking support of the mobile applications. Therefore, having a modern and secure mobile app for hospitality industry is a *must* for hotels and hospitality brands in general. Valuable and at the same moment simple features in the mobile application can provide good customer experience and that's the way to create a bridge between the user of the application and the hotel. Applications with such features can create customer loyalty and it leads reviews and feedbacks on the portal that leads to growth (Kumari, 2018).

#### **Features on Mobile Applications:**

- Mobile friendly Website and Application
- Sharing the latest information

- Predictions of the future trends, based on Customer Behavior
- Creating Relationships and close connection to guests
- Using the Loyalty Program
- Offering Self-service functions

There are different reasons why people prefer using application. The most popular feature is speed. For guests, it is important, that they can save time on bookings and other processes, while traveling. Also, important reason is that there are functions, which are available for use on application, but not on website, for example, boarding passes or passbook. For guests it is important to receive notifications about bookings or about things, which happen in the hotel at the moment of their stay. Design and feeling of booking process for guests also makes big impact on their decision to download application, and the last two reasons for choosing application is that application saves guests preferences, and sometimes even offers some kind of discount or reward for registering (see Fig.1).



**Figure 1.** *Reasons for downloading applications (Source: Charlton, 2020)*

In many different ways, automation will offer hotels possibility to go back to their roots as an industry, which thinks about people firstly. Staff will be able to maximize their attention on customer experience, improving the quality of the service. Below there are areas where changes are inevitable:

**Workforce management:** By the year of 2025, biometrics-driven advances will allow hotels to improve on their shift monitoring, custody and also fraud detection. The technology, as well as the convergence of devices for gathering biometrics data, will be key digital enablers for the success of shared inventory models in the hotels industry.

**Staff support and development:** Artificial intellect's ability to answer basic, popular questions will make more free time for front desk employees to provide the human personalization for service problems and questions that needs it. Artificial intellect's development will also make a move to digital specialization in the set of skills for the marketing of the hotel and for the customer service. While chat bots aid guest interaction, staffs needs to be both tech savvy and able to personify the brand.

**Process automation:** By the year of 2025, robotic development in the hospitality sector will allow to automate different processes for housekeeping and self-service centers. It will allow going through accounts, purchasing (Friedman & Sen, 2017).

Personalization in rooms will reach a new, higher level by 2025 as well. Matching experiences to individual customers' preferences is the ultimate challenge for any customer-centric industry, and in hospitality, it's a powerful tool to retain customers and acquire new ones. It will be especially useful for hotels looking to command a share of global demographics. It is estimated, that the companies, which develop good personalization, can boost their revenue growth by 10%-15% and reduce served costs by 15%-20% (ibid).

The way how to begin smart, digitalized hotel, is by creating 'smart rooms', in which guests are able to set the temperature of the room and set the lightning, depending on their own preferences (Global Traveller, 2015).

By the year of 2025, guests will ask for hyper personalization. They will be looking forward to see customized amenities, real life notifications on their phones or special offers from restaurants. Families with kids might be interested in receiving notifications about babysitting services. Hotels will have to have a system, which leverages the social network information (Friedman & Sen, 2017).

Voice-activated speaker systems, or chat bots, and text-based personal assistants are in homes and our pockets. These devices book users' appointments, monitor home security, play music, and create shopping lists. They tell when the cake is ready to come out of the oven and what the weather will be like the next day. Companies must rely on these devices for their

convenience. They drive efficiency in day-to-day lives. What makes an Artificial intellect (AI) - enabled system “smart” is the ability to leverage natural language understanding and machine learning to gain knowledge and insights that enable it to progressively improve the quality of its responses and predictive capabilities. (Starfleet Research, 2018)

With advances in AI, the devices are rapidly evolving in terms of features and functionality. Chat bots, for example, are becoming increasingly adept at recognizing not only speech but also intonation and context. Some systems have begun to incorporate such futuristic capabilities as “computer vision” to visually identify objects and people. The fact that these technologies are getting progressively smarter — literally, by the minute — is a hallmark of the so-called Fourth Industrial Revolution.

The era is marked by breakthrough technology innovation in such fields as artificial intelligence, robotics and the Internet of Things (IoT) — that is, the wireless linking of everyday objects. These technology innovations are fast becoming a mainstay of hotels and resorts across multiple sizes and categories, with new developments constantly raising the bar on functionality. They are driving competitive advantage and, in some cases, fundamentally changing the way that properties and guests interact and transact with one another (ibid.).

### **Conclusion**

In general, digital technologies improves the hospitality industry by letting them create a loyalty and offering great customer experience, and also offers new method to communicate with customers. Digital technologies are one of the best trends, which still grow and improve. Hospitality companies definitely have to think about inventing their own application, to create best possible guest experience.

Millennials, which are the biggest part of hotel guests, nowadays expect high level of technologies in the hospitality industry, as they are using their phones almost for everything, so they want to be able to control their stay from phone too.

Each year guests expect more from companies, and the future with digital technologies will provide them with different customized amenities, real time notifications and spa, so companies must follow to the progress of their competitors, so they don't stay huge step ahead, by being highly digitalized.

Personalization is the key to increase income by more than 10%, and digital technologies give chance to gather information about each guest and come up with something personalized exactly for them. Biometrics drive technologies are the future of hotels workforce management, as it will give possibility to improve such things as any kind of fraud detection and will monitor the shifts, because of the recognition, which will be provided by digital technology.

The most popular reason, why people are downloading and using applications related to a hospitality company, is because of speed. They love to save some time on booking process, by staying in the queues just to book in and get the key. With application, they can do it instantly, after coming in the hotel. For hotel, it is step ahead, because it also offers possibility to start loyalty program. Hotel application can help company to deal with negative feedbacks, as they will be able to see it instantly and answer to it, with their own vision on the situation.

The service industry future is based on technologies, so talent management could be replaced with technology management, as they are growing and developing really fast, and that is exactly, what nowadays people are interested in. Digital technology can become as future hospitality employee, because they already have technical potential to do 73% of hotel processes (Comcast Business Community, 2018).

### **Research Limitations**

Main limitation of the research project was impossibility of conducting the primary research, such as surveys or interviews. That prevented the author from collecting important information straight out of the hospitality company, about situation with digital technologies right now and if or how company plans to invent them.

### **Implications and Future Research**

In nowadays world, digital technologies can be noticed everywhere, especially it is useful for hospitality industries. Technologies, such as mobile applications, chat bots, AI and others, have potential for creating great customer experience and make good impact on companies' income and outcome. As it is predictable, digital technologies will have big importance in future life, because of their potential, so it is important for companies to stay in touch with latest features, to be advanced and ahead of their competitors.

It would be really useful, to use primary research for better and deeper research. It would show exact situation with digital technologies, how they make impact in companies daily work life,

and the importance of digital technologies for their customers. The quality of the research could be improved by taking on more detailed statistics, to show the numbers of financial side, with digital technologies and without them. This research could be useful for hoteliers to understand what digital technologies are and what role they play in basic guest decision making process. This research could be continued with an interview with hospitality industry employee, so it would be much clearer and more understandable, why it is the future of hospitality industry and why it is so important.

### **Acknowledgements**

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## **TALENT MANAGEMENT IN THE MERCURE HOTEL AND THE WAY TO IMPROVE EMPLOYEE PERFORMANCE**

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**Abstract.** Personnel performance management is one of the management functions and the most important factor in business success. With good planning and implementation, the performance management system becomes an effective way to achieve high business results. This highlights the relevance of the research topic, which is especially relevant for the Mercure Hotel due to the issues it has been experiencing in 2019. The research problem is the increase of personnel performance at the Mercure Hotel in year 2019: increase in absenteeism, higher personnel turnover. The aim of this research is to evaluate to what extent the performance management system affects the employee performance at the Mercure Hotel. This research is using mixed methods: qualitative and quantitative. Qualitative research methods include literature review; observations. Quantitative methods are represented by industry analysis. Research results have shown that video surveillance and “secret quest” and guest review methods are effective, because they are motivating personnel to do the best job they can. However, monthly meetings and interviews with personnel are not effective and don’t produce the desired results. It is recommended to create a structured personnel assessment system and implement it on a regular basis: for the first three months – monthly, then every 6 months.

**Keywords:** hotel management, personnel performance management, hotel staff performance, personnel assessment.

### **Introduction**

Personnel performance management is one of the management functions and the most important factor in business success. With good planning and implementation, the performance management system becomes an effective way to achieve high business results. In response to changing business needs, the traditional approach is being replaced by continuous performance management (CPM), which is gaining widespread popularity. According to the results of the Global Human Capital Trends - 2017 study, the transformation of the performance management model has become one of the key priorities for managers (Deloitte, 2017). Management wants to see an organization’s easy-to-use system that can efficiently manage employee productivity in dynamically changing environments with a high level of uncertainty. This highlights the relevance of the research topic, which is especially relevant for the Mercure Hotel due to the issues it has been experiencing in 2019.

The research problem is the increase of personnel performance at the Mercure Hotel in year 2019: increase in absences, higher personnel turnover. The aim of this research is to evaluate

to what extent does the performance management system affects the employee performance at the Mercure Hotel.

Research objectives are:

1. To conduct a literature review on personnel performance management systems and their effectiveness;
2. To define how the performance management system affects employee performance;
3. To assess how does staff development, evaluation, and remuneration affect employee performance;
4. To evaluate the effectiveness of the personnel performance management at the Mercure Hotel;
5. To conduct an industry analysis;
6. To develop recommendations for improvement of personnel performance management at the Mercure Hotel.

Research subject: Talent management in the Mercure hotel and the way to improve employee performance. Research object: Personnel of the Mercure Hotel. This research using qualitative methods, such as literature review, observation and industry analysis will try to answer the following research question: To what extent does, the performance management system affects employee performance?

### **Literature Review**

The essence of personnel management is to establish organizational, economic, socio-psychological and legal relations of the subject and the object of management. These relations are based on the principles, methods and forms of influence on the interests, behaviour and activities of workers in order to maximize the use of their knowledge and skills. Competently organized activities for working with personnel is a system, understood as a set of subsystems that reflect individual aspects of working with personnel and are designed to develop and implement effective impact on it (Daley, 2012).

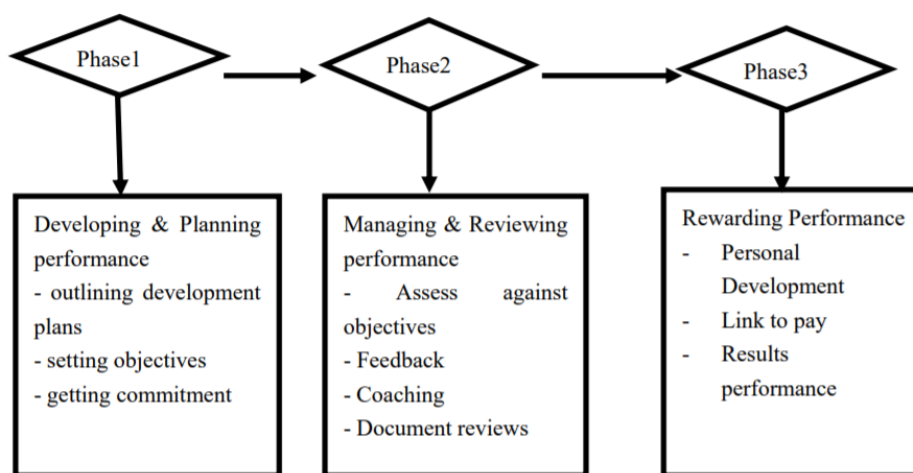
One of the aspects of personnel management is the management of personnel performance. Unlike other enterprise resources, human resources require special attention. Employees, both when applying for a job and when performing it, can refuse the conditions offered to them,

demand a change in working conditions and modifications of work unacceptable from their point of view, acquisition of other professions and skills, and can also quit the company if they are not happy. This increases the personnel turnover and raises costs to businesses. Another aspect is the actual personnel performance, which directly affects the results of the company (Noe et al., 2015).

Personnel engagement positively affects the following business results: customer ratings, profitability, productivity, turnover (for high-turnover and low-turnover organizations), safety incidents, shrinkage (theft), absenteeism, patient safety incidents and quality (defects), according to Gallup (2013). Thus, personnel commitment is determined by active and enthusiastic participation at work (Khan et al., 2011), which is crucial for high personnel performance at work.

According to Zhang (2012), typically, employee performance management system consists of three phases, shown in Figure 1 (see Fig.1).

Thus, the first phase of personnel performance management system is development of personnel and planning its performance with clear objectives and reading commitment to these objectives. The second phase is concerned with management or personnel performance and regular reviews and assessments, based on feedback, coaching and document reviews. Finally, the third phase is rewarding performance, which is designed personally for each employee and is based on their results. This could also be related to personal development and linked to the salary that is based on performance.



**Figure 1.** *Personnel performance management system (Source: Zhang, 2012)*

Doing what we love and using our strengths by choice is very satisfying (Harzer & Ruch, 2012; Linley et al., 2010). However, at work, performing certain roles and responsibilities, in exchange for a salary, employees don't do only what they would like to do and it is not always possible to achieve this at work. However, having the choice to do so is very motivating, with autonomy being a major factor in personnel motivation (Pink, 2011). So that when the work becomes interesting and motivating, employees find a meaning in it and are more committed to the company. This leads to higher performance and a sense of well-being that is more important than salary. The cycle of Business Performance Management Cycle (BPM) is shown in Figure 2 (see Fig.2).

As the diagram shows, the concept of BPM is based on the idea of a continuous management cycle, including:

- Definition of development goals;
- Modelling of factors determining the achievement of these goals and possible limitations;
- Planning actions leading to the achievement of goals;
- Constant monitoring, which allows you to monitor the status of key performance indicators and their deviation from the plan;
- Analysis of the results achieved, which allows to better understand the nature of the “carriers of efficiency”;
  - Preparation of financial and management reporting that helps managers make economically sound decisions.



**Figure 2.** *Business Performance Management Cycle (Source: Kadarova & Kočiřová, 2016)*

In accordance with this cycle, in the first phase, there are the determination of the strategy and goals of the company, as well as key performance indicators of the functioning of the enterprise. This is where business modelling takes place, which allows you to evaluate the factors that affect the profitability of operations, available resources and limitations (Kadarova & Kočiřová, 2016).

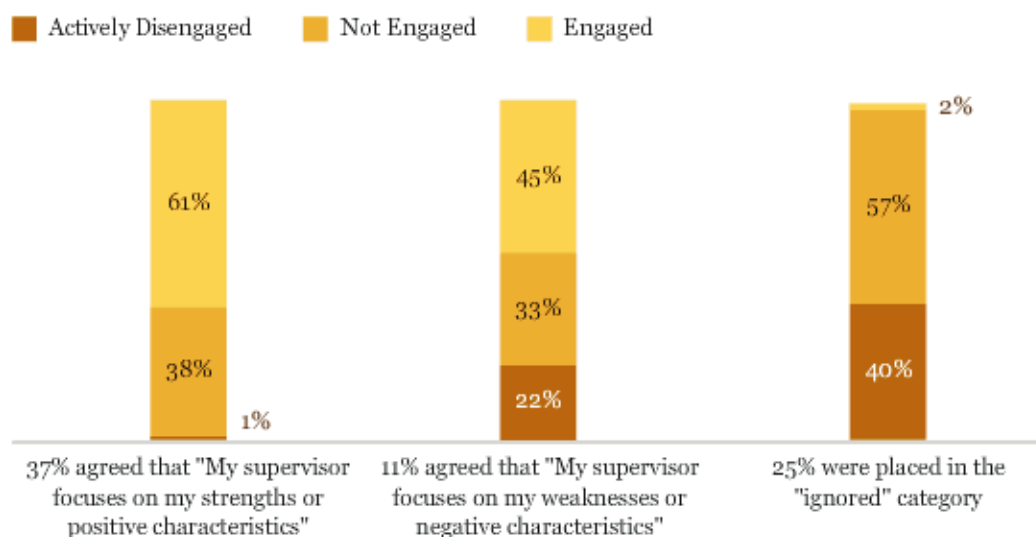
Every employer would like to have competent, motivated, happier, less physically and psychologically distressed staff in their organizations. The advent of positive psychology could prove to be a powerful approach in human resource management. According to P. Dubreuil, J. Forest and F. Courcy (2014) in the strengths of people have three main components: the natural aspect (authenticity), high performance (success, quick learning, and optimal functioning) and energy (vitality, enthusiasm).

Traditional performance evaluation systems include:

- Annual / semi-annual meetings with discussion of the employee's work and setting goals and objectives for the year ahead.
- A rating system for employees based on ratings for one or another project put up during the year.
- Various assessment methods, including interviewing team members (e.g. 360 rating).

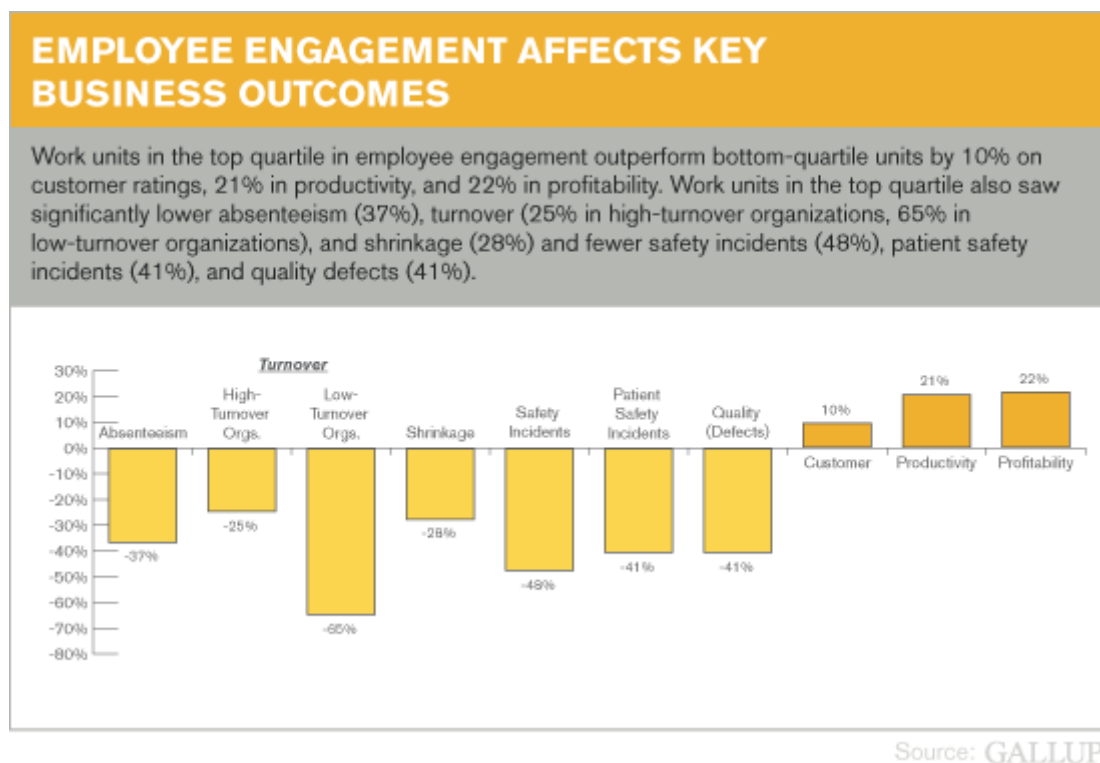
Each of these points has recently been increasingly criticized. Thus, the results of many studies indicate the inefficiency of the annual assessment of employees with the subsequent setting of goals and objectives for the year ahead.

Dubreuil et al. (2011), in their article “Building on the strengths of employees to improve functioning at work”, specify that to increase staff performance, managers generally have to evaluate and identify their weaknesses, and then improve them. A meta-analysis of measuring employee engagement at work demonstrates this (Q12 Gallup, 2009). It compiles data from studies conducted on 1.8 million people in 73 countries. The results indicate that the management style has a direct impact on staff engagement depending on whether the manager ignores the contribution of his employees (2% engagement), the manager pays attention only to the weaknesses of his employees (45% engagement) or the manager supports employees and makes efforts for the development of their strengths (61% engagement) (see Fig.3).



**Figure 3.** *The relationship between the behaviour of a manager and employee engagement (Source: Gallup, 2009)*

Also, Q12 analysis demonstrates that there is a relationship between staff engagement and business results (see Fig. 4).



**Figure 4.** Relationship between staff engagement and business results (Source: Gallup, 2013)

As seen above, personnel engagement positively affects the following business results: customer ratings, profitability, productivity, turnover (for high-turnover and low-turnover organizations), safety incidents, shrinkage (theft), absenteeism, patient safety incidents and quality (defects).

A survey conducted by Globoforce showed that of the 708 employees surveyed by various American companies, more than half do not consider such a rating system to be effective and motivating, and more than 60% do not agree with the results of annual assessments. At the same time, 88% of employees who agree with the results of the survey said that they love their work and are happy with the place they occupy in the company. Among those who disagree, the percentage of employees satisfied with the work was 30% less (Theoretical and applied science, 2017). Such statistics show the impact of employee performance assessment methods on their company loyalty.

As a result, today many companies are reviewing their existing performance management systems. 89% of the companies participating in Deloitte's study of current HR trends have already upgraded their systems or have planned an update for the next 18 months (Deloitte, 2015).



### **Results**

The results of the observation and personal reflection are summarised below.

Successful operation of any hotel business is impossible without a carefully formed staff. Hiring staff is not enough: it is important that the team works at the hotel not only for a long time, but also works and performs well. To achieve this, personnel management principles are used at the hotel.

Special events are conducted on a regular basis aimed at improving the quality of the services provided for all employees of the hotel. Motivation is the main component of successful work, which is divided into several types at the hotel: material reward; psychological climate; social communications.

A number of the following methods of personnel management are used at the hotel:

- work-life balance (flexible working hours);
- supporting good relationships within the team;
- availability of benefits and social support;
- opportunity for career growth;
- location of the hotel is central and easy to get to;
- popularity and prestige of the hotel.
- More specifically, personnel motivation methods used at the Mercure Hotel include:
- corporate events;
- provision of benefits: for example, free meals or with substantial discounts, mobile communications, travel by public transport, etc.
- satisfactory working conditions (the availability of necessary household appliances, work clothing, a normal bathroom, etc.);
- happy birthday celebrations;
- praise for good work;
- bonus to the best employee of the month / year.

### **Conclusion**

It can be concluded that the Mercure hotel uses several personnel performance management methods: video surveillance, secret guest, and monthly personnel reviews. Research results have shown that video surveillance and “secret quest” and guest review methods are effective, because they are motivating personnel to do the best job they can. However, monthly meetings and interviews with personnel are not effective and don’t produce the desired results.

The author has conducted a literature review, observations and personal reflections, as well as industry analysis related to personnel in the field of business placement in Latvia. The author has chosen this method because it wasn’t possible to offer questionnaires to the staff due to the current situation of COVID-19 in Latvia with the hotel being closed.

The number of jobs in the accommodation industry in Latvia has been increasing for the last 10 years, providing more jobs and employing more people, making personnel assessment more and more important. The majority of the accommodation industry jobs are located in Riga and Riga region (76%); 9% are in Kurzeme, 7% in Latgale, 6% - in Vidzeme and only 2% - in Zemgale. The average number of employees in normal working time units by type of activity per year in accommodation enterprise has been growing for the last 10 years. The turnover of accommodation enterprises in Latvia has been also growing. The accommodation businesses in Latvia have been experiencing difficulties. In 2017 and 2018 they reached small profits so there is a need to improve the situation, which can be also dependent on the personnel. The average net salary is rising and has almost doubled in the last 10 years. This means that employee conditions are improving.

In order to improve personnel performance management system at the Mercure Hotel and to implement the above mentioned management methods, the following recommendations have been developed for the company: to create a structured personnel assessment system and use it on a regular basis: for the first three months – monthly, then every 6 months. Based on this system the company also can decide on the bonuses, career opportunities, personnel development and training needs. The system should include:

1. Job knowledge tests;
2. Structured interviews;
3. Situational tests (experiments of the customer interaction);

#### 4. Goal setting and following goal achievement for personnel.

To sum up, for a successful manager it is important to fully utilize all available human capital. Having talented employees is not an end in itself, but its competitive advantage, because in modern conditions, leadership in the market is provided by talented personnel. Talents are employees with high professional potential, capable of active development and promotion. Therefore, when making a decision, it is necessary to take into account both the existing level of development of managerial skills, and the potential for growth and development. Thus, talent management is the company's activity to create, develop and use talented employees who can effectively solve complex tasks.

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## THE INFLUENCE OF ORGANIZATIONAL CULTURE ON TALENT MANAGEMENT

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**Abstract.** Talent management is a section of HR management that seeks and attracts effective employees, integrates new staff, motivates, and supports employees to meet the organization's real goals. Corporate culture is an essential element of talent management technology. The potential of talent management activities is largely ensured by the corporate culture: why people became members of the organization. This project uses a qualitative method and data processing. The most important element for motivating talented employees is the creation of an appropriate company environment, which not only encourages employees to show talent but also is able to accept and develop these manifestations. Employees, showing their talents, expect to receive approval of their ideas, increase their status in the company, and recognition of colleagues. Talented employees want to be even more needed for the company in which they work.

**Keywords:** talent management, human resources, knowledge, corporate

### Introduction

True talent management is about more than finding and keeping the right people. It's also about making smart decisions that benefit both the workforce and the organization. The goal of talent management is to create a high-performance, sustainable organization that meets its objectives and strategic and operational goals. During change and organizational reorganization, the culture of a company may shift. An organization may re-evaluate its basic structure and employees may find this disconcerting. In this environment, talent managers need to recognize how relevant organizational culture is to the sustainability of an organization's mission and send a positive message about the company to recruits and to current employees, helping them understand their prospects for growth, development and promotional opportunities that may exist as a result of change within the company.

Leaders and directors create culture in an organization by the actions they take and by their focus in an organization. Leaders also create culture by what or who they reward and by how they allocate the resources in an organization. Leaders are typically the first to deliver their values and the organizational vision and mission to employees within a company. Talent managers then have a duty to share this message with new recruits, and to continue to share this message with employees as part of the culture-building process within an organization. Employees coming into the organization may ask questions about an organization's beliefs,

value system, and culture. The talent manager needs to be able to answer questions about culture with ease and clarity (Rose, n.d.).

The purpose of this paper is to explore the influence of organizational culture (OC) on talent management. This article deals with the problems of diversity of human resources, attracting and retaining talented employees. One of the main tasks is to identify talented and outstanding employees who are useful to employers. This is not only a search, but also the retention of talented employees in the organization. Having such employees is a huge competitive advantage for companies. The problem of corporate culture in the company is also identified.

### **Methodology**

The author has chosen a secondary method of research. This means making analysis based on open sources of information, i.e. newspapers, magazines, publications of other researchers, etc.

### **Literature Review**

#### **Talent management as a factor in increasing the efficiency of a company**

The term talent management was first proposed by David Watkins of Softcape in a publication in 1998, later developed and supplemented in the paper named Talent Management System in 2004. The term talent management was originally used to refer to changes in HR management that made a focus on management human potential or talent (Borisova et al., 2017).

Talent management is a section of HR management that seeks and attracts effective employees, integrates new staff, motivates, and supports employees to meet the organization's real goals. In companies that adhere to the talent management policy, the responsibility for labor resources lies with both the human resources department and the managers who work in the company. The process of attracting and retaining qualified employees, which is of strategic importance, is called the war for talents (Nencheva, 2010). There are some different definitions of talent management. For some organizations, talents are understood to mean individual employees with special potential, while others speak of all personnel as a whole. Management of talented employees is an additional, but independent management process. The management of talented employees is concentrated on the contingent that demonstrates high performance or has prospects for further promotion in the company.

The variability of the definitions of talent significantly limits the formation of a unified approach to the management of talented employees. The main approaches to the definition of talent management are (Borisova et al., 2017):

1. Talent as giftedness (Mohd Hamzah & Shamsudin, 2017). Talent is often perceived as a natural gift and quick wit, outstanding ability and genius. Talent is constant and unique, it is given from birth, and the knowledge and skills that a person possesses thanks to him cannot be acquired without him.
2. Talent - specific knowledge and valuable skills that are necessary for any organization. Talent is the ability and talent that can be developed with the acquisition of experience and skills (Gritsenko, 2019).

Sometimes the first and second approaches are combined: talent is the sum of human abilities, talents, skills, knowledge, experience, mental abilities, judgments, character, and assertiveness, ability to learn, and grow.

3. Talent as a performance. As a rule, they say about talent if a person, due to his inherent abilities, can achieve outstanding results (Singh, 2017).

Within the framework of this definition, it is more relevant to determine talented employees as people who play a major role in achieving the success of the company and occupy leading positions due to their abilities and effectiveness.

According to McKinsey experts, talents are the best and brightest employees, and this 10-20% of employees are the most valuable for the company. In any company, 20% of employees bring 80% of the result (Borisova et al., 2017). These 20 % of employees belong to category A, and it is important to retain them in the company and give more responsibility and provide more independence. Category B includes 64% of employees, average performers, but their contribution to the company is 16%. The last category C is represented by 16% of employees who bring only 4% of the result.

4. Talent is determined by potential. A talented employee is a person with the potential for further advancement in the company, and potential leaders are focused on the future. Talent is a strategic balance between performance and potential. In other words, talented employees are people who regularly demonstrate their outstanding abilities, achievements, and opportunities for further development (Supriyanto et al., 2019).

5. The term talent management refers to competency-based management (Кабалина & Мондрус, 2017). Competence implies knowledge, skills, experience, and personal qualities. Thus, a talented employee is a combination of high potential and productivity. The latest techniques include creating a competency framework for companies to help develop job descriptions.

In modern conditions, many firms are faced with the need to reduce costs. In this situation, the management system of talented employees can play the role of a tool for optimizing the performance of any employee or the entire company. The main goal of strategic talent management is to attract talented people. In the framework of this issue, the following problems arise:

1. Development of a search and retention system for the best specialists;
2. The development of talented employees (see Fig.1).



**Figure 1.** *Talent management strategy (Source:Source Borisova et al., 2017)*

Organizations should have a special management system for talented employees, which enhances their motivation to use their own potential. Managing talented employees is a set of individualized management practices for employees with high potential or personnel reserve.

Some researchers believe that a talent management strategy should be integrated into a business strategy. Successful management practices for talented employees create a long-term competitive advantage, increase revenue and sales, reduce costs, accelerate the innovation process, and less successful practices or their absence hinder the achievement of company goals, harm the result, and become a source of competitive passivity. The following points characterize the current situation in the field of talent management (Boštjančič & Slana, 2018):



1. The topic of talented employees is becoming increasingly popular because talents that give companies world-famous names;
2. In the European business model, priority is inherent in teamwork;
3. When introducing a talent management system, it is necessary to start it with a strategic process;
4. The choice of an employee must take into account all factors since any shortcoming is quite expensive for any company;
5. One of the signs of talent is the ability to grow and develop, therefore, when evaluating an employee, it is important to consider both the present level of competencies and future potential;
6. Any employee is an object of development and training that requires investment, and you need to invest in profitable employees who show effective results;
7. The talent management system is relevant for large enterprises with more than 100 employees;
8. Retention of talent in the company is the main difficulty in the field of talent management; for such employees serious motivation is necessary.

Thus, it is clear that talent management is a complex and multi-valued process. Firstly, even within the framework of one enterprise, it is quite difficult to come to a consensus on what is talent. Secondly, it is not entirely clear what and how to objectively measure it. At the same time, effective talent management in an enterprise or organization can have a decisive role in the profitability and success of a business. This is especially true for industries where the quality of human capital is the main competitive advantage, which includes service enterprises. Properly constructed talent management includes the search, hiring, adaptation, and development of promising specialists. In more detail, the main provisions of the strategy are as follows (Bücker, 2014):

- search system for talented employees (includes drawing up selection criteria, analysis of sources of information about talented specialists, mechanisms for implementing internal and external search);

- talent selection system (specifics of recruiting and internal selection, selective technologies);
- adaptation of talented specialists (adaptation program and analysis of its effectiveness);
- employee training and development (training planning, self-learning promotion);
- an effective system of rotation and staff movement of high potential employees of the leadership and mentoring program;
- building a system of relationships between talented promising employees and managers.

While traditional Human Resources Management and Enterprise Resource Planning systems focus mainly on transactional processes and the administration of basic human resources, they take into account methods for calculating employee salaries, adjusting working hours, and so on, the talent management system focuses on the realization of long-term goals of organizations with the help of intellectual capital (Silva & Lima, 2018). Such systems can be used both independently and in combination with various other approaches. When managing talents of a company, it is essential to correctly use the tools of diagnostics, assessment, and development of personnel, to pay attention to the development of a competency model and an objective system for assessing the personnel potential of employees. Only such talent management in the organization can identify promising and motivated employees who, for various reasons, may not show themselves in the current conditions in the company.

### **Culture & Employee Engagement Statistics**

Regarding employee engagement and satisfaction the following data is available (CultureIQ, 2020):

1. Environment, support systems, and mission and value alignment are the company culture qualities with the greatest impact on employee satisfaction.
2. Over a period of seven years, companies with more engaged workers grew revenue 2.5x as much as companies with less engaged workers.
3. Highly engaged workplaces see a 10% increase in customer ratings and a 20% increase in sales.

4. Happy employees are 12% more productive.
5. Only 13% of employees are considered ‘highly engaged.’
6. 26% of employees are considered ‘actively disengaged.’

Below there is some data regarding measuring culture and engagement (Deloitte, 2020):

1. 64% of organizations still only measure employee engagement annually, despite the emergence of tools to more frequently do so and an understanding that it’s more effective to measure regularly.
2. Nearly one in five employees (18%) reported that their companies don’t formally measure employee engagement at all.
3. Only 8% of respondents said they measure employee engagement on a monthly or more frequent basis.

Only 46% of companies report that they’re prepared to tackle the engagement challenge.

The way culture and hiring are interrelated can be seen from the following statistics (CultureIQ, 2020):

1. Companies with strong employer brands cut their cost per hire by as much as half.
2. 74% of surveyed HR professionals say a company’s reputation is critical for successful recruiting.
3. Building an employer brand and company culture helps companies hire the right people (55%), get a greater number of qualified candidates (49%), increase employee referrals (41%), and have more diverse candidates (32%).

### **Worldwide Statistics of Employees Engagement at Work**

Only 13% of employees worldwide are engaged at work, according to Gallup's new 142-country study on the State of the Global Workplace (Gallup, 2020).

*Worldwide, Actively Disengaged Employees Outnumber Engaged Employees by Nearly 2-1*

2011-2012 results among employed residents, aged 18 and older, in 142 countries and areas

	2009-2010	2011-2012
Actively disengaged	27%	24%
Not engaged	62%	63%
Engaged	11%	13%

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**Figure 2.** *Worldwide, Actively Disengaged Employees Outnumber Engaged Employees*  
(Source: Gallup, 2020)

The bulk of employees worldwide - 63% - are “not engaged”, meaning they lack motivation and are less likely to invest discretionary effort in organizational goals or outcomes. And 24% are “actively disengaged”, indicating they are unhappy and unproductive at work and liable to spread negativity to coworkers. In rough numbers, this translates into 900 million not engaged and 340 million actively disengaged workers around the globe (see Fig.2).

As in Gallup's previous employee study, engagement levels among employees vary across different global regions and among countries within those regions. At the regional level, Northern America (that is, the U.S. and Canada) have the highest proportion of engaged workers, at 29%, followed by Australia and New Zealand, at 24%.

*Regionally, Engaged Employees Most Common in the U.S. and Canada*

More than one in three workers in the Middle East and North Africa region are actively disengaged

Region	Engaged	Not Engaged	Actively Disengaged
United States and Canada	29%	54%	18%
Australia and New Zealand	24%	60%	16%
Latin America	21%	60%	19%
Commonwealth of Independent States and nearby countries	18%	62%	21%
Western Europe	14%	66%	20%
Southeast Asia	12%	73%	14%
Central and Eastern Europe	11%	63%	26%
Middle East and North Africa	10%	55%	35%
South Asia	10%	61%	29%
Sub-Saharan Africa	10%	57%	33%
East Asia	6%	68%	26%

2011-2012

GALLUP

**Figure 3.** *Regionally, Engaged Employees Most Common in the U.S. and Canada*  
(Source: Gallup, 2020)

Not all economically developed regions fare as favorably; across 19 Western European countries, 14% of employees are engaged, while a significantly higher 20% are actively disengaged. However, the highest proportions of actively disengaged workers are found in the Middle East and North Africa (MENA) and sub-Saharan Africa regions, at 35% and 33%, respectively (see Fig.3).

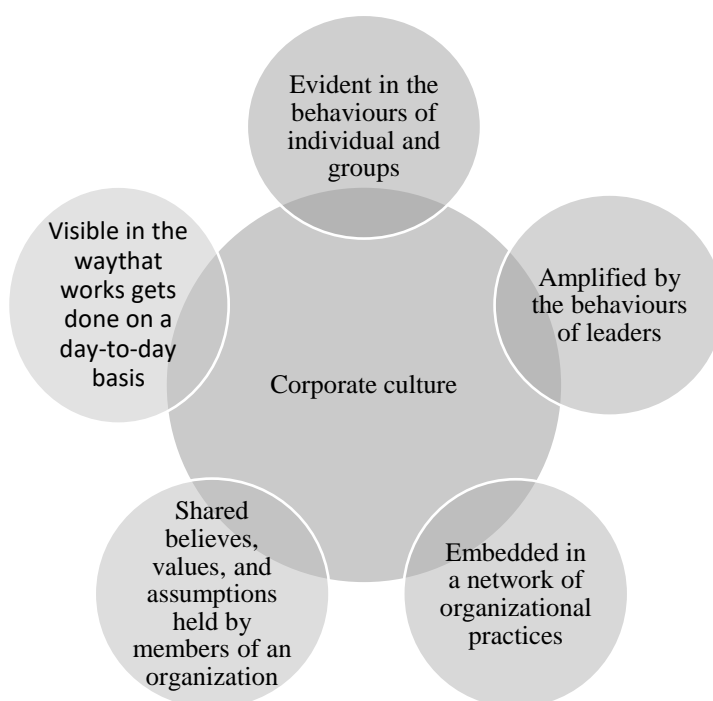
From this statistics it follows that in economically underdeveloped countries (Africa, the Middle East) there is a large number of people disinterested in the work or not particularly involved in the organization. Only a small number of employees who are truly interested in their work, in what they do, contribute to the company. For managers, it is important to attract workers to their organizations, to be able to interest and retain them for a long time. In this way, any interesting work conditions, trainings, bonuses are welcome.

### **Corporate culture and its role in talent management**

Corporate culture is an essential element of talent management technology. The potential of talent management activities is largely ensured by the corporate culture: why people became

members of the organization; how relations are built among them; what principles and methods of work are used in the organization's activities (Sadeli, 2012).

The corporate culture of the company holds talents in a particular structure, where they when combined, multiply each other (Gerstner, 2014). The development of corporate culture plays a key role in the formation of a talent management system. Any organization has a value system, which in itself can be a value: people enjoy communicating with each other, want to work in the company for a long time, help colleagues grow professionally, share knowledge and experience, and are ready to do a lot to ensure that the company grows (see Fig. 4).

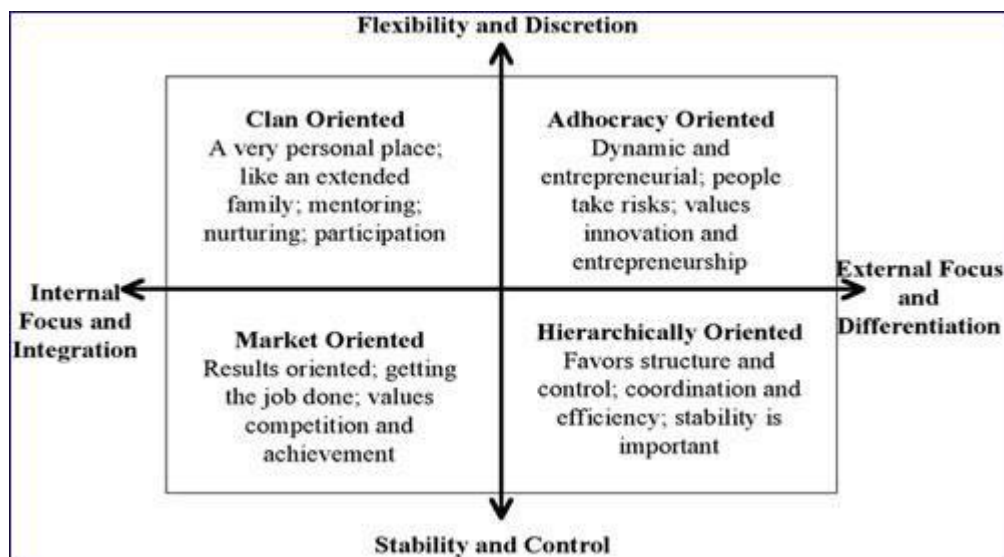


**Figure 4.** *Corporate culture (Source: Gerstner, 2014)*

A good corporate climate is among the motivating significances for employees of any organization (Tsai, 2011). The ethical and reputation aspects of the organization's activities are elements of corporate culture that contribute to the inspiration and retention of talented employees. Thus, a well-developed corporate culture contributes to the adoption of the attitude toward talent by the management and employees of the organization, the development of corporate traditions, the etiquette of business relations, etc.

Corporate culture is one of the most effective mechanisms for attracting and motivating employees (Daft & Marcic, 2016). Proper management of corporate culture has a positive impact on the company's business. In particular, it allows reducing costs, not only for staff

recruitment and retention but also, for example, in the outside world: employees who are the guides of the company’s philosophy to the outside world, remove some of the functions from the department involved in the organization’s PR-policy. The company enjoys credibility in the market and is attractive both to potential employees and to business partners and shareholders. The employees’ awareness of themselves and their place in the company, their attitude to time, risk, money, loyalty to the company and motivation for work and personal initiative are all manifestations of the corporate culture by which it is possible to determine its type (Vetráková & Smerek, 2016). The following types of corporate culture are distinguished: clan, adhocratic, market, and hierarchical (bureaucratic) (see Fig.5).



**Figure 5.** *Types of corporate culture (Source: Vetráková & Smerek, 2016)*

This typology is distinguished based on the following guidelines: focusing the company on internal processes or external ones in combination with flexibility/individuality or stability/control. Only one type of culture in its pure form cannot exist in a company, but one type (or types) can dominate.

The most interesting topic for this study is the impact of corporate culture on the performance of the enterprise. On this basis, a positive and negative corporate culture is identified (Gerstner, 2014). A positive culture stimulates the effectiveness of the enterprise or its development, contributes to the achievement of its long-term goals, captures the value of professional labor activity as a way to realize the value of self-development, as well as the value of the enterprise as an employer. Negative corporate culture interferes with the effective functioning of the

enterprise and its development, reflects a situation where activities in a particular enterprise do not bring self-development and self-realization for employees.

### **Conclusion**

In conclusion, it can be revealed that the presence of talent in an organization is an absolute competitive advantage for any company. Organizations should be able to choose projects of interest and achieving high financial performance compared to other competing companies. Talented employees are an important aspect for solving market problems of companies. Talent management is very useful for increasing productivity, and also has a beneficial effect on company income and enhances its reputation, which is manifested in positive feedback from customers. Today it is necessary not only to attract qualified employees to the work, but also to retain previously employed specialists in it.

The process of development, retention and motivation of talents in the company depends on the existing corporate culture in the company. The main elements of corporate culture are the philosophy and values of the company; norms and standards governing the internal relations of employees, the atmosphere within the team; image of the company, its external and internal image; rituals and ceremonies held in companies to record significant events; myths, traditions. It takes a lot of effort to attract new talented employees, to make even more efforts. Attracting talented personnel begins with planning and presenting the main characteristics of talent. Corporate culture directly affects the behavior of talented employees.

Modern business development conditions allow the introduction of new remote work programs. The most important element of motivation of talented employees is the creation of favorable conditions for work in companies. Employees who demonstrate their talents expect to receive approval of their ideas. Talented employees want to be even more in demand for the companies in which they work. The loyalty of talented employees to the company lies in the recognition of their needs and great value for the company.

Perhaps the most important role of a talent manager is ensuring cultural compatibility within an organization. Talent leaders have a duty to become the most educated members of a company about culture. If a company merges or acquires another company, talent leaders will have a duty to educate newly acquired employees about the culture of the company newly acquired employees will be working for. Talent leaders can provide valuable information



including cultural insights to employees. Talent managers may have to provide training to employees so cultures can integrate. This may require an assessment of the newly acquired company's vision, mission and values, and a comparison of how this compares to the purchasing companies culture and values.

Ultimately good talent managers work diligently to preserve positive relationships among all members of an organization. Establishing good relationships with new recruits, or newly acquired employees, helps create a positive work environment and will mitigate any effects associated with big changes include changes associated with mergers or acquisitions. Talent managers that understand the importance of culture in an organization can help recruit and train talented employees that are the best fit for an organization, and those that have the best skills to perform the job functions for the job vacancies they fill.

### **Research limitations**

Limitations in this work, primarily is the lack of the ability to conduct practical research, interviews. This causes difficulties with research work. This is also the author's first experience in working in this format, that is, there is no experience in writing such works and there is no experience in working in this area.

### **Implications and Future Research**

There are theoretical research methods, such as text analysis and literature study and other sources (as was used in this study), as well as logical, synthesis, and more. In addition, a practical research method, such as observation, questioning, questioning and testing, could be used.

To improve this study, one could use qualitative methods, for example conduct a survey among hotel industry employees, a manager, in order to understand this research topic in more detail and in depth, to find out the nuances and problems, if any, to conduct an interview with the hotel manager, ask questions and add them to this study in order to more fully reveal the impact of corporate culture on retention of talented employees, conduct a survey among students, to study the opinions of each for ways to improve the problem.

From this study, the author has gained knowledge about the concept of talented employees, studied the influence of corporate culture on the management of talented employees, their attraction and retention in the hospitality industry, what methods should be used for this; a

system for searching, hiring and retaining employees; what is their relationship and position in organizations; how important it is to have talented employees in your company, what can they give to the company; what atmosphere should be created for the involvement and interest of employees at work.

The importance of this study is very great. There is a problem of finding and retaining talented employees in the hotel industry, because it is important not only to find such employees, but also to keep them in their workplace for a long time. Without a positive corporate culture in the hospitality industry, without a proper organization attitude towards such employees, problems may arise in retaining talented employees. A certain atmosphere is needed to attract and retain talented employees; such employees need to be valued and respected, and also understand that there can be mistakes and failures. Therefore, hiring and attracting talented staff is a very complex process that requires the great efforts of managers.

Talented employees are very important for the company, they improve the company's image and reputation, the company enters the international market, becomes competitive, the company's economy also goes up, in other words, the talented employees improve the whole company, everything else, such personnel have goals and motivation for further improvement work. Therefore, attracting talented employees in an organization is a very important and necessary question for various companies.

This study can be used for hotel managers, executives to apply it in practice in hotels, as well as for educators who train staff. For example, it can be used as a part of internship for employees, education and training, which can allow employees to try themselves in various fields and reveal a certain talent, develop their knowledge, coaching, various internships and bonuses will be useful. This study may also be useful to other researchers, for example, for those people who are specifically engaged in the search for talented employees or for directors who will hire the found employees, test them and analyze them.

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## **THE ROLE OF TALENT MANAGEMENT IN THE FOOD & BEVERAGE INDUSTRY – CHALLENGES IN ATTRACTING AND RETAINING EMPLOYEES**

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**Abstract.** Research question - How does the role of talent management in the Food & Beverage industry help solve staff attraction and employee retention? The relevance of this study is due to the fact that many organizations have the problem of attracting and retaining employees. Every day, organizations lose valuable employees and not very competent employees come in their place, which affects the quality of services. Exploring this topic can help many employers who do not want to lose valuable employees and who want to attract only decent employees. The purpose of the study is to study and identify the problem of attracting and retaining employees in the Food & Beverage industry and provide recommendations for resolving this problem.

*Keywords:* Talent Management, Food & Beverage industry

### **Introduction**

Employees are a critical component to the success of restaurant organizations. It is argued that the restaurant industry is a highly competitive and dynamic environment that hinges on service quality as the primary differentiator. Employees represent a crucial resource that can affect the longevity and profitability of the firm. The labour-intensive operating model that managers of restaurants use remains susceptible to high rates of employee turnover that could adversely impact the firm's ability to stay competitive. High employee turnover could result in significant operational disruptions that could negatively influence the firm's profitability. When employees quit their jobs, managers lose valuable skill sets resulting in service efficiency deteriorations and customer dissatisfaction. Customer satisfaction results in a competitive advantage, which further increases the need for the implementation of retention strategies within the restaurant industry (Tews et al., 2014).

Employee turnover is a ubiquitous phenomenon, affecting business entities of all sizes and types. The average annual rate of employee turnover among restaurant workers can exceed 50%. Managers within the hospitality industry, which consists of restaurants and hotels, regard employee turnover as a significant challenge. The general business problem is that high employee turnover can significantly disrupt operational continuity and reduce profitability. The specific business problem is that some restaurant managers lack leadership strategies to reduce employee turnover (Smith, 2018).

Research Objectives:

1. Study online resources about employee development management concepts;
2. Explore the lack of talent in the food industry;
3. Identify problems in attracting and retaining employees in the food industry;
4. Share author's experience in the restaurant Eleven;
5. Draw conclusions and make recommendations.

To fulfil the objectives of the study, the author has conducted a review of the literature on the selected topic. The lack of talent in the food industry has been observed by the author, who had been working in the restaurant Eleven for 2 years.

Performing this work, the author in practice used the knowledge and experience gained during work and based on the analysis, developed recommendations.

### **Literature Review**

“Talent management” has emerged as the latest “it” word in the human resource management (HRM) lexicon (Rog, 2008). Talent management is the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organization, either in view of their ‘high potential’ for the future or because they are fulfilling business/operation-critical roles” In the broadest sense, it is “the strategic management of the flow of talent through an organization (Paquet & Rogers, 2008). Good people management is crucial to success. For many organizations, people are the main source of competitive advantage. Business leaders are striving to ensure that they deliver outstanding practices in people and organizational development by aligning their people strategies to the goals of the organization and ensuring that all employees are engaged with what they're trying to achieve. People management is a strategic as well as an operational imperative. Yet recruiting skilled, dedicated employees will grow tougher than ever—thanks to demographic changes such as mass retirement of baby boomers. And finding the right talent is more difficult than ever (Johnson, 2006). Engagement is a fundamental human need. It is a power that resides in most people, waiting to be unlocked. People want to be engaged in what they do. If employers build the foundation, employees will do the rest (Maylett & Wride, 2017). Finding good people is only part of the task – talented people can be difficult to manage, but the effort is well worthwhile (Heller, 1999).

Employee engagement is about the connections with work and workplace and the relationships which build with the people who work with. Engaged employees have a personal connection to the success of the organization. They are psychologically committed to their work, go above and beyond their basic job expectations, and want to play a key role in fulfilling the mission of their organizations. The greater the percentage of engaged employees and teams an organization has, the more likely it is to meet its goals. Engagement drives performance, improves retention, lowers absenteeism, and increases customer service ratings (Talent Management UNT System Human Resources, 2016).

To create an engaging work environment, employees need to have a clear understanding of what success in their role looks like. They need to be equipped with all of the right resources. When employees lack the means to do their work well, frustration with their inability quickly follows, as does anger with the manager or company for placing them in such a difficult spot. Employees also need to understand how they can optimize their contributions. They need to know that others value their best efforts; they need to develop collaborative and trusting relationships. When employees have an opportunity to do what they do best, they act with more confidence and dedication. It is essential for them to realize that their best efforts are acknowledged and valued; that they are more than just a number. They need to know that someone is concerned about them (ibid.). As to financial rewards, they not only fulfil material needs but have also a social meaning, indicating power and status within an organization. Even though it is one of the most discussed retention factors, studies have shown that salary is not the main reason for employee turnover and benchmarking trends make it difficult for companies to compete by means of remuneration (Cappelli, 2000). Another important motivator is opportunity for career development. Opportunities for career development involve not only promotion but training and skill development, thus enhancing employability both in internal and external labour markets (Kämpe, 2012). It is essential to remember that people do not just work for money, but for satisfaction. It is an important dimension affecting outcomes like performance and commitment, and enhancing the intrinsic qualities of the job is a popular retention practice in knowledge firms (Horwitz et al, 2003). Regarding social atmosphere, it is imperative, because loyalty to the firm is an obsolete idea, while loyalty to colleagues is an effective means of retention (Cappelli, 2000), and employees might not want to lose their social network. The organizations can create a positive social atmosphere with honest communication, interaction and cooperation among colleagues (Kämpe, 2012). Work-life

balance is often cited as a retention factor since the current generation of employees attach more importance to quality of life (Cappelli, 2000). To what motivation is concerned, Ramlall (2004) argues that employee motivation strongly effects employee retention and, therefore, HR (human resources) practices for retaining employees are more effective if they are based on the analysis and criticism of different employee motivation theories: need theory: satisfy employee's needs, equity theory: employees compare their rewards with others, expectancy theory: effort-reward probability, job design: the task, offering challenge (Kämpe, 2012).

ITL (Intention to Leave) has been an important issue in FFI (Fast Food Industry). ITL refers to the conscious and deliberate will of an employee to leave an organization within a certain time frame (Halawi, 2014). High ITL proportion in the organizations causes high cost of recruitment and decline of organizational performance (Almalki, FitzGerald, & Clark, 2012). In this way, ITL is an undesirable occurrence in the organizations, on the grounds that long haul efficiency is influenced by procuring the best qualified work force (Shriedeh, 2019). With the advancement of technology and accelerating of globalization, people change their jobs as many times they wish on their own decision not as a result of company closure (Ikechukwu, 2017). Consistent with this view, Chen and Tung (2014) argued that ITL can safely be used as a substitute for high turnover behaviour. Further, past studies had clarified that ITL is probably one of the greatest predictors and an immediate indication of employee's TO (Iqbal, Ehsan, Rizwan, & Noreen, 2014). Within the field of research that has been preceded on high turnover, it has been deemed more imperative to search at why individuals decide to leave the organizations voluntarily (Hur & Achen, 2013). Eventually the objective is not to revoke turnover completely, since a certain stream of workers is critical for an organization. There will always be some involuntary turnover from the layoffs the organization chooses to make, e.g. to get rid of poor performing workers (Jeswani & Jaiswal, 2014). In the literature, employee turnover remains a vibrant field of further research even though more than 1500 studies have been conducted already (Holtom, Mitchell, Lee, & Eberly, 2008). Majority of the studies assessed the ITL rather than the actual leaving because many evidence showed that intention is the immediate predictor to the actual behavior (Jha, 2009). The employee ITL phenomenon is regarded as complex, thus causes of ITL differ in the context of research, and nature of the organizations (Saraih et al., 2017). While considerable number of individual factors has been studied, organizational factors known to influence ITL have only been marginally assessed (Ikechukwu, 2017; Omar & Noordin, 2013). Most of the previous research in this area has been



done either in the manufacturing or production industry (Alfes et al., 2013). Studies in the manufacturing industry cannot be generalized to the service settings such as FFI because of the variations in innovation and technologies, work processes, interdependency among staff and the role of customers (Ikechukwu, 2017; Jha, 2009). As the turnover rate in service sector is one of the highest of all industries, this area needs extra attention (Shriedeh, 2019).

### **Challenges in Attracting and Retaining Employees in the Food & Beverage Industry**

The restaurant industry is a crucial component of society. In developed nations such as the United States of America, 90% of patrons enjoy weekly visits, and over 50% of patrons regard restaurants as an integral part of their lifestyles (Sukhu, Bilgihan, & Seo, 2017). Active customer-employee relationships are crucial to restaurant business operations. The absence of strategies for managing employee turnover should be a cause for concern (Smith, 2018).

Employee turnover is a ubiquitous phenomenon, affecting business entities of all sizes and types (Grzenda & Buezynski, 2015). The average annual rate of employee turnover among restaurant workers can exceed 50% (US Bureau of Labour Statistics, 2016). Managers within the hospitality industry, which consists of restaurants and hotels, regard employee turnover as a significant challenge (Tews et al., 2014). The two general business problems are that high employee turnover can significantly disrupt operational continuity and reduce profitability. The specific business problem is that some restaurant managers lack leadership strategies to reduce employee turnover (Smith, 2018).

Although the restaurant industry has high levels of economic, cultural, and social influence, restaurant managers face numerous threats to business operations, including employee turnover. Due to the various issues negatively affecting business operations which include employee turnover, investors regard the sector as high-risk. The loss of essential personnel, such as chefs, servers, and entertainers due to employee turnover could affect a restaurant's competitive advantage. Therefore, managers of restaurants must devise strategies for reducing employee turnover to bolster operating efficiencies for improving the firm's longevity (Smith, 2018).

### **The Shortage of Talent in the Food & Beverage Industry**

The dynamic structure of hospitality sector makes talent management practices to be important for this sector. Fast changing business environment, including a tight labour market, intense

competition, and varying customer demands, has been a challenge for today's hospitality firms (Cho, Woods, Jang & Erdem, 2006). In such a competitive business environment, talent management practices become much more important (Sabuncua & Karacaya, 2016).

Talent is basically considered with young people in the public's mind. Research points to the age of the workers in catering sector such that 30% of workers in catering sector are younger than 24 years old, this value is 13% for all industries (Pratten, 2003). According to this research, it can be assumed that in hospitality/catering sector there is a high potential of talents. On the other hand, today's young workers, i.e. Generation Y, are dynamic and get easily bored which can be a reason for their higher turnover rates

The dynamic structure of food and hospitality sector also increases the turnover rates in this sector. This problem can be solved with talent management practices (ibid.).

Kitchen is a hard place to work with its unusual conditions compared with other places to work. Sector dynamics are sometimes harsh such that there are strict discipline and rules in the kitchen, some kitchen locations have no access to fresh air, workers of kitchens usually have anti-social work environment, and they earn really low compared to average wages in similar conditions at other sectors (Pratten, 2003). The motivation indicators of chefs in hospitality sector is parallel with Hierarchy of needs which are payment, security, job satisfaction, personal development and growth, friendship, and relationships (Iomaire, 2008). It is possible to say that talent management practices could help to satisfy those needs which would increase employees' job satisfactions (Sabuncua & Karacaya, 2016).

Working conditions of employees in hospitality sector is stressful, highly bureaucratic, unsociable, unstable, and unpleasant (Chuang, Yin & Dellmann-Jenkins, 2009). If an employee finds a job position which is right for his/her talents, needs, and attitudes; then the high stress derived from psychological and physiological requirements of this job would be felt less by that employee (Feldman & Bolino, 1996). According to a survey, chefs think that the main reasons of employee stress are: lack of feedback on performance with 46% of all, being undervalued with a rate of 35%, insufficient management support with one over three of them, and lack of appropriate training also lack of involvement in decision-making both with 13%; all of which are highly related with talent management practices (Murray-Gibbons & Gibbons, 2007). A high employee turnover and staff shortage in hospitality sector is a worldwide problem (Iomaire, 2008). Both organizational and financial problems could be observed when there is

a high turnover rate, in this respect proper talent management practices may be a solution for decreasing turnover problem in this sector (Sabuncua & Karacaya, 2016).

### **Employee Engagement/Retention Statistics**

- 15% of employees worldwide are engaged in their jobs.
- 59% of employees say they've been with their current employer for more than 3 years and among older millennials (ages 30-37), 22% have been with their current employer for more than 7 years.
- 42% of employees say learning and development is the most important benefit when deciding where to work followed by health insurance (48%).
- Offering career training and development would keep 86% of millennials from leaving their current position.
- 51% of employees would quit their job if training was not offered.
- If a job lacks growth opportunities and avenues for leadership development, 67% of millennials would leave that position.
- Nearly 60% of Americans would take a job they love over a job they hate, even if the preferred position paid half the amount of salary they would earn at the job they dislike.
- 72% of workers are satisfied, but 60% are still looking around for a new job with higher wages.
- Almost three-quarters of workers are confident they would be able to quickly acquire a new job.
- 40% of workers say their current company is aware they're actively looking for a new job.
- 65% of workers are confident they can leverage today's candidate-driven market to their advantage, as 54% have negotiated with their current employer for a higher salary in the past year.
- More than 80% of workers are either actively looking for a new job or are open to one.
- Employees who give their managers a low rating are four times more likely to be interviewing for other jobs than their peers (Autry, 2019).

The results of statistics reveal that training and further career growth are the most important things for employees. Therefore, each boss should arrange regular training for their employees. The problem of attracting and retaining employees, when new employees often come and do not stay for long, may be connected with managers' lack of knowledge how to develop talent management. Next in terms of importance is salary. Besides, as most of the employees would leave their current job if a more attractive offer appeared this means that not everything suits employees at their current job. What is more, many do not feel recognized for their excellent work, which leads an increasing desire to leave work.

### **Results of Empirical Research**

Having worked in a restaurant Eleven as the main waitress for breakfast for almost two years, the author can analyze the problem of attracting and retaining employees. For all the time she worked in the restaurant Eleven, the author met more than dozens of new employees (colleagues). But out of all these dozens of new employees, a couple of people remained for longer periods. The largest flow of employees comes in the summer, many of these employees being students who are under 18 or students. Such seasonal workers leave after working for 3 months, some earlier. The reason why students do not stay on a regular job is to study. Speaking of non-seasonal employees, the autumn of 2019 was the most difficult. All seasonal employees had left, and almost no one worked.

The problem of attracting employees to the restaurant Eleven is the location, the restaurant is in a quiet center, far from residential areas. The main difficulty is getting to the place of work by transport. The breakfast waiters need to be at the workplace at 6 a.m., and not from every area, transport goes so early, and if it does, one has to get to the workplace with transfers, or even on foot. Restaurant Eleven pays for a taxi only after 23:00. The second problem arose from the fact that due to incomplete staff one waiter had to serve 120 people. This also affected the author. After working like this for a month, the author decided to quit. Since the author was regarded an experienced and valuable employee, they asked not to quit. The author put forward her conditions, which the management agreed with and the author continued to work. Now the author is working in the new position of the main waiter at breakfast with a good salary.

The third problem of retaining employees is the relationship in the team. Not everyone can join the team and become part of it, as all depends on the person. To retain employees, restaurant Eleven offers discounts on food and drinks to its employees. Twice a year, for the employees

events are organized, where all employees come together in a non-working environment, thereby improving their relationship with each other. Supervisors often arrange training sessions, inviting specialists. The management is always open to new ideas, opinions, requests, desires, thus trying to create a good atmosphere in the team. To attract employees, the restaurant Eleven offers a flexible schedule, training for a short time, as well as benefits for each employee. In general, the author is satisfied with working in the restaurant Eleven.

### **Recommendations**

Below there are the author's recommendations on how to retain and attract employees. It is important:

1. to form a partnership culture, which means arranging regularly, a couple of times a year, various corporate events, shared trips, holidays, with all employees, so that everyone could communicate with each other and build a team spirit.
2. to recognize for the work done is critical to retaining employees. Every employee wants to know if he/she does his/her job well or if something is wrong. If employees do their job, why not praise them, thus motivating them for even better job. To be praised again can also be a motivation, and the quality of work in the company will be higher.
3. to continuously train, which means conducting various trainings; it is beneficial for both the employee and the bosses. If the employee is trained and will be regularly trained, this will increase the employee's labor productivity, which means improving the quality of company services.
4. to be honest about what employee's job responsibilities will be. When hiring, immediately inform the employee about the expected behavior at the workplace, what responsibilities should be performed, etc. Do not embellish the information or promise the impossible.
5. to talk about the obvious career opportunities. People simply will not stay in the company if they have nowhere to grow.
6. to ensure favorable conditions in the workplace. Employees should have all the items for the convenience of completing their work.
7. to motivate the employees, and not only by salaries. Motivation gives employees more reasons to stay in the workplace.

### **Conclusion**

Based on the work done, the author can conclude that attracting and retaining employees is a difficult job that needs to be approached delicately and the ability to work with people requires thinking psychologically. It must be remembered that losing highly skilled workers, enterprises incur losses. It is necessary to create a motivating work environment, arrange regular trainings, and develop new leadership and career models for our employees.

The problem of attracting and retaining employees is related to the fact that employers do not know how to manage talents, which means that employers not always understand employees' needs and are not able to create a favorable working environment for employees to retain in the workplace.

The answer to the research question - How does the role of talent management in the Food & Beverage industry help solve staff attraction and retention employees? - the author can answer in the following way: knowing how to manage talents, knowing what employees need so that they feel satisfied at work, and creating a favorable working environment for employees. All this will solve the problem of attracting and retaining employees.

### **Implications and Future Research**

Analyzing the work done, the author can say that the progress of the author's work consists in the fact that the author has studied the problem of attracting and retaining employees globally, understood how to fix this problem and can now give recommendations on how to attract and retain employees. This research work in the future will greatly help the author. Methods, such as an interview with the restaurant manager and a survey of restaurant employees, can be used in the future research. More sources of information can be analyzed then.

This study can be continued by other researchers who could study the problem of attracting and retaining employees in particular countries, in specific types of enterprises, fields. The author as a researcher has learned that employees are a core asset of a successful business. Having decent, experienced employees is important for promotion, quality of service and revenue. Managers need to be able to manage talents in order to have qualified employees for many years.

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## **TALENT MANAGEMENT AS A MEANS OF QUALITY MANAGEMENT IMPROVEMENT AT THE GALLERY PARK HOTEL AND SPA IN RIGA**

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**Abstract.** In this dynamic and competitive business era organizations are facing challenges in talent management. Talent management of talented worker is becoming of great importance for the organizations, which are working on global level. The demand for talented employees in key positions is high because those are the persons who will steer the organization and will be responsible to take the organization towards the peak of success, which is the reason why organizations are in constant search for the best people. The major goal of every organizational strategy is to enhance the effectiveness and efficiency of the operation, which could lead the organization to success. This study is a detailed description and analysis of the research topic, which at this moment can very seriously affect the motivation of employees to do their job correctly and efficiently.

**Keywords:** talent development, quality management, staff, online questionnaire

### **Introduction**

The author has conducted a series of studies on this topic, which revealed the best tactics and strategies for increasing the quality of work of potential staff. The object of the research is the Gallery Park Hotel & Spa, a boutique hotel with a status of 5 stars. The hypothesis of the project: development of talent management will help to improve quality management at the Park Hotel and Spa gallery in Riga. The main question of the project: How talent management influences the development of the quality management of Gallery Park Hotel and Spa? One of the main parts of the study is online questionnaire, which was prepared using a sample of questions ([www.visidati.lv](http://www.visidati.lv)) and which allowed to determine what the main criteria for the best quality work to potential employees were. The author has analyzed the results of the online survey, presented them graphically and made some recommendations for the Gallery Park Hotel and Spa how to use talent management as a tool. Theoretical part of the work provides information about talent management and quality, as well as how they work if linked. In its turn methodological part gives information on the development of a strategy for the project, which allows getting acquainted with the purpose of the project and explains how the author has developed a relevant hypothesis on the subject. Conclusion contains guidelines for the Gallery Park Hotel and Spa how to improve its services, to attract new guests and keep them as loyal customers, as well as the recommendations on improving the structure of the hotel, and the performance of talented employees for them to work more efficiently.

### **Literature Review**

One of the biggest successes of 20<sup>th</sup> century management thinking and practice has been the notion of quality management, also called Total Quality Management (TQM). In addition, the expansion and growth of the quality work by the International Standards Organization (ISO) ensured that quality became business practice world-wide. The notion of quality management revolves around creating and maintaining a management system that delivers quality in a consistency way. Thus, a quality management system is a system designed to assure and manage the continuous improvement of all processes in an organization in order to meet customer expectations (Summers, 2009). Quality cannot be achieved on a company-wide basis if it is left to the experts such as quality controllers, engineers and production managers. Traditionally, quality has been regarded as being the responsibility of the quality control department. However, many quality problems originate in the administrative and service departments, such as the human resource or administrative departments. Quality management encompasses a number of essential principles that are interdependent and must be integrated in a holistic manner to optimize organizational performance. These principles can be summarized as follows:

- All processes focus on delivering quality products and services to meet customer expectations, both internally and externally.
- Processes and sub-processes are continuously improved following Deming's PDCA cycle.
- There is an active search for the root causes of problems in the system with an emphasis being placed on preventing these problems. The aim is zero defects.
- Decision-making at all levels is based on an analysis of data using statistical measurement techniques.

All people are empowered and developed to play an active role in delivering quality products and services.

- A high-performance organizational culture emerges from teamwork and inter-departmental co-operation.
- Benchmarking is used to pursue local and international best business practices (Global Quality Village, 2012).

When managers move from functional management to managing quality, their whole perspective changes. They realize that their function is to manage and improve processes, and not to control people. Instead, they focus on how work flows through the organization to deliver quality outputs that customer will value.

On the other hand, the new field of talent management offers a complimentary approach to quality management. While quality management focuses on product quality, talent management emphasizes people quality. Therefore, talent management and quality management are two sides of the same coin. Talent Management provides quality people, while quality management provides quality products (Baqtayan, 2014). The two approaches reinforce what both fields are trying to achieve. The focus on empowerment and the creation of a quality culture as embedded in quality management is also essential in talent management. Likewise, organizations with the best talented employees are likely to deliver better quality and outperform their competition (Rabbi et al., 2015).

While quality management was the most successful contribution of management science to the 20<sup>th</sup> century, talent management may emerge as the most valuable innovation in management thinking in the 21<sup>st</sup> century. Talent management gives an opportunity of aligning people, process and production in pursuit of the achievement of business objectives. Applying both sound quality management and talent management in an integrated manner, can play a meaningful role in improving current and future business performance (Meyer, 2017).

### **Methodology**

This study uses both a primary research data (an online survey created by the author at [visidati.lv](http://visidati.lv).) and a secondary research: literature review, useful data collection, and the collection and analysis of quantitative data.

### **Results**

Since at the moment, in connection with the Covid-19 Pandemic, it is impossible to directly interview the respondents, the author created an online questionnaire for potential customers of the Gallery Park Hotel. Target groups by age and gender were also identified. 20 respondents took part in a survey. The results of an online questionnaire have been processed to understand which factors are central to the influence of staff talent management on service quality. Charts

have been created for each question showing the statistics of the answers and a conclusion has been given to demonstrate how the potential customers choose the right path for themselves.

**a) Socio-demographic characteristics.**

- Number of responders: 20
- Men: 16
- Women: 4
- Average age: 24.4 years

**b) Aspects of Talent Management as a means of Quality Management.**

1. Question: If you were a hotel employee who is aware of own talent, what would motivate you more to provide a better quality of your work?

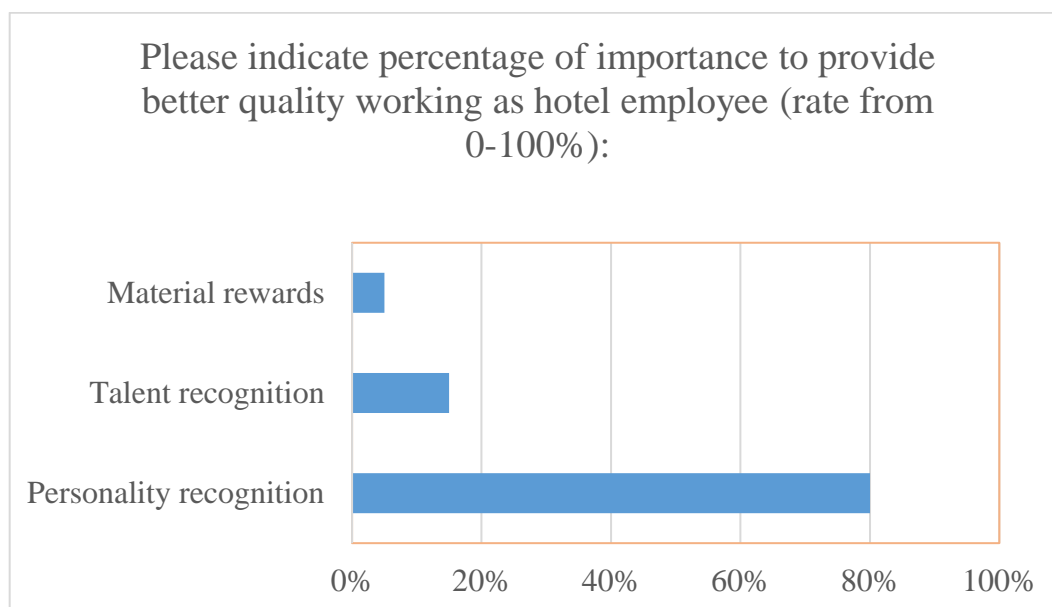
3 answer options were offered: good talent management system; no management of your talent and other. Potential customers in their majority (95%) have chosen good talent management system as the best quality assurance of the work performed by employees of hotel enterprises (see Fig.1).



**Figure 1.** *Motivating factors (Source: made by the author, 2020)*

2. Question: Please, indicate percentage of importance to provide better quality working as hotel employee (rate from 0-100%).

Out of 20 respondents, only three decided that talent recognition (15%) was essential, while the vast majority of respondents (80%), consider that personality recognition is more important in ensuring the work of the employee (see Fig.2).



**Figure 2.** *Factors of importance (Source: made by the author, 2020)*

**3. Question:** How do you consider: can Talent Management be used as Quality Management tool?

The majority of respondents (95%) answered positively. This gives the realization that talent management can be well used as a management of skills and can motivate employees to perform their work efficiently (see Fig.3).



**Figure 3.** *Talent management as quality management tool (Source: made by the author, 2020)*

**4. Question:** What aspect of work is important for potential hotel management staff?

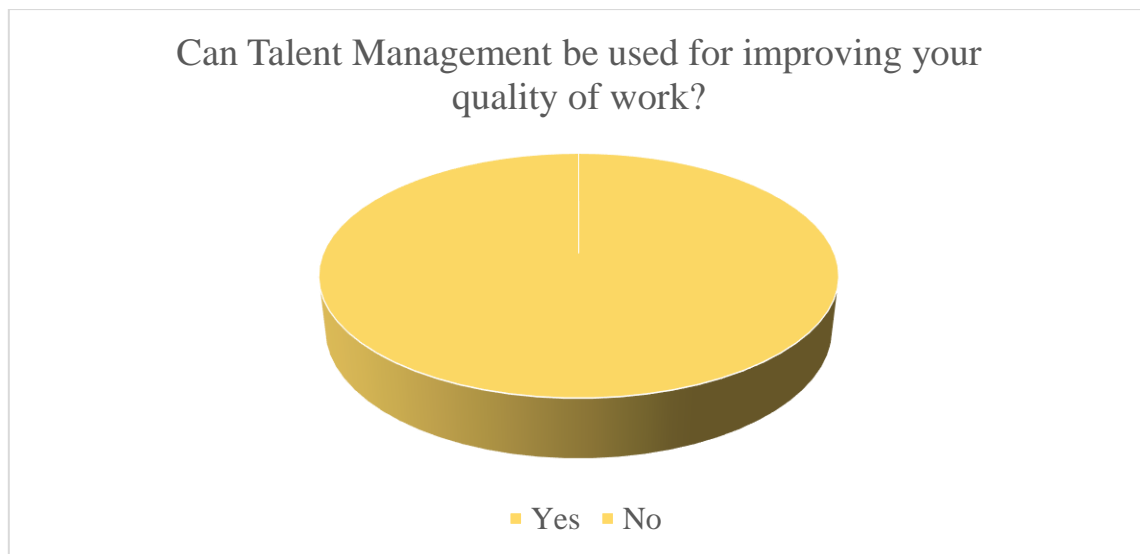
The majority of respondents (50%) consider that quality of work performed is a solid support for hotel management, while (40%) of respondents consider that to assess the personal potential of staff is also important for hotel managers (see Fig.4).



**Figure 4.** *Work aspects (Source: made by the author, 2020)*

**5. Question:** Can talent management be used for improving your quality of work?

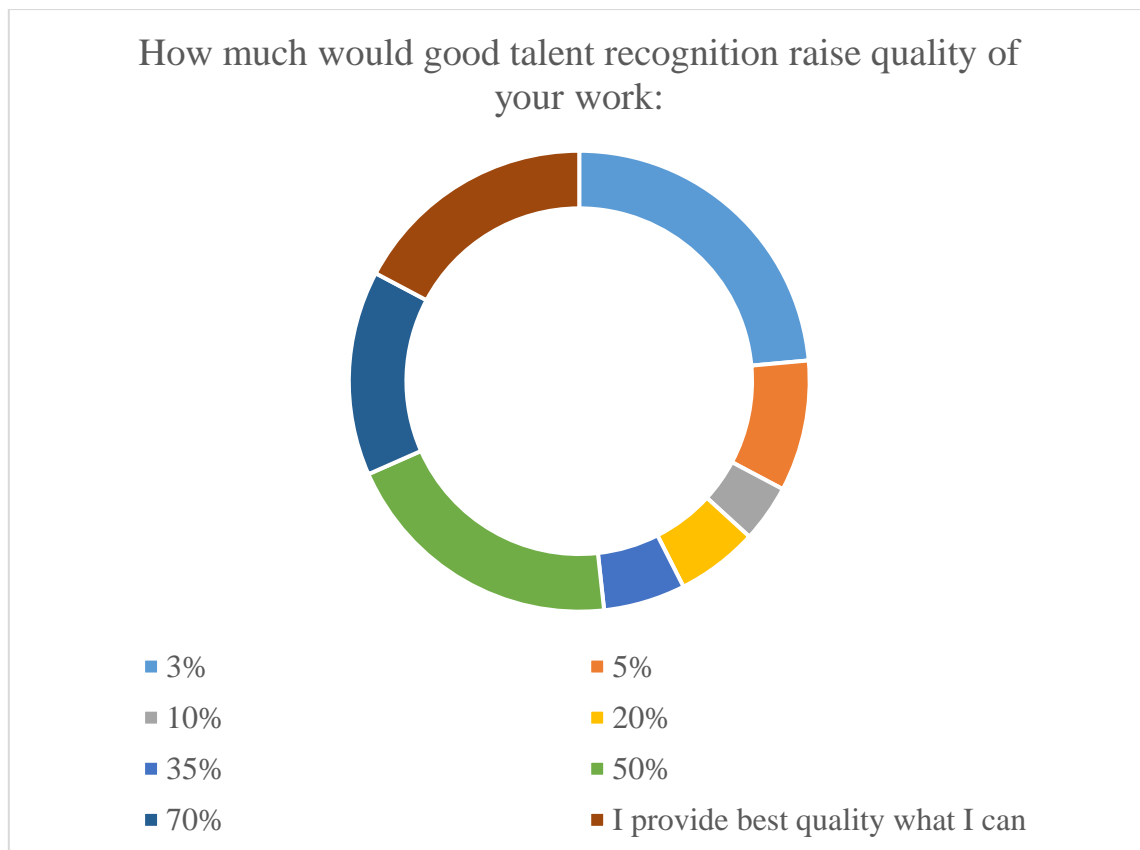
100% of respondents surveyed on the site believe that use of talent management is ideal for improving the quality of the hotel and affects employees on a positive side, allowing them to take their work responsibly and carry it out on time, without creating difficulties in the work process of the hotel (see Fig.5).



**Figure 5.** *Application of talent management (Source: made by the author, 2020)*

**6. Question:** How much would good talent recognition raise quality of your work? This question implies several answers, depending on the opinion of the respondents. Here for the first time it can be observed that the respondents respond differently and almost all of the answer options are involved. The majority (31.8%) consider that (50%) is a good recognition of talents to improve the quality of work. The author believes that (50%) is a good indicator because improving the quality of work depends on a higher recognition of skills (see Fig.6).

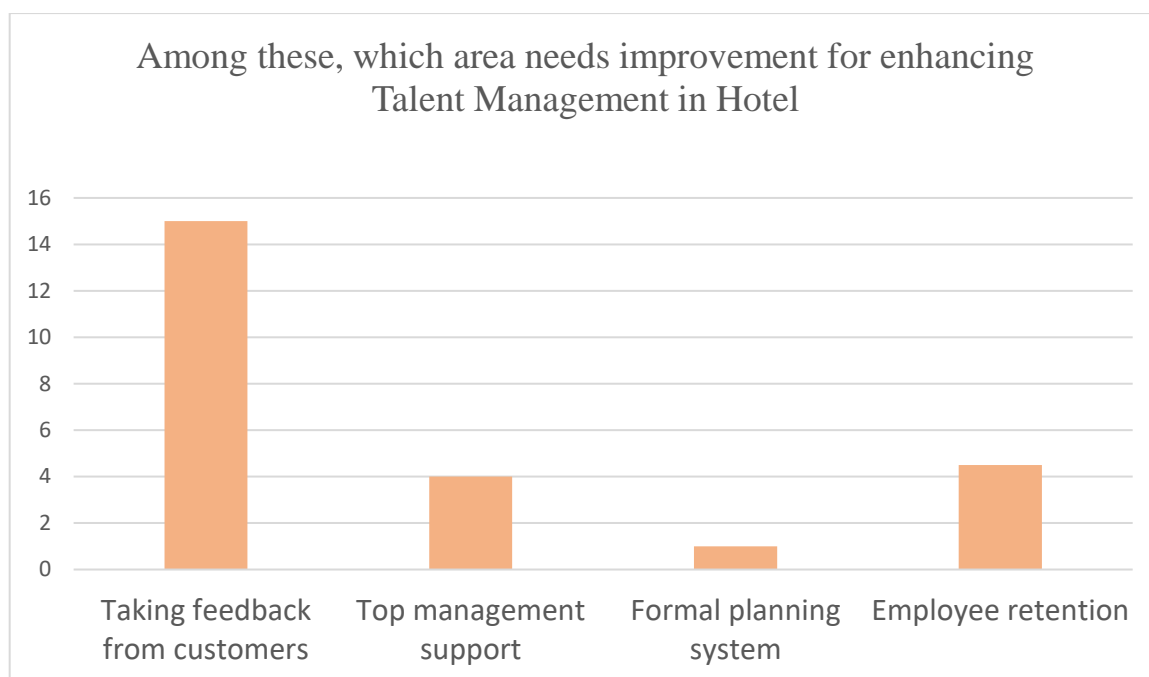




**Figure 6.** *Talent recognition vs. work quality (Source: made by the author, 2020)*

7. Question: Among these, which area needs improvement for enhancing Talent Management in a hotel?

In the final question of the online survey at (visidati.lv), most responses (75%) indicated that taking feedback from customers needs improvement. The opinion of the author is similar to the opinion of the respondents, as in the field of hotel services customer reviews constitute a very important aspect of the hotel. The main goal of the hotel has always been and will be to achieve the best customer reviews on various online platforms such as booking.com or the advice that guests give to their friends and relatives (see Fig.7).

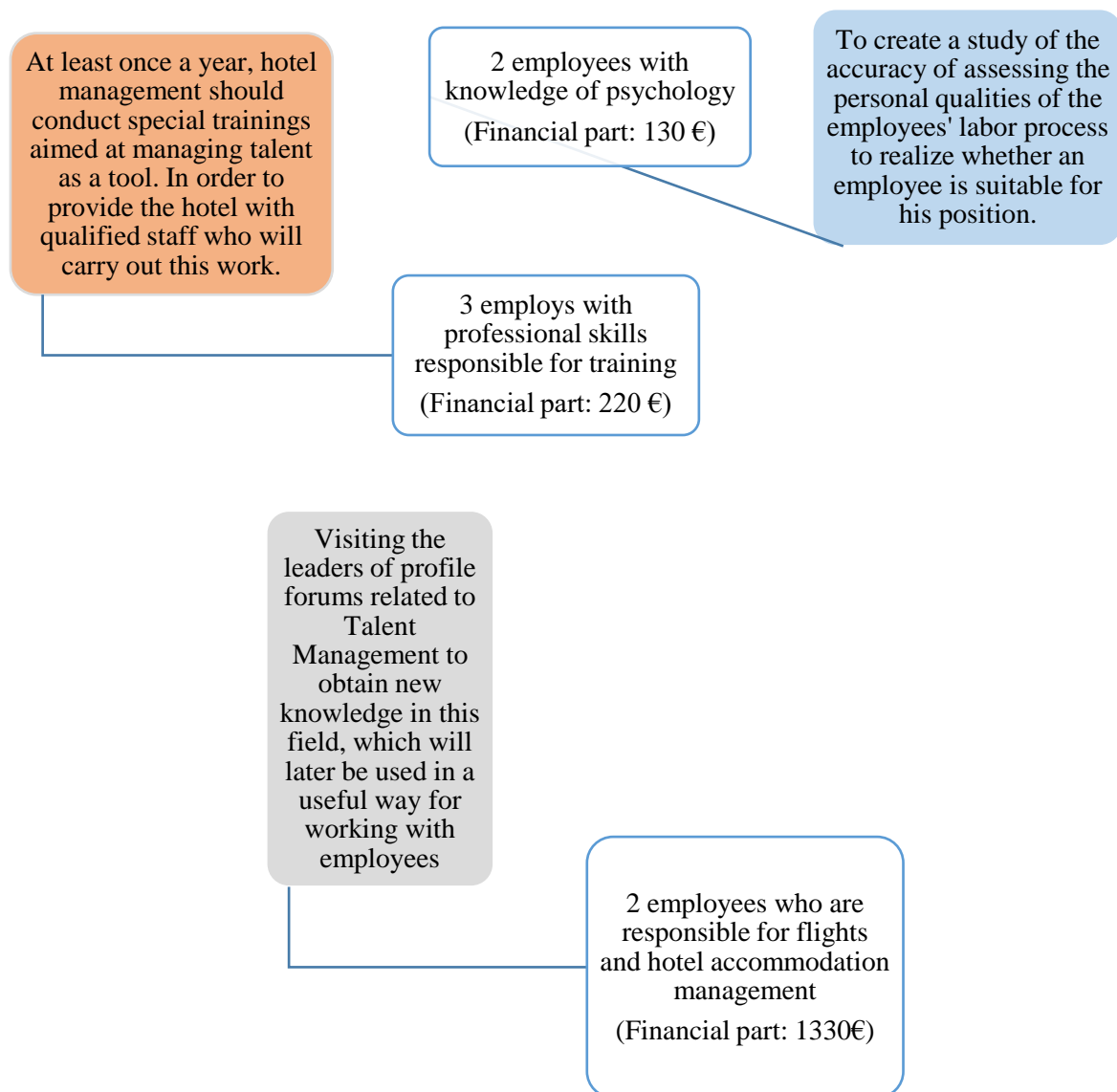


**Figure 7.** *Motivating factors (Source: made by the author, 2020)*

The conducted survey allowed seeing the direct connection between talent management and quality management and how it is beneficial for the hotel. The tasks were completed by using the theoretical part and the analysis of the online survey. The hypothesis of the project - development of talent management will help to improve quality management at the Park Hotel and Spa gallery in Riga - has been confirmed.

### Conclusion

Summing up this research project the author has carried out extensive work on a research of talent management as a means of quality management of Gallery Park Hotel and Spa in Riga. The analysis of scientific articles on Talent Management and Quality has been carried out; the author examined the theoretical part of the work, which allowed understanding what scientific theories on this subject are and how they apply to hospitality services. It is evident that development of talent management will help control the quality of the Gallery Park Hotel and Spa in Riga, where the requirements for staff are already at a very high level, but staff needs constant training and the real advice of management personnel in the field of talent management as a means of ensuring quality. Below there are the recommendations to the hotel management on quality management improvement from the point of talent development (see Fig.8).



**Figure 8.** Recommendations to the hotel management (Source: made by the author, 2020)

Quality management in a hotel, especially with a high status, is very important in hospitality along with other areas of industry. All of these recommendations will definitely help the Hotel Management to achieve the best working capacity of employees and increase the hotel profit through the use of Talent Management to improve the quality of work.

### Limitations of the study

This study was very seriously limited by the current world situation, namely, at the time of the preliminary collection of information for the study and the compilation of questions that should have been directly asked. Of course, questions posed directly to the hotel would provide even

more important information for the study and would significantly influence the final analysis. Although the online questionnaire helped the author to understand this research topic, but through direct contact, this research project would be even more saturated with useful information obtained from the experience of hotel managers. Author would also like to add that according to the results of this study, one should not judge the entire world of hospitality industry. Different countries have their own specific methods for the structure of hotel work and the author's research may not be acceptable to them.

### **Directions for future research**

The author would like to note that this Study on the topic of Talent Management as a Means of Quality Management of Gallery Park Hotel and Spa in Riga will be a good and invaluable experience and will be helpful for further research, as the knowledge gained can be applied not only in the hospitality industry, but also in many other working areas. Talented employees who perform their work efficiently are one of the most important pillars of success. This study allows assimilating and analyzing educational materials in full and makes it possible to use them in any work setting in the future. This work has helped the author to discover useful information about Talent Management and Quality Management and, during an online questionnaire, has given an idea of the best strategies in work. In the future, the author would like to conduct the similar research in the work of Hotel Marketing Department, as he considers this topic very interesting.

### **Acknowledgements**

Author wants to thank his tutor, Olga Zvereva, for her valuable technical support and the provision of useful information resources that helped to draw up an accurate work plan for this project.

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## TALENT MANAGEMENT IN HOSPITALITY INDUSTRY – INDICATION OF KEY SUCCESS FACTORS

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**Abstract.** The article discusses key success factors in hospitality business with the purpose to set success factors for the talent management process. Today, as part of the approach to talent management, the idea that the employee's work efficiency depends not only on his experience and on knowledge but also on his abilities and desire to develop in one direction or another is increasingly heard. Each employee has talents that can be developed and used. In this case, the concept of talent management (talent management) will consist of constantly identifying talents and in their best use for the benefit of the company. The article contains a literature review of human resources and talent management, a study of the system of talent management in restaurant Bon-Vivant the Belgian Beer Café, analysis of employee satisfaction with the quality of team management and a set of measures aimed at improving the quality of talent management in the restaurant.

*Keywords:* success factors, hospitality, talent management.

### Introduction

The service sector is currently one of the most significant components of the national economy, the basis of the material and technical base of tourism, due to the effectiveness of which the quality of life of the society depend. Modern business is constantly in search of ever-new resources to optimize and improve the efficiency of its processes. Accordingly, special attention is paid to human resources, and more precisely to the possibilities of its development. Each company is interested in attracting the best candidates for the positions that are most significant for the business, and minimize the risks associated with the departure of key employees. As a result, almost every company has programs aimed at developing and retaining the talents of the organization.

At the same time, it is necessary to organize the talent management process in such a way that it would be possible not only to quickly find suitable candidates but also to do this with optimal costs for the organization and give them the possibility to developing.

The purpose of the study is to develop a set of success factors for the talent management process in services that contribute to increasing the competitiveness and efficiency of the restaurant Bon-Vivant the Belgian Beer Cafe.

To achieve this purpose, the following main objectives were formulated and solved:

- to conduct a literature review of the human resource and talent management;

- to study the system of talent management in service company;
- to analyze employee satisfaction with the quality of talent management of Bon-Vivant the Belgian Beer Cafe;
- to develop a set of measures aimed at improving the quality of talent management of Bon-Vivant the Belgian Beer Café.

Research question: What are the key success factors for the talent management process?

The literature review explores the concepts of talent management, as well as their main topics. This study is a quantitative research. Primary data has been collected by the conduction of questionnaire and interview. The results of study allowed formulating conclusions and recommendations to improve the quality of talent management in Bon-Vivant the Belgian Beer Cafe.

### **Literature Review**

Traditionally, there are two different approaches to use when deciding how to connect theory and research; deduction and induction (Bell et al., 201). The deductive approach derives from logic and the inductive approach from empirical evidence. Thus, the validity of inductive research can be questioned (Brown & Patterson, 2012). The deductive approach is the option that is mainly used. In the deductive approach, the theory has the role to guide and drive the process of collecting empirical data and is therefore associated with less risk (Woiceshyn & Daellenbach, 2018).

However, another way of conducting scientific research is using the adductive approach. An important fact to keep in mind is that the adductive approach cannot be reduced into either deduction or induction, but rather present new perspectives of the research process (Alvesson and Sköldbberg, 2009). The adductive approach allows the researcher to go back and forth from theory and the real world (empirical data) (Dubois & Gadde, 2014). By going back and forth, the researcher is able to develop a deeper understanding of both empirical data and theory.

Since this paper is grounded on both empirical observations among Latvian hotel employees and theoretical explanations of the talent management concept, the adductive research method is considered to be the most suitable for this study.

The research method is characterized by a systematic way to collect, organize, and interpret qualitative data. There are two different paths to choose from in the research method,

depending on the manner in which the study is conducted to find answers to a research question. Traditionally, a study is conducted through either a quantitative method or a qualitative method. The quantitative method aims to test and build theory through describing, explaining and predicting a certain topic. Moreover, the researcher has limited involvement considering a large amount of empirical data that is gathered (Cooper & Schindler, 2014). The qualitative method, on the other hand, includes the researcher on another level. When gathering qualitative data, the researcher is involved in both collecting and interpreting the empirical facts and can, therefore, reach a more in-depth understanding of the data-collection (ibid). Maxwell (2013) describes one of the strengths of qualitative research is that it focuses on specific situations or people and emphasizes descriptions rather than numbers. Quantitative research on the other hand is more standardized and focuses on the variation of factors examined (Kumar, 2014). A disadvantage of using the qualitative research method is the ability to generalize. The quantitative data is collected from a larger number of cases and has, therefore, also a higher representative power, compared to the qualitative data which is collected from a smaller number of cases where the generalization can be questioned (Yin, 2014).

Thus, since this study is devoted to the study of general trends in the service industry regarding talent management, a quantitative research method is most preferable with some elements of qualitative research, which is presented by semi-structured interviews.

### **Methodology**

The study was started with the preliminary testing of the questionnaire, which allowed detecting some problems and avoiding errors of incorrect interpretation of questions. Testing was carried out with the help of 7 workers. After a test survey, respondents were asked clarifying questions and the necessary adjustments were made.

After the survey has carried, the author visited the restaurant manager for interview conduction. The results of the questionnaire made it possible to clarify the interview's guide compiled earlier and get all the necessary clarifications.

It is important to note that ethical considerations should be considered throughout a research project. Therefore, all answers remain confidential, and participation in the survey was voluntary.

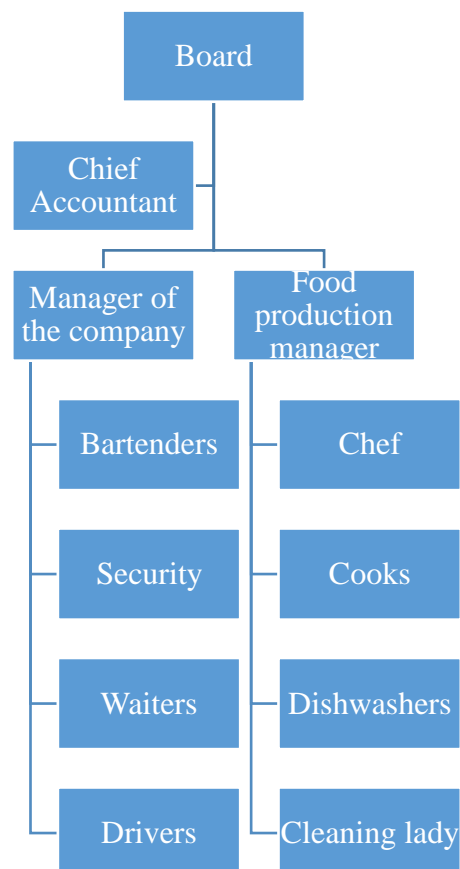
### **Results**



### **Bon-Vivant the Belgian Beer Café general info**

The author chose Bon-Vivant the Belgian Beer Cafe to study the process of talent management in the service sector. This is a cozy Belgian-style restaurant located in the center of Riga, Latvia. The restaurant offers a wide range of beers and various dishes, including vegetarian and vegan, as well as dishes for people with special needs (for example, gluten-free foods). A Limited liability company SIA OLIMPS RĪGĀ manages the restaurant. SIA OLIMPS RĪGĀ was founded in 1996. The major line of activity of the company is restaurants and mobile food service.

An organizational structure defines the functions of employees of a SIA OLIMPS RĪGĀ and determines which duty every employee, their responsibilities, aims to be achieved, hierarchical structure, etc. Nowadays SIA OLIMPS RĪGĀ has 31 employees. The company has two founders and is managed by a board. The head of SIA OLIMPS RĪGĀ is called Chairman of the Board. Then there is a Manager of the company, Food production manager, and Chief accountant (see Fig.1).



**Figure 1.** Organization chart of SIA OLIMPS RĪGĀ (Source: made by the author, 2020)

Starting capital of the enterprise was 39,050 EUR and was registered 21.04.2018. Payments to the enterprise budget in 2019 are presented in Table 1 (see Table 1).

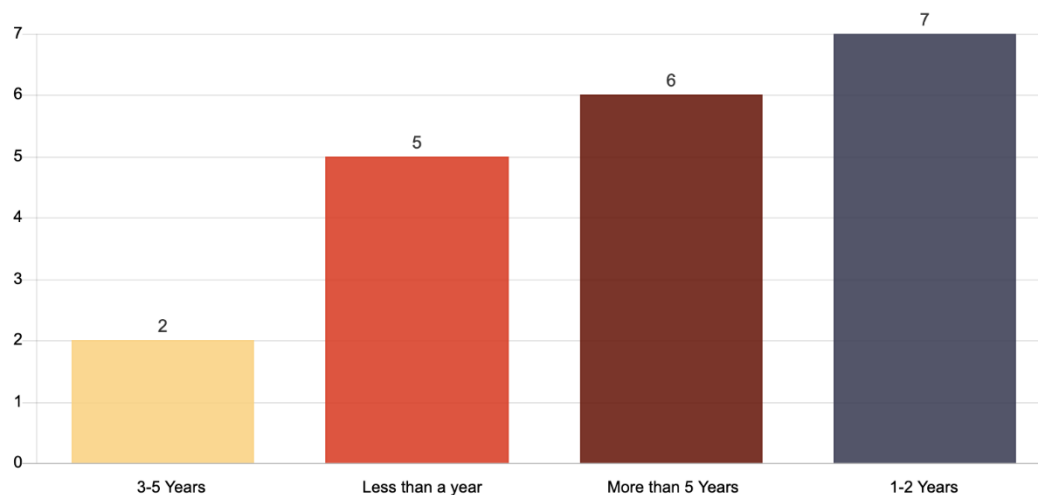
**Table 1.** *Payments to the budget SIA OLIMPS RĪGĀ (Source: Lursoft, 2019)*

Year	2019(thous. EUR)
Total payments to state budget	204.06
Personal income tax	25.86
Statutory social insurance contributions	64.22

### Employee survey results

To assess the quality of the talent management system, respondents were asked a questionnaire in which it was proposed to evaluate the main factors for the quality of talent management in the enterprise. The survey results were interpreted using applied statistical methods.

To assess the number of distribution of answers to the question about work experience (see Fig.2), the author determined a weighted average, which is 3 years.



**Figure 2.** *Work experience in the company (Source: made by the author, 2020)*

Weighted average (sample average):

$$\bar{x} = \frac{\sum x_i \cdot f_i}{\sum f_i} = \frac{62}{19} = 3$$

The most accurate and common indicator of asymmetry is the moment coefficient of asymmetry.

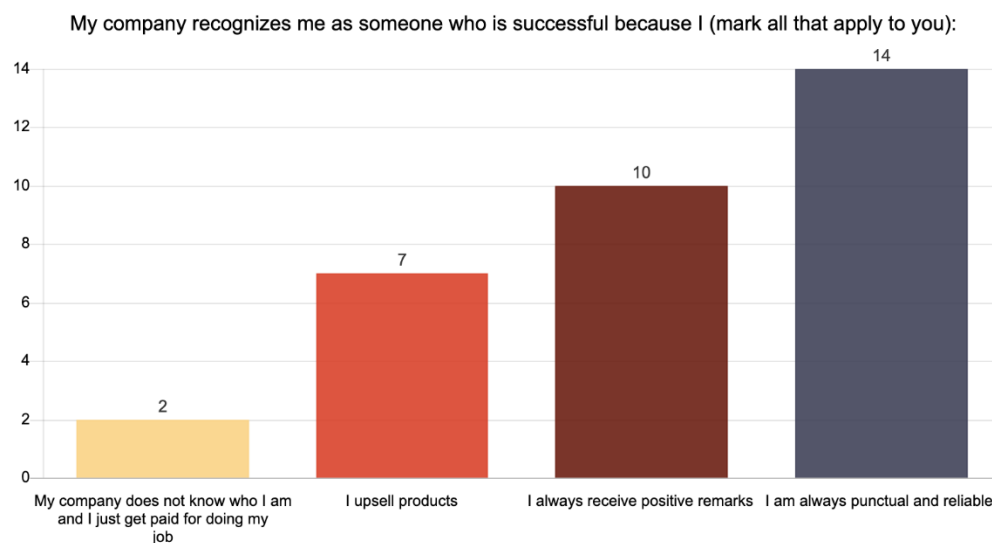
$$As = \frac{16.47}{2.975^3} = 0.625$$

A positive value indicates the presence of right-side asymmetry, that is, the company has more employees with longer working experience in the company.

The main research topics in the questionnaire are:

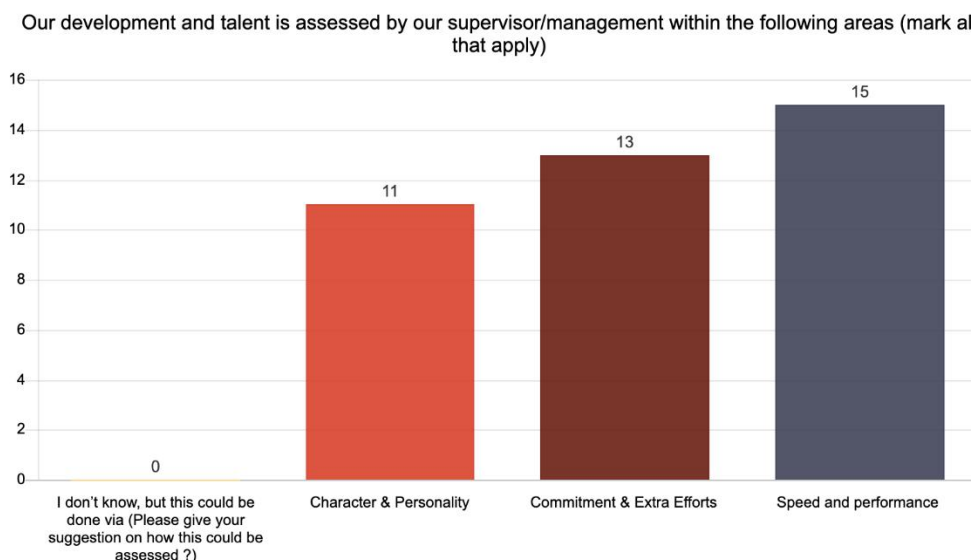
- How to determine talent indicators?
- How to evaluate talent?
- How to manage and develop talents?

The results of the study showed the following results. Concerning the main criteria that are an indicator of a successful employee in a service company, it should be noted that the main quality of the employee is his/her punctuality and speed of work (see Fig.3).



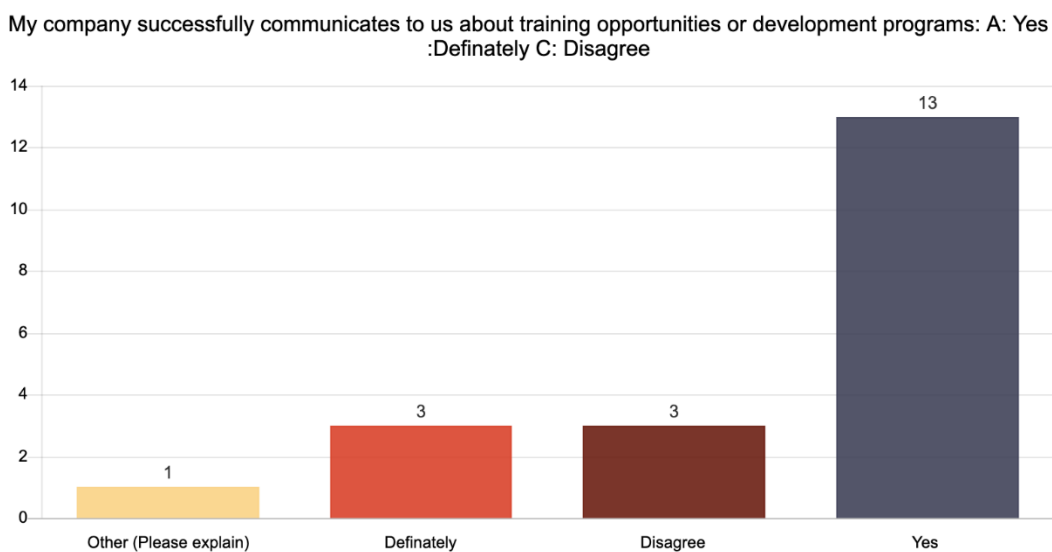
**Figure 3.** Key evaluating parameters (Source: made by the author, 2020)

It is interesting to note that the assessment of employee success in the company will be carried out in three areas, each of which plays a significant role (employee speed, his additional efforts and his personality). Even though speed occupies a leading position in the survey, other characteristics have similar significance (see Fig.4).



**Figure 4.** Talents' assessing areas (Source: made by the author, 2020)

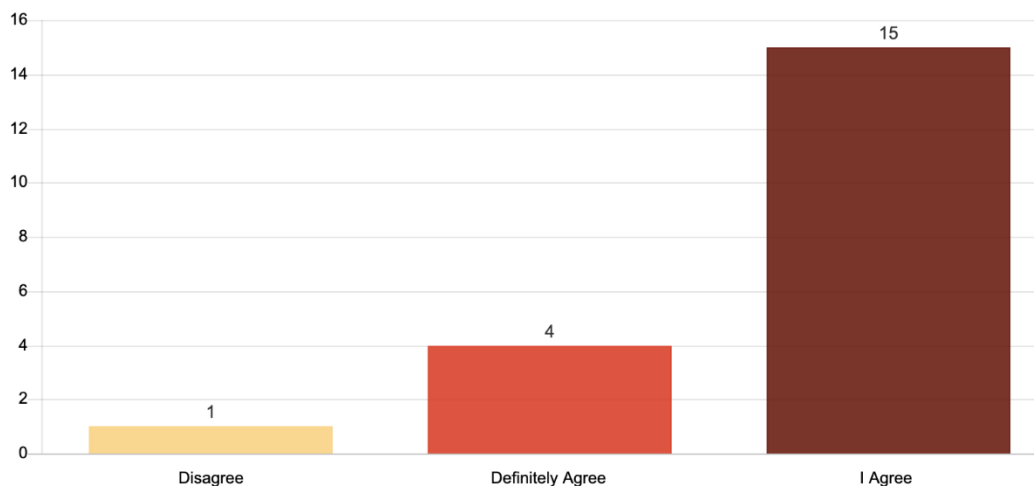
After identifying the company's talents, the process of managing them, which relies heavily on a system of motivation and retention, plays an important role. As a motivational system, the company has a foreign internship program for the best employees. To get the best effect from the implementation of this program, employees should be aware of its existence and benefits. The survey showed high employee awareness (see Fig.5).



**Figure 5.** Employee awareness on a professional development program (Source: made by the author, 2020)

One of the important processes in retaining talent is the presence of feedback between managers and employees.

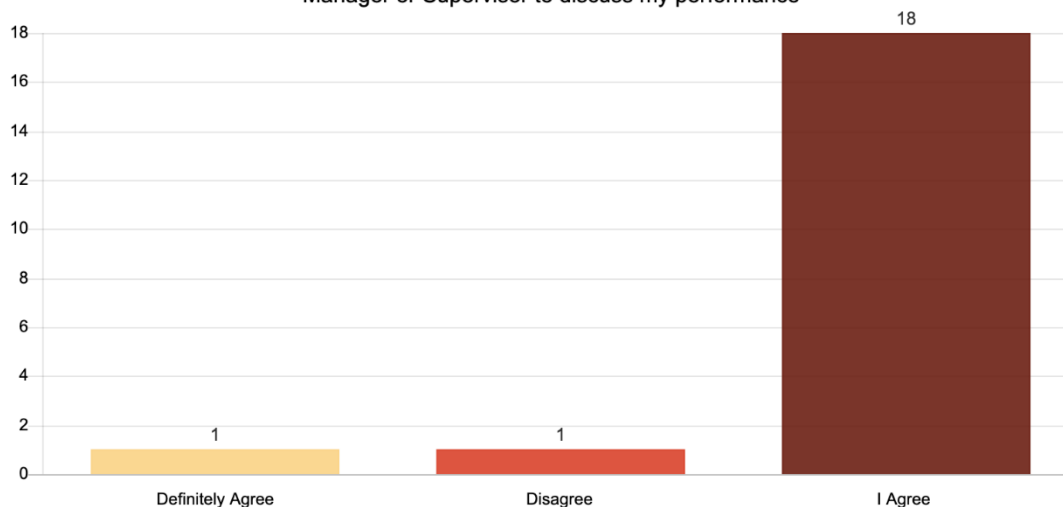
Does your company communicate to you about your performance? - My company successfully recognizes r  
achievements and regularly informs me on how I am doing:



**Figure 6.** Working communications system (Source: made by the author, 2020)

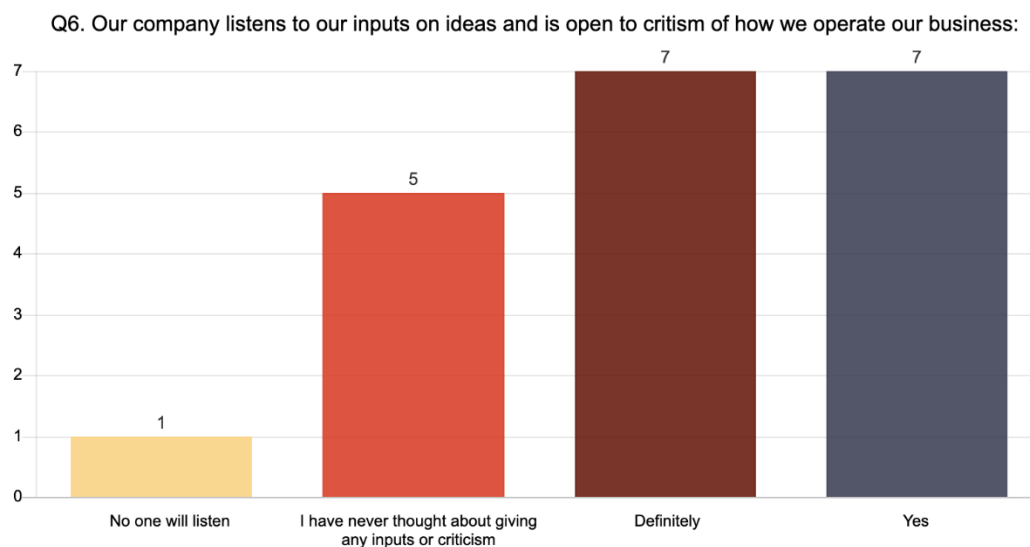
The company has a well-established system of working communications (see Fig.6). Moreover, meetings and communication about the work process in the company occur on a regular basis (see Fig.7).

Does your company communicate to you about your performance? - I have a Quarterly meeting with the Own  
Manager or Supervisor to discuss my performance



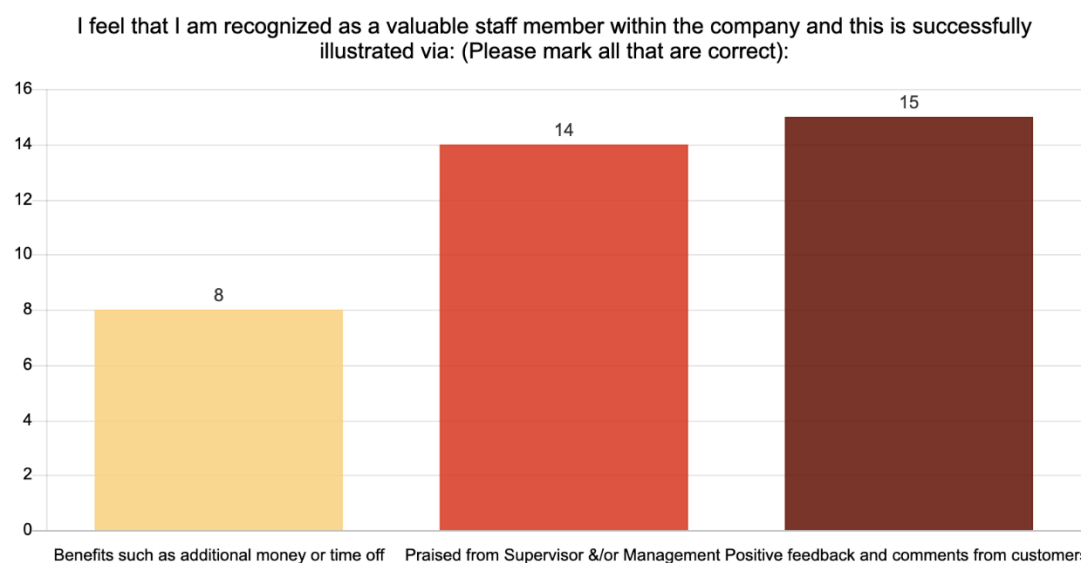
**Figure 7.** The regularity of the response system (Source: made by the author, 2020)

The main point of talent management at the enterprise is the employees’ understanding of their value. This is expressed not only through the reward system, but also through the participation of the employee in the decision-making process. The company has a high involvement of employees (see Fig.8).



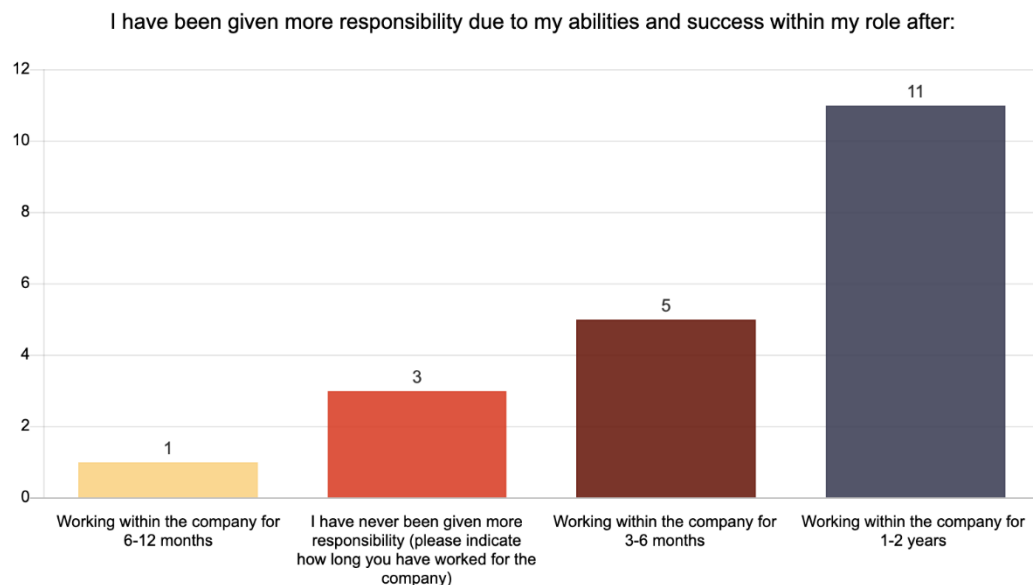
**Figure 8.** *Employees’ involvement (Source: made by the author, 2020)*

According to the results of the survey, it should be noted that despite the importance of monetary compensation for the results of the efforts, non-monetary incentives, such as positive feedback from customers and managers, cause a greater response from employees (see Fig.9).



**Figure 9.** *Talent reward system (Source: made by the author, 2020)*

It is important to note that the talent management system in the company is configured in such a way that the experience does not matter much. A talented beginner is immediately included in the team with all existing privileges and is not discriminated. As practice shows, after a year of work in the company, an employee becomes a full member of it (see Fig.10).



**Figure 10.** *Significance of the length of work in the company (Source: made by the author, 2020)*

Thus, a survey of company employees allowed us to conclude various topics related to talent management in the enterprise. The company has a well-established system for identifying talents, a system for evaluating their performance, and a reward system. Employees are highly loyal and feel like team members, which translates into low staff turnover. Feedback between managers and employees allows you to create a high corporate culture that brings results both in the financial performance of the company and in employee satisfaction.

### Interview analysis

The company's assessment and the interview conducted made it possible to more deeply understand the process of talent management in a service company. The interview was conducted on April 20, 2020, in a personal meeting with Kudravec Andrejs in the restaurant office. The conversation lasted about 45 minutes since the author was interested in hearing the opinions of Andrejs on related issues in addition to the planned questions in the interview

guide. The discussion took place in a benevolent atmosphere; the manager was ready to share knowledge and showed a high interest in this topic.

First, it should be noted that the company has a very low employee turnover since most of the employees have been working on it almost since the opening. Those workers who initially viewed the work as a temporary job, for example, waiters, are changing. Mid-level managers have been working for the company for about five years on average.

The second positive aspect of the company is its stable financial status and stable profit. There is no deep financial analysis since the study of the financial situation is beyond the interests of the topic of this work. However, Andrejs noted the company's steady profit and its high profitability. Both of these positive trends reflect the true success of the enterprise in terms of talent management.

Concerning the continued professional development of the company's personnel, it should be noted that the company has an effective overseas internship program for employees. The internship is carried out based on leading restaurant business companies in London, as well as through various seminars and internal trainings. For the internship, employees are selected within the framework of the existing system for evaluating the activities of company employees.

The rating system is based, inter alia, on the study of reviews about the company both on special sites (such as a Tripadvisor) and on the company's Facebook page. To date, the company has 7,293 positive reviews. Negative reviews are carefully studied and necessary measures are taken as quickly as possible.

The company's motivation and retention system includes monetary and non-monetary components. The system of monetary motivation includes a competitive salary and a bonus program for the best employees. The system of non-monetary motivation is based on the high corporate culture of the company and the promotion system of the best employees.

An effective work-life balance in the company is based on the age structure of existing employees. Since the company's employees are mainly young people, many of them are focused on professional growth, and therefore prefer higher employment than an extra weekend.



However, it should be noted that more effective management of working time is achieved by transferring the discussion of working moments to social networks. The feedback system is also based on this. The company to conduct daily meetings, as well as to resolve current issues uses WhatsApp. The company holds weekly gatherings with the manager for a more detailed examination of the situation inside the company. In addition, the management of the company always acquaints employees of all levels with the development prospects, investment plans, and the current financial situation. This helped to create staff loyalty, and created a positive brand of the company as an employer.

The effectiveness of the HR policy and talent management in the company is being tested today in the framework of a pandemic. Isolation and quarantine made it possible to check how loyal employees are in a crisis. So, since maintain the work requires high costs, the company management decided to temporarily stop the performance. This decision was made jointly with various specialists of the company and was adopted almost unanimously. Such a policy results in the complete retention of the formed team and provides an opportunity to begin work immediately after the cancellation of the requirements of the government.

Thus, according to the results of the interview, the author identified the main characteristics of talent at the service enterprise. Talent can be considered one who:

- demonstrates high performance;
- is engaged in professional development;
- has professional and social experience;
- is flexible and sociable;
- is capable of effective teamwork;
- shares corporate values.

Assessment of talent at the enterprise is carried out based on the following methods:

- Rating Method. Achievements and characteristics of employees are evaluated in points, and their number is summed up and compared with the rest.
- 360-degree method. Evaluation of the actions of employees with different working situations by colleagues and the leader.
- Corporate training. Non-standard situations allow the employee to show his qualities and skills that he did not apply in the usual working rhythm.

- Brainstorming. Solving a specific problem helps identify promising employees.

Talent development consists of one or more strategies, depending on the goals and expectations that the company has on the employee, as well as his talents. Activities for the development of talent in the company:

- engaging in business processes
- integrated development system
- career development program
- development / revision of a motivation system to retain the best employees or

encourage their achievements.

Talent management is based on the following processes:

- 1. Continuous professional development
- 2. Motivation and retention
- 3. An effective balance between personal life and work for company personnel
- 4. Feedback
- 5. Staff participation in decision-making

### **Recommendations**

This thesis examined talent management and the main factors for the success of it in organizations of service professionals. It has been established that talent management allows organizations to turn their human capital into a strategic asset.

The result of the study is that today there is a need to form a new approach to the human resource management of the organization, which should be based on the development strategy and strategic capabilities of the company.

To achieve this, it is necessary to highlight significant employees and their roles within the organization to emphasize the strategic contribution of the best performers to strategic positions. Talent development should be aimed at achieving a position that leads to a specific advantage. Today at Bon-Vivant the Belgian Beer Cafe, such an advantage is the availability of paid internships. However, only a limited number of employees can be rewarded with such remuneration without significant damage to the company's budget. Therefore, it is necessary to develop a new concept of promotion, which is based on improving the status of service

careers in the eyes of generation Y. This talent management model should be based on the application of incentives of a non-material nature, as well as a more effective work-life balance.

After interview author concluded that today the Bon-Vivant the Belgian Beer Cafe uses the practice to send their talents for paid internships. The author recommends keeping applying this practice, but at the same time having a look that it does not do significant damage to the company's budget. A recommendation is to reward with this opportunity only a limited number of employees, those who are really motivated to become more successful.

Also, as stated before, one of company success factor is that restaurant has effective teamwork. The author recommends to constantly keep sharing their values with the team, as well as keeping receiving feedback about their performance as from employees as from customers.

### **Conclusion**

In the course of writing a research paper, the aim and objectives were fulfilled. Theoretical aspects of talent management were studied with the help of scientific literature and online sources review. The characteristics of the Bon-Vivant the Belgian Beer Cafe have been investigated, employees' perceptions have also been analyzed. All this allowed the author to make conclusions as follows:

1. Increasing production efficiency and performance results depend on the quality of the human capital of the enterprise and the degree of its use. The staff of the enterprise is a group of workers of certain categories and professions engaged in a single production activity aimed at generating profit or income and meeting their needs. The development of the concept of human capital management has led to the emergence of a new approach - talent management, which is aimed at achieving effective organization activities and fair relations between employees. The flexible organization of labor, the self-organization of workers, their conscious participation not only in the production process but also in the decision-making process, become the most essential elements of the human resources management system.

2. Talent at a service company is determined by identifying its punctuality, communication efficiency, and other advantages compared to the characteristics of other employees. The quality of services plays a significant role in the work of restaurant business enterprises and their effectiveness. In practice, there is no universal talent management model that can directly

affect the quality of the services provided. The choice of a specific method should determine the overall restaurant management strategy that the company follows.

3. Talent management is based on three main points: identifying talent, evaluating, and developing it. The company implements and effectively operates a system for evaluating employees based on feedback from visitors. The company also has a checklist that allows evaluating employees. The development of talent and the formation of its loyalty occur through a system of overseas internships, promotions, and material bonuses. Employee loyalty is achieved through a high corporate culture and the delirium of the company as an employer.

During the investigation of success factors, the author of the report acknowledged that it would also be of great interest for future studies of Hospitality Management to include further knowledge of the success criteria.

### **Acknowledgements**

The author is grateful to the Bon-Vivant the Belgian Beer Café for offering her a possibility to conduct a research at their enterprise.

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## **SUSTAINABLE DEVELOPMENT AND MOTIVATIONS FOR GREEN CERTIFICATES IN HOSPITALITY - THEORY AND PRACTICE**

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**Abstract.** The aim of this research paper is to see if the Green Certificate is an exorbitant test or an advantageous and shrewd commitment to an environmental future. Numerous hotels have profited by green administration, for example, improved notoriety of the organization and progressively worth clients. For the business standing, it diminishes business' expense for posting ads and the reasonable lodging's direction shows hotels certain picture which may expand representatives' acknowledgment toward the business. Supportability in business is the development in vivacious procedures which empower individuals to comprehend the possibility to ensure the Earth's existent emotionally supportive networks. All things considered, looking to what's to come the present green concerns will become feature of increasingly synchronized business condition, maybe the worries examined in this examination, may trade a couple of words which hotels may consider in not so distant future to broaden mindfulness and improve plan of action.

*Keywords:* sustainability, Green Key, eco-hotels, hospitality, Green Certificates

### **Introduction**

The research paper examines sustainability rehearses in lodgings as a measure for genuine ecological execution of hotels and the eco confirmation plan of Green Key.

Hotel sustainability has become a need for ground breaking visitors and hoteliers as of late. With high waste age and water utilization rates, numerous lodgings have understood the negative effects they've had on the Earth. Hotels around the globe are presently attempting to improve their ecological impression while at the same time improving the visitor experience.

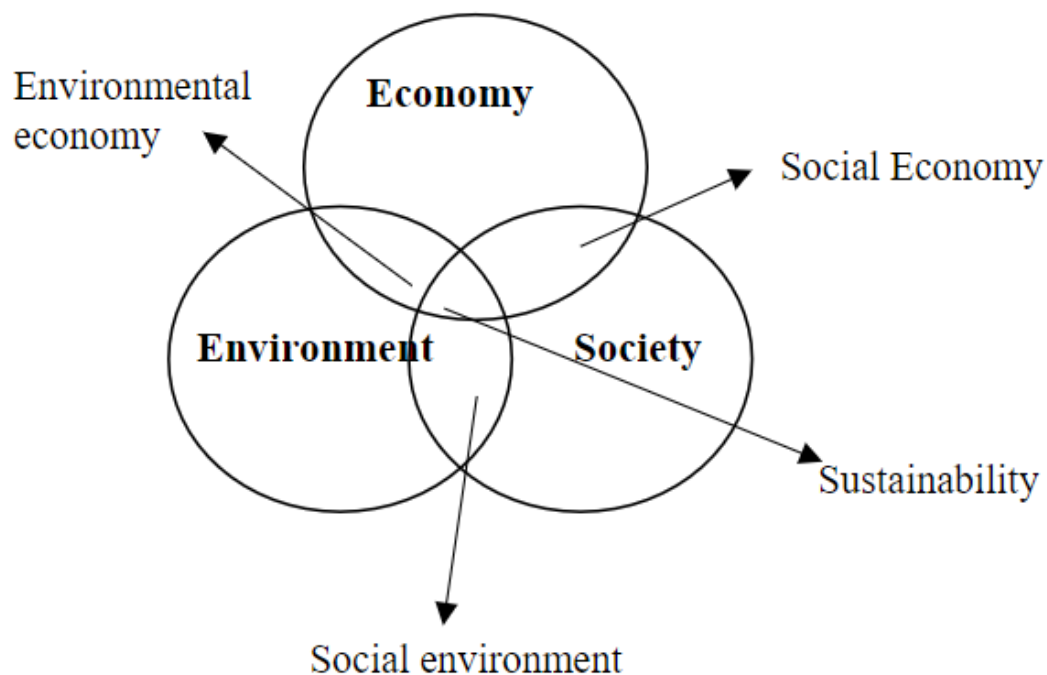
To really have any kind of effect for the earth and increase a serious edge, hoteliers need to accomplish more than the absolute minimum. Supportability must be something other than box-ticking green issues – hotel's qualities and arrangements must show its actual promise to the reason.

### **Literature Review**

#### **Sustainability**

Sustainability is without a doubt a developing pattern. Sustainability working practices in all parts of overseeing waste, water and vitality should show the lodging's supreme responsibility to an all-encompassing condition. Hospitality area perhaps will make a significant positive

commitment to the Earth by taking a few measures to diminish vitality utilisation which will diminish contamination and asset fatigue. In this manner, while the hospitality division devours a major extent of power when contrasted with other the travel industry areas, lodging proprietors just as administrators despite everything get an opportunity to actualize vitality sparing efforts and ecological administration frameworks (Duncan et al., 2006).



**Figure 1.** *The theoretical framework of sustainable development (Source: made by the author, 2020)*

Sustainable development includes three dimensions of development: sustainability of economic development, sustainability of social development and sustainability of ecological development (see Fig.1). Sustainable development can be achieved by realizing the coordinated development of these three dimensions.

### **Green Key Certification**

Sustainability is a significant theme in the cordiality segment; this can be accomplished among others by actualizing confirmation plans, for example, the Green Key. The Green Key is an eco-rating program that targets advancing supportable strategic approaches in the neighbourliness area. The Green Key surveys among others the maintainable administration of vitality, water and waste inside lodgings, eateries, campgrounds, and so on. The Green Key

standard honour's focuses if explicit feasible practices or natural measures have been executed, yet does anyway not survey the real ecological exhibition of accommodation organizations. Consequently, the fascinating inquiry emerges to what degree the eco-rating program mirrors the genuine natural presentation of hospitality company (Green Key, n.d.).

Weeden (2002) expressed that in just about four decades various discussions in regards to the significance of worldwide feasible improvement have occurred. Nonetheless, just since the 1990s the accommodation business has been seeking after and receiving a noteworthy number of green practices, because of fluctuating monetary levels and a solid spotlight on client care and fulfilment (Tzschentke et al., 2008). Apparently numerous voyagers around the globe presently like alleged green lodgings as stressed by (Chan, 2013). Utilizing the mark “green lodging” has ordinarily the motivation behind assuming a basic job in clients' dynamic procedures and conduct expectations (Prendergast & Man, 2002) and subsequently as Pizam shows (Pizam, 2009) pull in potential clients, Knuth is adding (Knuth, 2016) assessment whether an inn is eco-accommodating or not before booking.

Uplifting demeanour towards green accreditation isn't just observed from visitors yet in addition from lodgings themselves. The rising ecological mindfulness has activated more lodgings to develop green arrangements that fulfil the requests of their clients as well as improve their benefit amplification levels (Borella et al., 2016). Thus, getting a green declaration demonstrates lodging's aim to participate in green exercises during its tasks and food creation forms. As indicated by (Kasim, 2009), driving inn networks in Europe and North America think about green showcasing as a device to situate their organizations in the market, to separate their organizations' items and administrations from those of its rivals and to make trustful associations with their earth cognizant - non-legislative associations, advertise middle people (e.g. visit administrators), the general population and in particular their visitors.

(Luan et al., 2016), guarantee that most associations have embraced the affirmation either by pressure from outer partners or colleagues. They are proceeding with that fundamentally, the interest from investors, ecological hall gatherings, clients and the neighbouring society influences a company's choices in this regard.

So as to comprehend the motivation behind the idea of affirmation itself, Black and Crabtree recommended a broad meaning of accreditation for example “deliberate methodology that sets, surveys, screens, and gives composed confirmation that an item, procedure, administration, or



the board framework adjusts to explicit necessities and standards. A confirmation/granting body gives composed affirmation to the purchaser and the business by and large. The result of affirmation is a declaration and as a rule the utilization of an Eco name” (Black & Crabtree, 2007).

Practicing environmental awareness has become the “it” subject of worry of the previous quite a while and keeps on picking up consideration (Morris, 2004). As indicated by Green Globe (2018), at no other time has the requirement for organizations to work in a naturally mindful way been so clear. Numerous organizations these days look to actualize programs that exhibit their duty to supportability as a significant piece of their Corporate Social Responsibility (CSR) arrangements, thus continually developing multi-billion dollar businesses like maintainability related items, benefits and counselling. There are even proactive green organizations, executing green affirmations wilfully so as to stay away from social pundits. For instance, universal chain inns use implicit rules and preparing so as to cultivate moral condition as expressed in investigation of Dief and Font (2010).

In view of the examinations by Borella and Rodrigues, Luan and López-Gamero (López-Gamero et al., 2010), there are observational proof on the effects of green exercises on authoritative execution. Different investigations additionally indicated the gainful impacts of a green testament just as a continually developing propensity for utilizing it. For example, Gagiolli expressed that “the eco/green/earth neighbourly development has gotten well known and gives no indication of halting. Not just visitors are turning out to be increasingly more proficient about green practices, yet in addition they are making sure desires from the inns in mentioning them to have the endorsement. This being the situation, their choice between booking one property over another relies upon their eco-invitingness” (Gagiolli, 2015). Therefore, outsider authentications can enable a lodging to pull in clients. Gagiolli claims that “acquiring a confirmation, particularly one finished by an outsider reviewer, will help affirm [the] group's exertion, just as persuade visitors [that the hotel's] eco-claims are substantial”(ibid.). Additionally, Fukey and Issac (2014) examined the advantages of green administration, expressing that numerous hotels benefitted from upgraded notoriety of the firm and progressively worth clients, anyway the money related sparing are the most basic explanation with regards to an execution choice. The decrease in cost for posting promotions is valuable, and the away from of the inn may build representatives' acknowledgment of the work environment. In this way, not just buyers can see the estimations of green affirmation,

yet in addition present and potential representatives. As Fukey and Issac (2014) state: “manageability in business is the development in vivacious procedures which empower individuals to comprehend the possibility to secure the Earth's existent emotionally supportive networks”. Additionally, as per Li et al. (2016), drawing in possibly great representatives who are pleased with working in an earth-friendly association might be an intention behind the procurement of green affirmation by lodgings. Every one of these cases of green advantages is additionally bolstered with the numbers. For example, huge scope dataset from PKF Hospitality Research on the U.S. inn industry (Zhang et al., 2014) shows that eco-guaranteed lodgings recorded higher tasks driven and client driven asset productivity.

(Sedmak, 2017) highlighted another point of view of how green declarations can be important for the hotels. Green confirmations speak to an approach to upgrade consistency on the organization level on the grounds that:

1. It is directing directors and workers
2. It is adjusting desires for clients and even providers (both existing and potential).

Then again, regardless of its “apparent” potential advantages, the significance of green affirmation has gotten a lot of analysis from researchers, for example, De Jong, He, Knuth and (Luan et al., 2016). On a similar note, different researchers have discovered that getting a green authentication and usage of natural administration frameworks might not have any beneficial outcome on the presentation of an association. For example, proof by (Dippold et al., 2014) uncovers a frail positive connection between green accreditation and budgetary execution of firms. Moreover, concentrates by Granly and Welo (2014) uncover that other than authenticity, believability, and outer acknowledgment, green accreditation has just paltry incentive to inn associations. At last, there are huge concerns when discussing ecotourism and economical the travel industry which can be considered as green wash (Font, 2002).

So as to accomplish all the beneficial outcomes hotels are required to agree to numerous guidelines, approaches and strategies. For example, the greater part of the hotels has established a changing towel arrangement for example not to supplant them except if it is mentioned, as showed by Fukey and Issac (2014). It is basic to give unique preparing to all the representatives and offer them preparing programs about the earth. From the perspective of clients, Fukey and Issac (2014) looked at that as some visitors are not ready to pay more to help a lodging's green activity. This can be hazardous for the inns, as though they put resources into the usage, they

may not just go through additional cash, for example, on natural crude food fixings, yet lose visitors also. Another factor that forestalls constructive outcomes can be low perception of the authentication, which makes the two workers and visitors ignorant (Bergin, 2010). A model supporting this case would be 'low broad natural mindfulness' just as “absence of exposure” as recorded by (Tsai et al., 2003). In the wake of examining Island Shangri-La, the principal hotels in Asia to get the ISO 14001 accreditation, the scientists recognized that “low representative association” is one of the significant issues. After the representatives understood that they were not legitimately influenced by the green affirmation, which simultaneously made them work considerably more, they would in general lose centre. The creators saw that “absence of government and industry support” can be a portion of the reasons when confronting difficulties with green administration. A test study (Reiser & Simmons, 2005) demonstrates that “uplifting perspectives towards Eco marks are an untrustworthy indicator of capable ecological visitor conduct”.

By and large, because of the constrained purchaser interest for supportable travel affirmation programs, (Font, 2005) inferred that advertising ought to be focused on movement delegates and liking bunches that are probably going to be generally receptive to the maintainability message. For example, co-showcasing and affiliations with regarded government elements, NGOs, and shopper arranged organizations would be useful in building buyer recognition (ibid.).

### **Going Green**

Practicing environmental safety has become the “it” subject of worry of the previous quite a long while and keeps on picking up exchange. The lodging business is an enormous business area, which implies hotels can assume a significant job in changing the way of life of ecological corruption works on being followed so as to accomplish reasonable development.

Sustainability implies addressing the necessities of the current ages without trading off the bent of things to come ages (Morris, 2004). Another definition says that it is a powerful procedure which empowers all individuals to understand their latent capacity and to improve their personal satisfaction wherein all the while secures the Earth's life emotionally supportive networks (Ricord, 2009).

The lodging part could make a significant positive commitment to the earth by taking a few measures to decrease vitality utilization which will thus lessen sully and asset fatigue. Along

these lines the lodging divisions devours a major extent of power when contrasted with other the travel industry parts in this way the inn administrators despite everything get an opportunity to execute vitality sparing efforts and ecological administration frameworks. The utilization of water in an inn is broad and it is utilized from multiple points of view, for example, chilly water for kitchen, clothing, drinking, dissemination for air subduing boiling water for visitor washrooms and stream for space warming. Water utilization along these same lines that to without checking, will probably manual for water deficiencies. Another factor that influences water isn't just utilization yet additionally defilement. The measure of water devoured by lodgings is more than the ordinary family unit utilization in this way bigger utilization implies a bigger amount of tainted water will be discharged in the earth thus dirties the water bodies and mischief the earth (Dodds, 2008).

A few investigations have shown the monetary advantages of practicing environmental awareness in the lodging business, with practically zero additional capital. Making strides toward environmental friendliness incorporates different points of interest like increasing upper hand by being an innovator in the area, client reliability, worker maintenance, grants and acknowledgment, administrative consistence, chance administration, expanded brand esteem, and so on (ibid.).

The lodging business has been seeking after and receiving colossal green practices since the year 1990s because of fluctuating financial levels and a solid spotlight on client support and fulfillment. Past the previously mentioned favourable circumstances, numerous lodgings have begun utilizing social activities and corporate social obligation. They feel this is the correct activity (Tzschentke et al., 2008).

The principal ever green lodging was propelled by the intercontinental inn bunch in the year 2008. This was the world's initial 100 percent biologically neighbourly inn. Their green highlights to give some examples included: parting with durable food to good cause, utilization of sunlight based boards on housetops, a water reaping framework to flexibly water to toilets, wind capacity to create power for the inn, reused glass windows, furniture and installations made completely from reused materials, family waste to give warmth and water just to give some examples. As indicated by David Jerome of IHG (InterContinental Hotel Group), IHG was likewise the principal inn network to present a lot of “green” rules for lodgings in 1991. Alongside this, the cerebrum offspring of IHG which is the sun based controlled “advancement

lodging”- laid out the most recent innovation in vitality and water preservation reusing (Pizam, 2009).

The pattern towards eco-cognizant travel has carried with it a developing number of green lodging accreditation programs in the accommodation business. The lodging business has extraordinary effect on the earth either legitimately or in a roundabout way: in this manner, affirming inns for their ecological insurance endeavours has become a need of great importance. There are diverse Eco accreditation programs over the globe for showing the inn's manageability and natural obligation activities. The Green Globe Certification, the Green Key Certification, the Green Leaf Certification, the Leadership in Energy and Environmental Design Certification, Sustainable Development Eco-Certification Program are instances of eco-names just to give some examples (Smith & Kemp, 1998).

There are sure changes due to the rise of Eco resorts and lodgings, which diminishes the operational expenses to an enormous degree by putting resources into vitality effective measures. This additionally ends up being a decent promoting instrument by concentrating on natural agreeable practices and the consciousness of Eco resorts and inns. Venture extends that change Eco inns and resorts can add to decreasing CO<sub>2</sub> outflows and in this way achieve acknowledgment as a perfect advancement system venture (ibid.).

In this manner, there has been a development with respect to green lodgings. A great deal of significance has been given to embracing such green practices. Numerous lodgings have profited by green administration, for example, upgraded notoriety and more class clients. For the business status it lessens business' expense for posting ads and the reasonable inn's direction shows inns' idealistic picture which may expand workers' acknowledgment toward the business. In equal, the green advertising is strong. At the point when clients have hopeful discernment, idea, and acknowledgment towards green hotels they can be interested by the green lodging idea and partake in natural security themselves. It is extremely beneficial that lodging would have the option to give a superior situation while improving clients' instructive level simultaneously (Brown, 1996).

### **Financial performance**

The financial investment funds are one of the most significant worries for any association that impact the usage of natural activities in lodging. This is particularly legitimate for lodging organizations that work in an enormous serious market and where the expense of water, vitality

and waste dumping are high. Hotel administrators that can exploit their productivity and lessen waste will be more financially savvy than their rivals. For instance, lodging can cut down its vitality utilization by twenty to forty percent without antagonistically influencing its everyday set standard of execution. In spite of the arrangement costs and the long rate of return related with ecological activities the monetary advantages ordinarily exceed the expense of usage. Beginning with less capital escalated activities and practices can prompt considerable cost reserve funds (Hirsch, 2002).

Consequently hotels with plans of action that spin around green practices will have the most grounded chance to accomplish an upper hand by being in front of the rising supportability bend. Lodging sites assume a significant job in dispersing the vital data. They are utilized as an online channel to educate clients about administrations and items and furthermore as an electronic stage to improve benefit (Brodsky, 2005).

It has been discovered that the bigger hotels are progressively occupied with scattering natural data on their system destinations. This outcome is predictable with concentrates on corporate social duty and demonstrates that huge organizations frequently observe upper hand in making natural upgrades and are subsequently bound to uncover data identified with their ecological stunts. Little firms that have low seen sway on the earth are probably going to disregard the dispersal of related natural data (Jones, 2002).

A few lodging organizations have shown their ecological exhibitions by means of web intelligent and sight and sound offices. For instance Innovation Hotel is an online grandstand of a green inn of things to come. System site guests can encounter this naturally well-disposed lodging by taking a virtual visit. Accor and Scandia give live showings of their natural accomplishments. The Wyndham Green system site gives an open stage that licenses guests and individuals to share green thoughts and encounters. This sort of ecological data report can be accomplished uniquely through by means of web media (Riggs, 2007).

The vast majority of the sites give a wealth of ecological instructive assets. For instance, the Wyndham Green system site gives tips and thoughts to make strides toward environmental friendliness and data identifying with green travel. This demonstrates these driving lodgings of the globe have extended the extent of their ecological administration to a more extensive social duty. Their system destinations give a stage to government funded training. To promote the idea of green a portion of the organizations buy green items as well as even create green items

for their clients to improve their natural endeavours. For example, Accor, Marriott, Fairmount and Wyndham offer green gathering bundles that help meeting organizers by proposing meeting structures that energize a familiarity with ecological issues and ideal waste preoccupation systems for meeting delegates. Lodgings profit by getting target appraisals of their practices affirmation of satisfying proper guidelines and a benchmark for keeping up that capability. Of the twenty three inn organizations that had natural system pages about half referenced their alliance with ecological accreditation offices. This infers fringe approvals have been perceived and embraced in the inn business to improve ecological administration (Boerstra et al., 2006).

Other green items, for example, green food and eco rooms are extra inventive manifestations of the ecological undertaking of these inn organizations. IHG's system site has a particular connection entitled green lodgings for green inn reservations to react to the developing business sector of green clients. Natural based affirmation gives an instrument to energize ecological administration rehearses. To keep up these acknowledgment lodgings must pass normal re-assessments to guarantee proceeded with consistence with the prerequisites and support of appropriate operational measures (Bentley, 2007).

The Eco-promoting direction is another fundamental business theory to override the business, creation, advertising, and innovative directions generally examined in business instruction educational programs advance the creators. An organization with this direction should satisfy society's need for corporate moral duties while satisfying client needs gainfully (ibid.).

### **Barrier to green practices**

The selection of ecological practices accompanies a money related crunch. The framework cost increments by around ten to fifteen percent if there should be an occurrence of green structures. A few lodgings will in general feel the touch of high accreditation charges that must be paid so as to get eco-affirmation. To conquer this difficult hotelier should depend on actualizing and embracing ease basic ventures instead of receiving entangled measures. Little hotel proprietors feel that executing green practices in their lodgings like utilization of reused papers may frustrate visitor fulfillment. Visitors will in general have e inability to think straight that green practice reception in inns may prompt drop in by and large principles of the inn. That might be the explanation lodgings will in general discharge green activities that may endanger or come in the method of consumer loyalty (Hirschland et al., 2008).

Green confirmed cleaning items, for example, Green Seal improve indoor air quality and diminish discharges of unstable natural synthetic compounds. A few difficulties go with the utilization of these items, for example, the viability of these cleaners and their more significant expense. Notwithstanding these difficulties green items absolutely add to improving air quality by decreasing poisonous discharges. From the perspective of the clients there are the individuals who might go an additional mile to pay somewhat more to help the inn's green reason/activity. Be that as it may, a few clients do mind following through on some extra as cost despite everything stays a predominant factor on clients mind with regards to choosing an inn (Pizam, 2009).

Lodgings that follow eco-confirmation programs for the most part lift their room rates so as to meet their eco-affirmation costs. This may prompt an expansion in income for every client except may cut down the volume of clients as deals may go down. This may drive the clients to less expensive lodgings that don't keep green principles (Brown, 1996).

Most clients looking for friendliness administrations hope to discover offices with newly washed material, high weight showers and plentiful supplies of food and drink, bottomless gracefulness of towels and openness to pools and saunas and limousine administrations. In spite of the fact that it is workable for lodgings to offer all the more naturally agreeable types of assistance, they may expect that doing so risks losing clients because of an apparent debasement of administration. In such manner it is a significant test for lodging chiefs to think of plans that effectively coordinate natural practices without trading off help. Again it is exceptionally certain that it is practically unimaginable for lodgings alone to actualize such measures without participation from clients. In such manner inns should empower naturally dependable conduct among its clients and assist them with accepting that the aggregate endeavours they are enjoying are useful for everyone. The harmony between buyer desires and green practices could demonstrate profoundly helpful (Doody, 2008).

It is seen that the cordiality segment is falling behind different businesses as far as deliberately following eco-accommodating practices and research committed to such practices. As referenced before absence of information and mindfulness is the key factor for the reason for the equivalent. Absence of expanding natural guideline, purchaser request and consumer loyalty, administrative worry with morals and upkeep issues identified with the requirement for style, physical plant, money related obstructions and partner pressures are a portion of the issues that lodgings stir with (ibid.).



There is extremely low perception of eco-affirmation programs that hotels are authorize with. Individuals either representatives or clients remain absolutely uninformed. Representatives stay unconscious because of absence of preparing offices just as acceptance at the hour of joining the inn. Clients stay uninformed of such projects as a result of the absence of commercial on part of the inns receiving such projects. Subsequently inns must consider show-packaging their eco-accreditation at the gathering for visitors to see at the hour of their registration and enlistment. Simultaneously they should advance the equivalent on their sites and other media channels. Hotels like Hyatt and Disney have their own accreditation programs. This influences human brain science straightforwardly or in a roundabout way. Normally they will want to remain at an eco-affirmed lodging than the one which has not been ensured. Eco-affirmation mirrors a brand with an alternate standard by and large. This likewise changes the edge wherein buyers take a gander at where they need to remain (Bergin, 2010).

### **Methodology**

The study is based on both primary and secondary data. Secondary data were collected from this study, which consisted of sites, books, and articles. The point of the information assortment was to have the option to find out whether the Green Certificate is an expensive test or an advantageous and shrewd commitment to a biological future. Furthermore, the hypothetical system depends on the exploration writing on green endorsements, the hotel business and sustainability. Searches were performed utilizing progressively scholarly databases and web search tools, for example Google, Emerald knowledge information base.

In light of the previously mentioned information analysis, essential data was additionally gathered. A semi-structured interview with Avalon Hotel director and the author's perception of everyday tasks in the chosen hotel was utilized as the information gathering apparatus and the examination was planned as a subjective research.

### **Results**

Sustainability has become a key part in corporate world, where it has increased critical consideration and it is one of the basic issues today, which can't be disregarded, because of becoming natural and wellbeing concerns. It is obvious from the survey that all authoritative administration faces certain issues identified with supportability at one level or other in their organizations.

### *Optimising operational efficiency*

So as to guarantee supportability in hotels, directors from the outset go up against with the issue of operational proficiency and the resultant spread control significantly in three areas: that is, vitality, water and waste. Timothy (2007) additionally contends that in lodgings, the vitality utilization is to a great extent in type of HVAC activities, cooking, fuel, helping offices, and a few different prerequisites. Water utilization and waste administration are some other significant issues.

### *Core organisational resources and Cost Saving*

Another key issue is to carry maintainable acquisition with a clean indoor condition quality and preparing programs; in any case, this includes certain cost, which is another issue for the chiefs to consider. As inspected over, a few lodging networks have been thinking about cost sparing issues in actualizing reasonable activities. It is very clear that the world is devouring more vitality sources than would normally be appropriate for their living. Given the serious idea all things considered, maintainability has become a test currently to oversee appropriately.

### *Sustainable performance and investor requirements*

Open or private segments today think about quantifiable pointers of maintainable execution, and maintainability today is an investable idea. In friendliness part also maintainability pioneers accomplish long haul investor esteem by executing procedures and plans which centres more on practical activities.

### *Access to financing*

Vitality effective open doors are regularly kept away from by supervisors because of absence of account. So as to execute reasonable tasks in inn, financing issue is frequently looked by the chiefs.

### *Operational training*

Regardless of whether the financing issue is settled, effective plans for vitality productive procedures require capable operational methods. It includes making a concordance and correspondence between office administrators and configuration groups, if new form or remodel points of view are included. This unquestionably expands the requirement for specialized preparing of workforce, to make process as required.

### **Analysis of primary research**

From the semi-structured interview with Avalon Hotel director, the author has found out that Green Key Certificate is a very good motivation and big marketing strategy - as a USP for attracting global seminars and conferences at the hotel. Also, the hotel has sustainable improvement goals for this year, like:

1. 100% replacement of all lamps with LED lighting devices;
2. Solar battery installation project;
3. Replacement of washing machines with more resource-efficient ones;
4. Installation of new ice chambers according to economy class A category;
5. Increase food utilization by 40% from organic local farms;
6. Replacement of TV devices in all hotel rooms with LED Green TV sets;
7. Complete replacement of carpets with anti-allergic and environmentally friendly carpets;
8. Development of start-up informative materials for informing guests and clients;
9. Actively inviting and informing hotel guests and customers about environmental protection and green thinking activities;
10. Use of 90% of orders for environmentally friendly typographic and advertising materials.

From not so positive side there are also challenges, like there is no support from the government and public procurement certificates are not considered to be an advantage. The main difficulties to implement green practice in hotel are time and resources. From the author's observations in day to day operations, it was noticed that all departments in the hotel recycle: paper, carton, batteries, glass, and food. Besides, energy and water resources are not wasted unnecessarily and environmentally friendly cleaning products are used.

This investigation further distinguishes the impacts of the green accreditation toward the hotel green practices. It has mirrored that the green affirmation has a twofold sided nature, which not just positively affects hotels green practices, yet in addition has a negative side. The outcomes have appeared that the positive impact of the green confirmation on hotels green practices is

far more noteworthy than the negative impact. The positive effects incorporate spare assets, diminish contamination, fortify ecological mindfulness, lessen expenses of asset utilization, increment gainfulness, improve picture and improve the fixation on CSR (Corporate social obligation). The negative effects incorporate increment expenses of natural security offices, misuse of HR and increment remaining burden of workers.

### **Conclusion**

All in all, this investigation affirms that the execution of green practices in lodgings and the impact of the green accreditation towards the hotel green practices. This research has shown that there are huge contrasts in executing green practices between various lodgings. “Vitality sparing”, “Sparing water” and “Waste administration” are the most well-known exercises of actualizing green practices in hotels. Not many hotels actualized the movement of green practices, for example, “Staff preparing”, “Commotion control”, “Propelling green practices” and “Going to green exercises”. Besides, this examination has distinguished the positive and negative impacts of the green confirmation towards the lodging green practices. The positive effects incorporate spare assets, lessen contamination, reinforce natural mindfulness, decrease expenses of asset utilization, increment benefit, improve picture and improve the fixation on CSR. The negative effects incorporate increment expenses of ecological assurance offices, misuse of HR and increment outstanding task at hand of representatives.

In further studies the author would suggest comparable assessments related to green accreditation used in more lodgings. What’s more, the author’s own assessment could be reiterated with interviews in more lodgings. Besides, the guests of the ensured lodgings could become participants of the research, which would allow comprehension of their viewpoints with respect to how they see sustainability. Also, assessments among lodgings and guests’ motivation factors would be captivating.

### **Recommendations**

As the result of the research the following suggestions regarding sustainability can be useful to hospitality property owners:

- To accomplish wanted outcomes, the chiefs should concentrate on decreasing vitality power by getting help from designing, specialized and related dispatching approaches.

For example, light retrofits, decrease of fitting burdens, and building envelope fixing are remembered for these activities. Similarly, some different measures can be gear improvement, appropriate sensor normalization, evacuation of prompt warming and cooling issues, and upkeep of legitimate structure ventilation. Sustainable power source assets are another on-going innovative headway, which may help here. For water preservation, plumbing framework upgrades and reusing of water or downpour water are a decent alternative. To oversee squander, a few procedures can be utilized; like, getting sellers who give 'squander to-vitality' preparing administrations, which can decrease costs.

- Opting wanted execution of hardware and work force can resolve cost issue to accomplish maintainability. Decrease of operational expenses and improvement of operational systems can likewise lessen cost and help hoteliers to put resources into natural advances.
- For simpler access to financing, elective financing instruments can likewise help; like, vitality sparing understandings, urging monetarily fortified gatherings to take an interest in natural improvement ventures at worldwide level.
- Staff ought to be given specialized preparing and reliable rules on ecological execution and disposal of asset utilization. Every one of these proposals can be additionally improved and utilized in a superior manner to centre issues that chief face during reasonable tasks in cordiality area.

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## **TALENT MANAGEMENT AS A STRATEGIC ADVANTAGE IN THE DEVELOPMENT OF THE HOSPITALITY INDUSTRY**

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**Abstract.** The aim of the research paper is to assess the effects of talent management on organizational culture and strategic advantage of hospitality organizations. The paper attempts to analyze the approaches to talent management in the hotel industry and develop a set of rules, strategies and recommendations for talent management based on the research. Opinion based method has been chosen for this project. This paper will be useful for hotel companies which want to increase their competitiveness in the global market and develop the potential of talented employees.

**Keywords:** talent management, hospitality organization, strategic advantage in the development of the hospitality industry

### **Introduction**

The main aim of the research is to analyze in what ways hospitality organization can develop the abilities and potential of a talented employee and to assess the effects of talent management on organizational culture and strategic advantage of hospitality organizations.

### **Methodology**

To demonstrate an understanding of the research process, it is necessary to justify the choice of research method. The research method has been chosen in accordance with the purpose of the study, tasks and questions. To carry out a research project, the author has chosen a secondary research method. This means that the author will make the necessary analyses based on open sources of information. The author will use secondary literature sources for collecting information (educational literature, abstracts, encyclopedias, the guides, reviews of literature, methodical and training materials, etc.). For effective and high-quality analysis of information, as well as to achieve the objectives, the author will use case studies as well.

### **Literature Review**

A talent development strategy helps unite the organization, prevents unnecessary funding for staff, and can also contribute to the effectiveness and competitiveness of the business (Farndale et al., 2010). The talent development strategy in a hotel organization should be clearly structured and work according to plan. If the organization does not have a clear strategy and goal, then performance may fall to zero. There are 5 main talent development strategies. A

common feature for all five strategies is the interaction of the company with talents to achieve the goal:

### **1. Entrepreneurial strategy**

If the organization plans to finance projects that have high levels of risk, these organizations require an entrepreneurial strategy. This strategy includes the search for talents who have flexible thinking, quick adaptation, as well as responsible and risky individuals. With this strategy, an organization can achieve individual and collective work results.

### **2. Dynamic growth strategy**

A dynamic growth strategy will help the organization find a balance between the necessary changes and stability. This strategy needs talents that can quickly adapt, responsibly approach professional development. The main objectives of this strategy are continuous training of talent, as well as planning a career and the formation of a talent pool.

### **3. Profit strategy**

Profit strategy is suitable for those organizations that are able to receive constant income from the service offer. This system implies the presence at the headquarters of talents who already have professional experience in the industry. An organization only needs to constantly increase the knowledge and experience of these employees. The main objectives of this strategy are continuous training of talent, as well as planning a career and the formation of a talent pool.

### **4. Liquidation strategy**

The liquidation strategy is appropriate for the type of organization that does not have market demand. This also applies to loss-making companies that run the risk of going bankrupt. This strategy includes increasing the competitiveness of talents and the constant work with them.

### **5. Following strategy**

The following strategy is suitable for those organizations that are trying to reduce business costs and are looking for stability in the long term. This strategy is also called cyclic. This system implies the development of existing and new professional and behavioral competency groups. The company must strictly select candidates for a place in the organization, offering

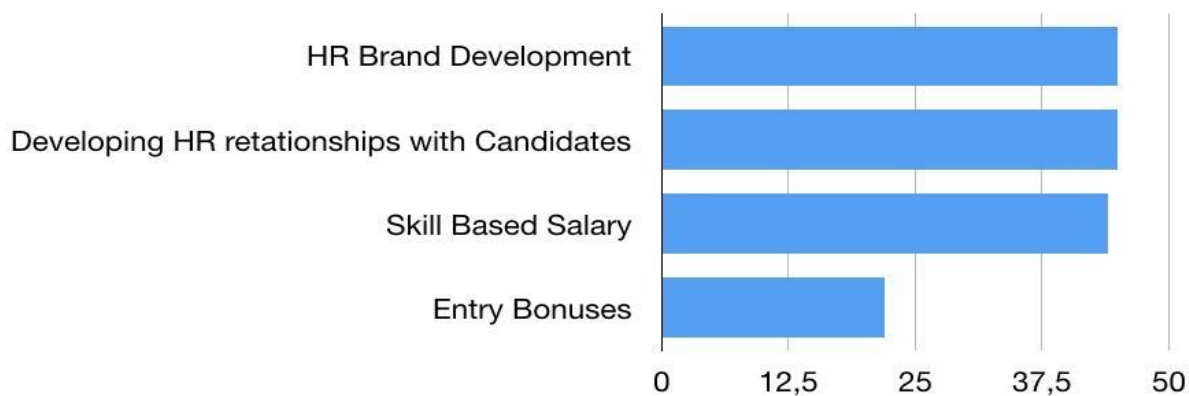
tangible and intangible bonuses in their work. And also monitor the effectiveness within the organization (Panova, 2017).

An interesting experiment has been conducted by the Hilton Corporation. For 22 years, the Hilton Corporation has been recruiting talented people from around the world. Hilton in 1998 created the first “elevators” program. The essence of this program is that a person without experience in the hotel industry is trained as a general manager. According to statistics, after graduating from “elevator” graduates become general managers after only 5-8 years. 22 years later, 200 graduates participated in the elevators program.

The main findings of this strategy are:

- Identification of priority areas for the organization itself
- Identify talents with the highest skills and qualities in a short time
- The ability to quickly and dynamically change, responding to the challenges of the modern world (Hilton Gender Pay Report, 2019).

Business Forward also did a talent research on HR. The company has identified strategies that are most often used by successful HR managers in the struggle for talent (see Fig.1).



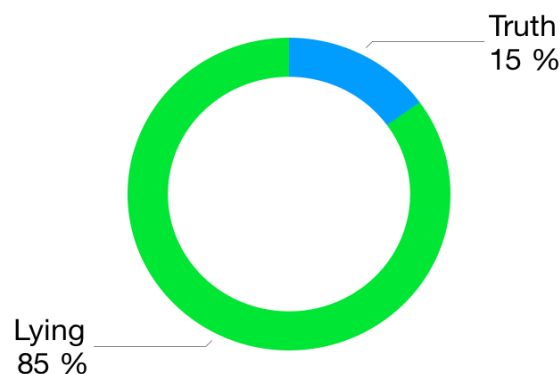
**Figure 1.** *Attracting talent: recruiting and branding (Source: Schumann, 2009)*

As it is seen from the graph HR brand development and developing HR relationships with candidates are the two most successful strategies.

To evaluate talent, the Hilton Corporation is actively testing a person. Each talent is provided with a mentor who teaches the necessary service to the company. Talent assessment is a

continuous action that should be supervised. During the assessment, mentors of the Hilton Corporation monitor the entire work of talented employees and draw conclusions about each of them (Bernvrik, 2018).

Talent assessment is very important nowadays. Even during the interview, the HR manager may not know that a person can lie. Figure 2 demonstrates that according to the Hire Right survey, 85% of employees lie in their resumes (see Fig.2).



**Figure 2.** *Do candidates lie in their resumes?* (Source: Panova, 2017)

For the development of talented employees, Hilton created an ecosystem of different programs to support people at every stage. Hilton is also convinced that talent development requires attending trainings, coaches and continuing education courses. What is more, the Hilton Corporation provides the opportunity to work in more than 5000 hotels and in more than 100 countries. Such an extensive number of jobs guarantee a long-term career for talent. To retain talent Hilton Corporation takes the American model of personnel motivation as a basis. This model involves motivating employees to perform duties effectively. This system includes 2 components: Non-material and Material encouragement (Awan & Zamir, 2016):

1. Non-material encouragement

In addition to a flexible remuneration system for American companies, the use of intangible ways of motivating employees is characteristic. As a rule, company personnel are available to achieve:

- health insurance paid by the employer;
- continuing education courses;

- free meals;
- corporate holidays;
- joint trips

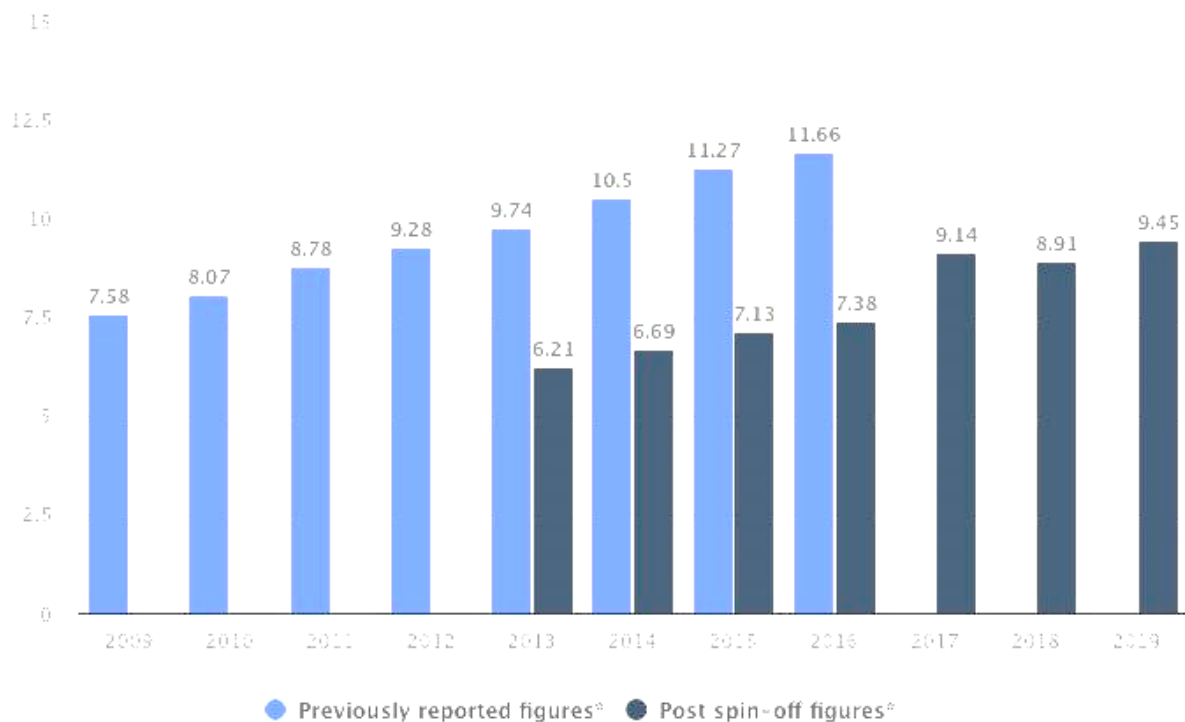
## 2. Material encouragement

The staff motivation system in the Hilton Corporation is based on a KPI pay system. Most often, American employers accrue salaries according to the piecework bonus scheme: hourly pay plus various modifications of bonuses (see Fig.3).



**Figure 3.** Job Opening and Labor Turnover Surveys (Source: Abdullah, 2012)

Figure 3 illustrates the growing number of employees who left work independently in the USA. In April 2012 the number reached 2.080 thousand people. After 2 years in April 2014 the number of people who left work increased to 2.473 thousand. On average, finding a new employee and training will cost 1-5 times the salary of a leaving employee (ibid.).



**Figure 4.** *Revenue of Hilton worldwide holdings Inc. (Source: Abdullah , 2012)*

Figure 4 illustrates that Hilton’s revenue has increased tremendously from 2009 to 2019 (see Fig.4). Considering that Hilton received the Great Place to Work, World’s Best Workplaces (awarded in 14 Countries, 4 Regions) award and after many years its income has increased several times, it can be concluded that such a breakthrough would not have been if not for the talented employees (Awan & Zamir, 2016).

Summing up everything mentioned above there can be distinguished 4 main talent management strategies, comprising IADR system:

1. Talent **I**dentification
2. Talent **A**ssessment
3. Talent **D**evelopment
4. Talent **R**etention

The author has also identified 12 key strategy tools for talent development (see Table 1):

**Table 1.** 12 key strategy tools for talent development Talent Management Segmentation (IADR Table)  
(Source: made by the author, 2020)

Talent Identification	Talent Assessment	Talent Development	Talent Retention
Constant interaction with HR managers. Headhunter engagement to hire a talented employee.	Continuous monitoring of employee progress.	A clear and concise statement of the organization's mission, its values.	Using innovative products, latest technologies for employee development.
Maintaining industry branding, status and image of the organization.	Systematic competency testing of employees.	The development strategy of the company and its staff as an integral unit of the business process.	Creation of a “talent bank”: a database of employees as a balanced intellectual capital of an organization.
	Mentoring.	Corporate culture development.	System of tangible and intangible incentives for employees.
			The development of continuity in the organization as an element of employee motivation.

In order to show that this table is useful and practical, and based on the main tools for identifying developing and retaining talents, the author has developed a list of 12 rules that can help systematize the experience of large networks for the development of talent management and called them “Hospitality Organization Success Rules”. They can be seen below (see Table 2):



**Table 2.** *Hospitality organization success rules (Source: made by the author, 2020)*

<ol style="list-style-type: none"> <li>1. Once a month compulsory attendance of business trainings for HR managers.</li> <li>2. Once every 2 months, the invitation of the coach to the hotel for the development of HR managers.</li> <li>3. 2 times a week promotion of paid brand advertising in travel forums (Booking.com; TripAdvisor; Airbnb).</li> <li>4. Creating special tests before hiring a person (job knowledge tests; psychometric tests; personality tests and situational judgment tests).</li> <li>5. At the beginning of a career path, training of every employee by a mentor about the rules and standards of hotel quality for a month.</li> <li>6. Before the beginning of each working day, obtaining by each employee a clear list of tasks and obligations that must be fulfilled during the working day.</li> <li>7. Every month, attendance of continuing education courses by each employee.</li> </ol>	<ol style="list-style-type: none"> <li>8. Reading of relevant business literature by each employee. Once every half a year, a talent should speak to colleagues giving a 5-minute review of the most useful and effective literature he/she has read.</li> <li>9. Every 2 months coaching sessions should be held for the team (building a dialogue between talent and other employees of the company; identifying common goals and priorities; understanding the motivational sphere of each employee; identifying development prospects).</li> <li>10. Electronic checklist on the phone for every employee of the company to be used on a daily basis.</li> <li>11. Every employer must have a “talent bank”, i.e. a list of all the talented employees in the organization.</li> <li>12. Once a month general manager needs to motivate talent employees by health insurance paid by the employer; continuing education courses; free meals; corporate holidays; joint trips. Or bonuses and extra salary.</li> <li>13. After six month from the start of a career, every employee should know a clear and transparent plan for future careers and career growth. Talent must know the importance in the organization.</li> </ol>
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For a large hotel network, this list of rules can be used in order to show a single level of service around the world in all branches. And it will be useful for small hotels to reveal and develop talents, saving expenses on marketing and HR budget.

### **Results**

Having analyzed the selected literature and sources and summing up the research, the author can say that the talent management system consists of 4 main components: identification; assessment; development and retention. Talent management is a relatively new trend in the hospitality business that needs continuous development. The author has also developed own list of talent management rules. The author is absolutely convinced that if the organization makes good use of talent management strategies, then the business will enter a new level of competitiveness in the world market.

### **Conclusion**

The topic of the research is talent management as a strategic advantage in the development of the hospitality industry. To deeper understand the topic; the author resorted to published research data from Emerald Publishing, E-Lanbook and different Internet sources. Having analyzed the information, the author can draw the following conclusions:

- Currently, talent management is one of the main problems of modern business. Real talents are very hard to find. There is no unique talent management system to suit each organization, but only with the help of talented employees a hotel can achieve its goals.
- If the hospitality organization is new, in which there is no staff, it is necessary to look for employees using the latest technologies. It's better and faster to find talented people with the help of Internet (social networks, advertising, recommendation system, etc.).
- However, if a hotel organization has been on the market for a long time and does not constitute a successful business, then it is necessary to look for a problem inside the staff. It is necessary to conduct special tests, analyses of each employee to identify talent and the person who needs to be replaced. Special attention should be paid to the development of an HR manager for the qualitative identification of talents.
- The author is convinced that in order to retain talent, this person needs to be encouraged and motivated. There are 2 types of talent incentive: material (salary, bonuses) and non-material (health insurance, education courses).
- The author also created own IADR analysis and brochure, which will help easily manage talents both in a large corporation and in a small hotel.

### **Recommendations**

Talents are an inaccessible resource, so working with talents is a whole art. Work with talents consists of 4 main sections comprising IADR system:

1. To *identify* talent, it is required to develop HR employees in a hotel organization. So that they can professionally engage in identifying talent. The work of HR specialists includes collaboration with young college professionals; schools institutes; students of language universities. It also implies search for talent among employees of other hotels; search for talents through social networks; online feeds work sites; cross promotion; through advertising; printing.
2. To *assess* the quality of talent, the author recommends the following methods: audit of talents; testing; competencies; certification; certification; and audit of talent skills.
3. To *develop* a talent, the author recommends compiling an individual development plan, as well as developing a training plan.
4. To *retain* talent, the author recommends the following methods:
  - Material incentives, including career growth; career planning; promotion to a higher paid position; the opportunity to receive benefits, subsidies, subsidies and soft loans for training from the enterprise.
  - Non-material incentives, such as enrolment in reserve managers; opportunity to develop; the opportunity to gain new knowledge, skills; the opportunity to learn from professionals; high-quality social package; strength development.

### **Research Limitations and Future Research**

Due to the state of emergency (COVID-19) in Latvia, the author was unable to do a practical task. To maintain author's health and health of others, the author self-isolated. Besides, the author had difficulty writing the research paper due to the lack of experience in writing such projects.

In general the selected research methods have been effective to achieve the objectives of the project and will be useful for the development of small and large hotel business. Of course, this research work can also be improved through practice, as well as various other research methods

may be used, such as primary and secondary. Primary may include the collection of information through a survey.

The author is convinced that this research project can be applied to all areas of activity and types of business. The study has shown that this topic is very relevant nowadays, especially for HR managers and the author hopes that the results of this study can help convince them of the importance of talent management.

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## HOW MANAGERS IN THE HOSPITALITY INDUSTRY IDENTIFY AND DEVELOP TALENT? EXPECTATIONS VS REALITY

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**Abstract.** This topic is based on a selective review of events related to career management, and, in particular, ideas about talents both from the point of view of the manager and organization, and hospitality in general. It also aims to encompass the recruitment, retention and development of talent throughout the industry, where success ultimately depends on the ability of employees to provide local services. This paper concludes that dedicated, professional, motivated and developed graduates are needed to achieve the immediate and long-term goals that are so important for hospitality organizations to deal with retention problems. The research reveals the potential of talent management as a driving force for competitive advantage in an industry where investing in people is a priority to ensure the quality of the services provided. In the project, the candidate will present his point of view on talent management in the hospitality sector, taking into account the expectations against the reality of the talent management manager in a particular organization, emphasizing the need for wider recognition and acceptance throughout the industry in the future.

*Keywords:* research, hospitality, development, organization, expectation

### Introduction

One of the recurring questions in the literature on talent management concerns the inconsistencies and ambiguities associated with the definitions of talent and talent management (Tansley, 2011). A study conducted by CIPD (2007) showed that “talent is mainly focused on individual attributes, with large differences by definition”, since in most cases these movements were “organization-specific” and defined by the nature of the work, mission and culture (CIPD, 2007; Iles, Chuai, & Preece, 2010). This article attempts to explore these research questions and provide some perspectives on “talent” and methods to identify talent in the hospitality industry.

### Methodology

Research methods are selected in accordance with the purpose of the study, tasks and questions or hypotheses. To perform the qualification work, the author will use a mixed approach and apply such tools as: case studies, research limitation, own experience and observations. These methods of conducting qualitative and quantitative studies will help the author to draw conclusions, analyze, and give specific recommendations.

### Literature review

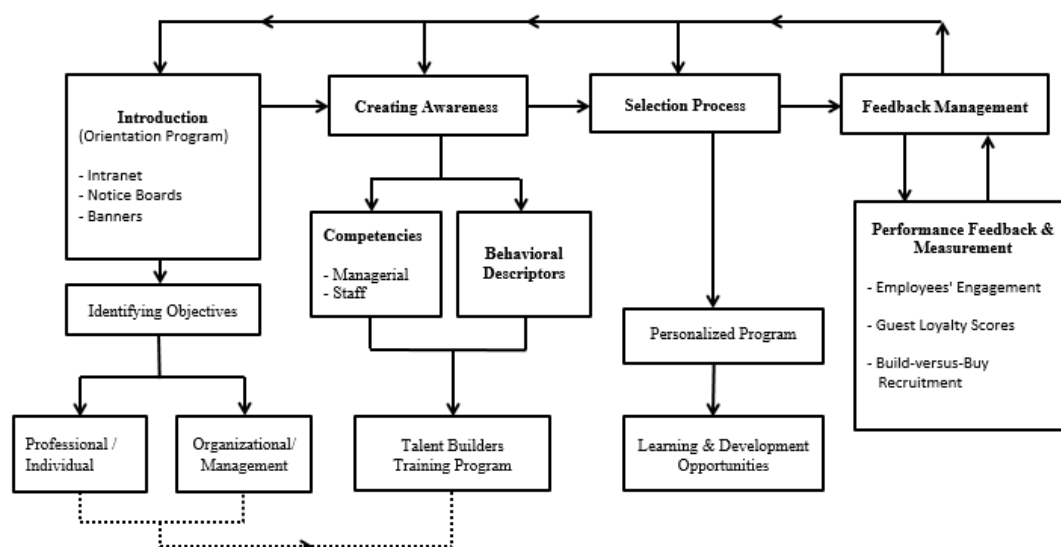
The term “talent management” had been first introduced by David Watkins of Softscape (Lewis, 2006) in his article of 1998, and it was later developed and complemented in the work “Talent Management Systems” in 2004. Originally, the term “talent management” was used to define changes in the HR field focusing on “human potential or talent management” (Dimbaktiyeva & Kryukova, 2015).

A talented employee is a person who has the potential for further promotion inside the company, and potential leaders “focus on the future” (Lewis, 2006).

Talent is often perceived as a natural gift and mental aptitude, prominent abilities, and brilliance (Miller & Desmarais, 2007).

Goffee and Jones (2007) explain talent as handful of employee whose ideas, knowledge and skills give them the potential to produce the disproportionate value from the resource they have available from them.

Talent management is a useful term when it describes an organization's commitment to hire, manage, develop, and retain talented employees. It comprises all of the work processes and systems that are related to retaining and developing a superior workforce. Talent management is a business strategy that organizations hope will enable them to retain their topmost talented and skilled employees. Just like employee involvement and employee recognition, it is the stated business strategy that will ensure the attraction of top talent in competition with other employers (Das & Sahoo, 2015).



**Figure 1.** Key of Talent Management Program (Source: Tag-Eldeen, 2018)

Figure 1 summarizes the key stages of talent management that are currently taking place at Jumeirah Hotels. On the one hand, the company also emphasizes transparency in selection of target participants and further motivation of non-participants for the better performance. On the other hand, the company offers alternatives for personal growth or nonmembers. The figure reflects the standard steps for talent management (see Fig.1).

Management program consists of the following four steps:

1. Setting goals to improve organization capabilities
2. Raising awareness of the necessary behavior, ensuring a fair and objective rating applies to both the individual and the company.
3. Installing personalized programs and defining training and development opportunities.
4. Feedback management (Tag-Eldeen, 2018).



**Figure 2.** *Talent management process (Source: Bersin, 2006)*

The identification and institutionalization of talent through the competency model can be divided into several stages (see Fig.2):

1. The process begins with workforce planning, which is closely related to the organization's business plan.
2. The recruitment process, that is, the search and selection of suitable candidates.
3. The adaptation process, which should facilitate the entry of employees into a new environment.
4. Performance management, where a business plan also plays a role; methods for measuring and managing employees are determined on the basis of the plan.

5. The creation of preconditions for the development of employees is a very important element, since subsequently it leads to the support of their overall effectiveness.
6. Successful planning of the organization is really important, as it enables managers and individuals to identify the right candidates for a position.
7. Compensation and benefits to talents-employees is necessary. Here organizations try to tie the compensation plan directly to performance management so that compensation, incentives, and benefits align with business goals and business execution.
8. Critical skill gap analysis should be created inside of the company (Bersin, 2006).

### **Talent Management Theories**

1. The egalitarian view says that talent management is connected with the talent management of all employees. According to the opinion, all employees of the organization can become talented (Iles, Chuai & Preece, 2010).
2. The elitist approach, on the other hand, deals only with the talents of high-potential or high performance employees, who divided their added value for the organization (ibid.).
3. The theory of psychological contracts, which takes into account the perception of employees of beneficial practices about talent and the impact of those perceptions on employees' obligations to develop skills (Hoglund, 2012).
4. The theory of social exchange emphasizes that when organizations invest in their employees, they ultimately respond to these corporate investments have a positive (Farndale et al., 2010).
5. The theory of organizational support examined the reaction of employees on how the organization values the contribution of talented employees and cares about their well-being (Eisenberger, Fasolo & Davis-LaMastro, 1990).
6. The theory of justice assumed that if employees have information about the status of talents of their colleagues, this situation can be considered as a variable to identify behavioral reactions of employees (Bjorkman et.al., 2013).
7. Built-to-Change theory assumes that talent management initiatives must be a piece of the integrated strategy (Lawler & Worley, 2006).



8. Human capital theory suggests that the costs associated with the development and retention of talented employees should be considered as investments for the benefit of the company (Wilson, 2015).

### Case Study

Talent ensures growth of the company. To identify such candidates, managers need to perform certain actions on the selection of talents. Talents can be attracted from the outside, as well as they can be searched for from within the company. Let's consider the option of attracting talent from “outside” on the example of the Marriot chain of hotels. There are 3 options:

1. The recruiting department selects talents by means of practice. This method of recruitment is very popular in this chain of hotels.
2. Advertising in traditional media.
3. Internet resources.

It is important to note that social networks also have become a channel of the selection of talented employees. The Marriot chain has created an online game “My Marriot Hotel” allowing managing the hotel. The game reflects many of the standard procedures of hotel service, where the task of the participant is to obtain as many “satisfied customers”, for which he/she gets the points, as possible. Thus, this game is not only fun, but also an opportunity for Marriot to attract talented employees. Below there are advantages and disadvantages of attracting talents from inside and outside of the company (see Table 1).

**Table 1.** *Advantages and disadvantages of attracting talents from inside and outside of the company (Source: made by the author, 2020)*

Type of identification:	Advantages:	Disadvantages:
<b>Internal</b>	-improves morale among hotel employees who have been promoted; -stimulates morale growth of the hotel staff, who see for themselves the opportunities for promotion on the career ladder; -requires less cash, time and other costs than external.	-can cause a conflict, especially among those hotel employees who are “circumvented” with a raise; -can cause a personnel problem of the deficit of a particular hotel department, if it is from that department that an employee is taken to fill a vacancy in another department.

<b>External</b>	<ul style="list-style-type: none"> <li>-the possibility of developing the hotel by bringing "fresh blood" and new ideas to the company;</li> <li>-the opportunity to save money, because sometimes it's cheaper to take a candidate prepared for the vacant position from the outside than to train or retrain existing hotel staff;</li> <li>-it is simultaneously considered by the hotel as a secondary form of advertising the hotel.</li> </ul>	<ul style="list-style-type: none"> <li>-possible problems with adaptation to the corporate culture of the hotel, to the management style;</li> <li>-the possibility of interpersonal conflicts between a new employee and hotel employees who were counting on this vacancy;</li> <li>-decrease in productivity due to the fact that entering a new position for employees of the hotel, hired from the outside, may require more time than for those, who have been with the company "for ages".</li> </ul>
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Recruiting talents within the hotels is searching for talented employees among already employed personnel. For example, the Marriot at the opening of new jobs informs the entire hotel network and collects responses from the candidates of existing hotels, thus choosing the manager, who in 98% of cases is a talented employee of the Marriot. On average in Marriot each manager works at the same hotel for 2-3 years and then moves on to a new property. Therefore, the career of talented employees is very dynamic. In the Marriot each employee has the opportunity to move within the network of hotels, that is, there is turnover of talented employees. Each month there is a newsletter to all employees in the personnel reserve about vacancies around the world. Candidates must be willing to work in a fast paced environment and solve non-standard tasks (Marriott.com., n.d).

### Results

The author has analyzed various sources and literature on the topic of recruitment, retention and development of talent. Summing up the research, it is possible to conclude that the management and determination system of talented employees has several stages: attraction (selection and hiring of employees); adaptation (good working conditions); retention (motivation, value of labor results); development (training, staff advancement). Thus, the process of managing and identifying talents is a strategic system that must be constantly updated to meet the realities of the modern world. The experience gained by the author in this project will allow the author to better understand the definition and development of talents from the point of the manager in the hotel industry.

### **Conclusion**

During the research work, the author considered such concepts as: talent of employees and identification and development of the talents. As a result of the analysis of literature and Internet resources, the following conclusions have been made:

1. Revealing talented personnel of the company bear the costs of training and adaptation.
2. By identifying talented employees, companies increase their profitability by increasing competitive ability in the market and introducing new ideas.
3. When identifying talents, the company faces a number of questions, for example how to identify, train and motivate talent. It is important to realize that not always the managers' expectations justify the real results of the talent search.
4. From talented employees it is necessary to understand a candidate with high potential and productivity.
5. Talent management is a system for developing the competitive ability of a company by attracting and retaining talent.

Summarizing the study, one can say that here is no common view of talent management among practitioners, and each organization defines "talent" differently: someone thinks it means individual employees with specific potential; someone considers staff in general; some companies say that "talent" is the abilities given to a person at birth; other organizations think that this is experience acquired in the course of time. It is possible to conclude that the management system and the definition of talented employees go through several stages: attraction, adaptation, retention, development. All these stages are very important for the development and determination of talent by managers in the hotel industry.

### **Recommendations**

After analyzing the talent management theories and strategies, the author has developed the following recommendations for talent searching:

1. Search among the employees. Highly developed managers can be selected among talents in the hospitality industry.

2. Search among the graduates. A company can create groups of talented students who are given tasks to improve network performance and at the end they will receive a grant for training. This will have a positive effect on the inflow of innovative approaches.
3. Creation of a separate training course and selection of talented employees based on the results of examinations. The program of this course will include an in-depth study of various disciplines. Selected talents will be absolute candidates for the company. These workers will produce the maximum liability and they will be highly qualified personnel.

Therefore, the process of managing and identifying talent is a strategic system that needs to be dynamic and all the time be updated to meet the realities of the modern world.

### **Research Limitations**

This research work has potential limitations that have influenced the qualitative analysis research paper. First of all, the implementation of the data collection method may not be correct in this research project, since there is no experience in collecting primary data. Secondly, the volume of discussions: since the author does not have many years of experience in conducting research and creating scientific articles, the volume and depth of discussion in the article are compromised at many levels compared with the work of experienced scientists. Finally, due to the situation in the world (pandemic), the author was unable to include the practical part in this study, which significantly reduces the quality. As most hotels were closed and employees were on quarantine, the ability to receive data from respondents was limited, which resulted in analyzing a case study as an alternative.

### **Implications and Future Research**

Research methods were chosen in accordance with the research aim. To perform qualifying work, the author used a mixed approach and considers it the most effective method of study to achieve the objectives of this project. Qualitative methods, such as literature review and case study analysis, were used in this research project in order to obtain a deep understanding of specific topics and analyze it in different aspects and from different points of view.

Alternative methods of research could also be used, for example, primary research, i.e. questionnaires, interviews, focus groups, etc. Primary research of this project could include aspects such as the collection required to describe the tasks of information through some form of survey, the target audience or watching it. The study can be continued by other researchers,

who can consider the structure of the organization based on the corporate culture, motivation and talent management system. To determine these criteria, researchers can use different methods of data processing and analysis that will improve the quality of research.

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## **CLOSING THE SOFT SKILL GAP AND IMPROVING BUSINESS COMPETITIVENESS BY MANAGING YOUNG TALENT**

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**Abstract.** The research paper gives the analysis of Talent Management strategy. It highlights the importance of implementation of Talent Management for the enterprise, describes soft skills gap of today's young talents, and formulates the ways of improving the situation with the help of right Human Resources activities. The paper contains theoretical framework, literature review, case study analysis, conclusions and recommendations for the Latvian hospitality companies. While researching this topic, the author has learned that every person is talented, therefore, finding the right approach to an employee, accustoming him to a learning culture, can develop his skills that will improve the quality of his work, and, therefore, it will improve the efficiency of the entire enterprise. This work was carried out to understand what skills are a key to working in the hospitality industry and how to close gaps in soft skills. Due to the state of emergency introduced in Latvia, it was impossible to conduct interviews and surveys of hotel or restaurant employees.

*Keywords:* hospitality industry, soft skills, talent management, gap

### **Introduction**

In this work, the topic of human resource management, and specifically talent management, will be touched upon. Hotel organizations are working hard to achieve a competitive advantage over others, but there is still a big gap, the real situation is different from the desired. The problem lies in the weak soft skills of the youth. Today are 23 million and growing rapidly representatives of Generation Z. Because the main problem is soft skills gap of today's young people, they are missing basics in communication, which is of particular importance in hospitality industry. Hospitality industry is built on the constant communication of employees and guests, which should provide the highest-class service.

The relevance of this topic is the fact that often young employees who are younger and do not have much experience, lack the maturity and patience, which are so important when working with consumers. Another problem for TM in Latvia is the lack of talent, which can be seen at all levels of management. Often there are people without basic industry knowledge and no idea how to serve guests.

Therefore, hospitality organizations should train young people, discover their strengths and weaknesses, improve young talents, and reward them for their efforts. Each company must understand how to find an approach to a young employee, cope with lack of discipline and

organization and enter his/her position, to understand that this is a young human with no experience.

### **Methodology**

Main question of the research project is how to close soft skill gap by talent management to improve business performance. The books will be reviewed to understand key concepts in talent management. Research papers will be reviewed to see what other researchers have come to, conducting their work about talent management in the hospitality industry. At the time of writing, a state of emergency has been introduced in Latvia, which makes it impossible to visit hotels for the purpose of conducting interviews and surveys. To compensate for the lack of information, the student will give a case study as an example. Based on the literature, concepts studied and personal experience, the student will make conclusions and draw up a list of recommendations.

### **Literature Review and Conceptual Framework**

According to N. K. Betchoo in his book, talent management is a set of tools and strategies so that a company can attract, efficiently use and improve the quality of its personnel, which makes it possible to make a significant contribution to the development of the company. The term talent management includes activities aimed toward involving staff within the innovation techniques, making creative incentives, and developing potential of staff (Betchoo, 2017).

Aizza Anwar and Qasim Ali Nisar conducted a study in the banking sector of Pakistan and described the need and benefits of talent management, described key methods and came to the following conclusions: the practices like attraction, recruitment and engagement plays an important role while managing talent. Talent management plays an effective role and its integration at all levels of the banks, improves performances. Banks should give proper attention in attracting new employee, recruiting current employees, and engaging them for the betterment of employees and companies it-self. Talent management is a relatively new concept for effective management of key employees that should be made part of company's strategy. Study results also shows that talent management also has positive and strong association with competitive advantage, performance, and talent position within the banking sector (Anwar & Nisar, 2014).



Shadiya Mohamed Saleh Baqutayan think that talent management is of importance to employees and should be of importance to the company as well because it can lead to a competitive advantage to all employees. Therefore, they conclude that talented can be anyone, just talents need to want to develop. The meaning of talent management is to hire suitable candidates for suitable positions and help them develop their skills (Baqutayan, 2014). The analysis by Jennifer Nzonzo and Tsitsi Chipfuva recognizes that the hospitality industry in terms of human resources is very often faced with problems. Making decisions on these issues affects the quality of guest service and the competitiveness of the organization in the hospitality industry. But also, the hospitality industry has the advantage that, thanks to trained students, a large percentage is ready to work in hospitality companies. Hospitality companies can improve their performance by participating in research efforts, improving coordination with educational institutions, and building relationships with students. The authors believe that organizational effectiveness is no longer measured only by profit, but now they pay attention to what talents a team of a company has, what skills employees have to become a key contribution to a highly competitive environment (Nzonzo & Chipfuva, 2013).

Gillian A. Maxwell and Samantha MacLean point out that talent management is adopted throughout the industry as a distinct approach to managing people so as to promote positive perceptions of the industry, both the service provider and the employer, in order to show that company employees are highly valued, as well as improve people's opinions about work and careers in the hospitality industry, so talented employees will increasingly choose this industry. Each organization practices TM techniques, choosing those that correspond to their business introduction, employees, guests, this means that each company decides who they think talented employees are (Maxwell, MacLean, 2008). Seema Singh Rathore and Priyanka Rathore discovered talent management practices in luxury and low budget hotels. The authors of the study argue that talent management is often practiced in the hospitality industry. Their article talks about the differences in talent management depending on the types of hotels and their class. They advised hotels to conduct self-assessments to get employees' perspective, seek the opinion and experience of others, give goals to employees, help the staff to improve and succeed with development plans and implement pay to reward good performance (Rathore & Rathore, 2015).

It is also worth discussing soft skills. Susan A. Dean and Julia I. East believe that some workers lack soft skills. The soft skills deficit includes oral communication, problem solving, low self-

confidence, and interpersonal skills. The lack of soft skills directly affects the efficiency of the company, the involvement of employees and their safety. Companies need to implement soft skills training programs to eliminate lack of skills. Failure to organize this has serious consequences and negative business outcomes in this highly competitive global work environment (Dean & East, 2019). Promeet Jaswant Singh considers that students do not have realistic expectations of their levels of workforce preparedness. Employers expect too high and too large skills in the field of critical thinking, creative approach, application of knowledge and skills in the real world. This is because every employer wants to provide himself with the most competent employees. Lack of training made participants feel less fit for their work. Also, employees with good soft skills may not use their full potential if there are no simple organizational procedures, such as formal orientation (Singh, 2018).

Sarah Oxenbridge and Justine Evesson conducted a research and found out how young people start their work in Australia. A large percentage of young people who enter the labour market know that employers require soft skills from them. They emphasize skills such as self-management and communication skills, confidence, and showing initiative. The authors also emphasized that companies want young employees to come fully trained and possessing soft skills. The presence of training programs at work is necessary for young people to improve their soft skills, as this is the most effective way. It is also noted that young employees are much better and more effective in the presence of a supervisor, mentor and support programs (Oxenbridge & Evesson, 2012). The study of Daniela Wilks and Kevin Hemsworth shows what qualities hotel managers consider necessary for graduates in the hospitality industry. Most managers chose: being able to work in a team, leadership, problem solving, sensitivity to customer needs, empathy, to act calmly. Least of all gained such skills as: environment protection practices, IT systems management, ability to conduct a market study (Wilks & Hemsworth, 2011). Some researchers also conducted a research in the field of talent management and predicted future trends in this area. They believe that platforms such as Taleo or LinkedIn will be the most affordable and convenient way to find talent (Ariss, Cascio & Paauwe, 2013).

Thus, it is possible to say that these issues are relevant all over the world now. Hospitality industry needs the well prepared and highly motivated graduates who are willing to work because the lack of soft skills and students do not have realistic expectations of their levels of

workforce preparedness. Therefore, the attraction and training, the development of their soft skills is especially important to improving business competitiveness.

Human resource management (HRM) is the process of employing people, training them, compensating them, developing policies relating to them, and developing strategies to retain them. As a field, HRM has undergone many changes over the last twenty years, giving it an even more important role in today's organizations. In the past, HRM meant processing payroll, sending birthday gifts to employees, arranging company outings, and making sure forms were filled out correctly—in other words, more of an administrative role rather than a strategic role crucial to the success of the organization (Human Resource Management, 2016). To effectively manage the organization, there is such a tool as the human resource management. In each company, people are the most important resources that provide work, and the hospitality industry pays special attention to this. People create new products, use resources, and control quality. The most important thing is that people can constantly improve and develop, if desired. The student believes that personnel management directly affects the value of the company. For the development of talents in staff, improving their skills, there is such a subsection in HR as talent management. This is important since the human component of the hospitality organization is considered as one of the most important resources for its successful functioning and development, a factor in its effectiveness and growth, and a means of achieving strategic goals.

According to N. K. Betchoo in his book, talent management is a set of tools and strategies so that a company can attract, efficiently use and improve the quality of its personnel, which makes it possible to make a significant contribution to the development of the company. The term talent management includes activities aimed toward involving staff within the innovation techniques, making creative incentives, and developing potential of staff (Betchoo, 2017).

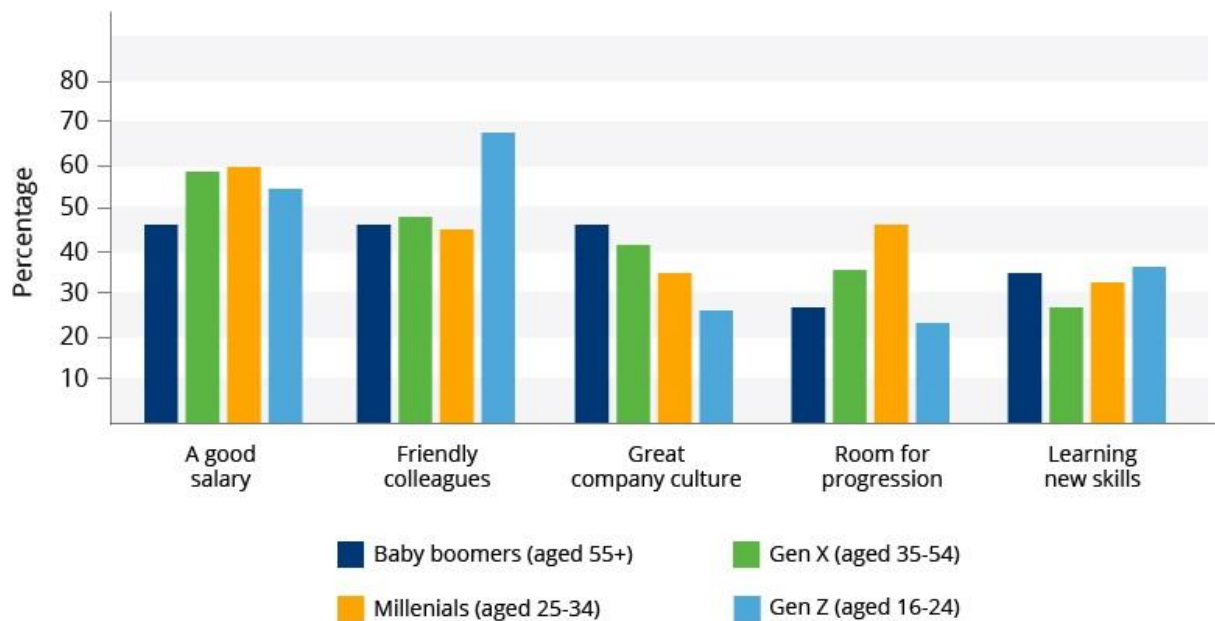
The figure below shows the visual process of talent management (see Fig. 1). The first thing a company should do is to attract young talent to meet business objectives. This can be done by telling the candidate about the culture of the company, about the benefits of working in a particular organization, about perspectives. To align new employees, it is possible to arrange a meeting with staff vision of the organization, to share the role of employees in achieving goals, need to explain to employees how they can help the company in fulfilling the plan. It is also possible to organize trainings, for example, on sales or on the use of software. Employees must be recognizing for their efforts, assistance should be given in case of problems. Unconstructive

criticism, abuse, negativity this can destroy a person’s desire to improve their results and generally the desire to work in a particular company. After this an individual development plan is created for each employee, depending on his position, capabilities, interests, needs.



**Figure 1.** *Talent Management Process (Source: IBTA Arabia, 2018)*

Management needs to find a special approach for each individual. The manager must continuously monitor the progress of employees and give them feedback. In order to reward an employee for a good job, he can be offered not only a cash bonus, but also various other bonuses, a gift, or an incentive trip. It is also important to verbally emphasize the success of the employee. Thanks to this process, talent is created, and the company now has a valuable employee who needs to be kept in a variety of ways. But attracting young talents is not easy. Not everyone, but many are not interested in corporate culture, they are not very keen to improve their skills, and their interest in progress is less than all other age categories. It is most important for people from 16 to 24 to get a good salary and have a good and friendly team (see Fig. 2).



**Figure 2.** *Career Priorities of Different Generations. (Source: Larkin, 2019)*

That is why a talent management is needed, to attract and involve in the improvement of skills and the disclosure of strengths. After a person’s assessment has been made and his/her strengths and weaknesses are noticeable, they need to be analyzed and a development plan made for a particular person. Later company is rewarding employees to drive performance and recognize success via benefits, incentive, and new opportunities. In young people, it is important to develop responsibility and the desire to succeed.

Talent management is needed in order to develop the employee’s abilities, improve his/her weaknesses. This is especially important because the student believes that modern youth does not have sufficient skills at the start of work. This is especially true for soft skills. Young people are strong in digital technologies, in knowledge of the language, but lacking a sense of responsibility, the ability to perceive criticism, time management, problem solving, service skills and sometimes manners. M. Joshi describes soft skills in the following way: the personal character traits or qualities each of us has. They make us who we are, generally encompassing our attitudes, habits and how we interact with other people. They refer to abilities that make people better employees and open doors for many opportunities that are not directly related to the subject matter of their jobs. In other words, soft skills refer to a person’s ability to relate to others, to get him / her and others organized, to communicate in written, spoken or other forms (Joshi, 2017). Also, he concludes that soft skills help everyone solve problems, think, make

decisions, communicate, build healthy relationships, become a leader and competently build a team, also manage time efficiently, cope with stress and stress without harming mental health.

B. Tulgan also believes today's young people can offer a lot, for example, new technical knowledge, innovative ideas, they are perspective and energetic, but at the same time too much are restrained. They strain the older generations with their behavior and manners due to weak soft skills. He says that young workers do not know how to think critically, study, and communicate without their phones. Their work habits are terrible; they have no sense of responsibility and self-sacrifice for the sake of a common goal, in this case, the effective work of a hospitality company. According to him, there is a growing gap between the expectations of employers and the reality of how today's new young talent is showing up in the workplace (Tulgan, 2015).

The author decided to create a table of the most important soft and hard skills in the hospitality industry (see Fig. 3). Having hard skills is not enough to get a job in any field, especially in the hospitality where everything is built on service and communication. Therefore, it is important to find a balance between hard skills and soft skills. Hard skills highlighted options are: college degree which gives a student basic skills and knowledge of finance, guest psychology, service, etc. Computer knowledge will be especially important for work in the front office, marketing department. Knowledge of languages is extremely important as the hospitality industry means contact with representatives of different countries. In Latvia, it is minimally necessary to know Latvian, and English; knowledge of other languages depending on the target audience of a particular hotel or restaurant. Certificates are bonuses that can help get a job.

Soft Skills	Hard Skills
Communication skills	College degree
Interpersonal relationships	IT systems proficiency
Team building	Language fluencies
Time management	Training/industry-specific
Presentation skills	certifications
Managing stress	
Etiquette	

**Figure 3.** *Important Skills in Hospitality (Source: made by the author, 2020)*

But all this is of less importance if a person is weak in the following soft skills:

- **Communication skills.** The hospitality industry is a constant contact with guests of different cultures, with colleagues, with suppliers. It is necessary to be able to communicate effectively with colleagues, to overcome communication barriers, to win over people to achieve their goals.
- **Interpersonal relations.** Means the process of exchanging information between several people, during which each of the participants recognizes the features, character traits of their interlocutor.
- **Team building.** Work in hospitality means dynamic teamwork to satisfy the needs of the guest. In order for people to make joint efforts and complete tasks as efficiently as possible, they must be able to work in a team, and not work alone in this area. Sometimes young people like to do everything alone, but they need to explain that without working in a team there will be no success, and constantly remind about it.
- **Time management.** Problems with the correct distribution of time arise in many people, but especially among young people. They are late to school, and then to university, then to work and important meetings, they do not have time to complete the work on time, because they do not know how to prioritize correctly. Therefore, productivity drops, many tasks are not performed. Daily planning is necessary to increase productivity and effective time management can help with this problem.
- **Presentation/articulation skills.** The ability to briefly and concisely express thoughts, to interest the audience is particularly important in the work. An employee at the front of the office should be able to eloquently tell about the hotel, an employee of the travel agency should be encouraged to buy a tour thanks to an impressive story about the offer; the waiter should be able to present the restaurant menu, etc.
- **Managing stress.** Young people lack the ability to calmly respond to conflict or controversial situations; it is exceedingly difficult for them to work overtime if necessary.

- Etiquette. An employee of the hospitality industry should always smile, express positivism and readiness to help a guest, speak softly and clearly, as well as control his/her body language.

### **Ways to Close Soft Skills Gap**

To start with, each manager should understand that it is impossible to hire an ideal employee, especially a young one who does not have life experience and will have some gaps. It is important to understand this and motivate young people to self-improve.

Skill gap analysis is needed to evaluate employee skills. During the assessment, the level of knowledge and skills of a person is tested for successful and effective work. After the analysis, the human resources management department draws up a plan on how to close these gaps. For this, the company must determine its business goals, so it will be easier to understand what skills an employee of the organization should possess. Then it is important to work in a narrower direction and draw up the necessary skills, knowledge, and qualities for a specific vacancy. For example, separate analysis for the housekeeper and for the waiter. Next, management needs to make a report about the skills of which staff lacks. A training plan is already being drawn up for this. It can be made up of a human resources management department or special organizations that specialize in training people (Armstrong & Taylor, 2014). IBM offers strategies to close skills gaps in the organization. The author suggests taking advantage of outsourcing, moving talents between departments in the company, attracting talents from abroad, and introducing educational programs for staff development (IBM, 2019). A talented employee is a combination of labour potential and characteristics. If a company develops employees, each of them will contribute to the achievement of goals, thanks to their effective work. If the company does not have talented employees, it may begin to inappropriately switch to other things, such as marketing. But investing in it is dangerous without talented employees, since not a single advertisement will save the organization if it cannot provide quality service thanks to trained employees.

The first thing a young worker must learn is self-evaluation. Many people are not able to critically evaluate themselves. And when mistakes are constructively pointed out to them, they are offended or simply do not pay attention, thinking that the person is wrong. As soon as a person learns to evaluate himself/herself – he/she will begin to learn and improve. Firstly, management can use tests that describe personality types, interests, values, and communication



style. After that, move on to more specific tools. Tulgan offers tools like Myers-Briggs Type Indicator, which divides people into 16 personality types based on how they make decisions, how they solve problems, and whether they solve them at all. Another tool called “Enneagram” divides people into 9 categories and makes it clear what the person is best motivated by. The most important thing is to develop a habit for young people to regularly evaluate themselves, and for greater motivation to record progress, use scorekeeping so that they can evaluate their successes (Tulgan, 2015).

Often people point to external factors and other people to justify their mistakes or shortcomings. Workers need to be taught to focus on factors that are under their control. A great idea is to hold meetings with employees and brainstorm, ask for their opinions on what personal responsibility is all about, ask for examples from work, all of the factors that get in the way of their ability to do job and make it harder for them to perform at the highest level. When it comes to teaching personal responsibility, the key is keeping the focus on factors within the control of the individual—teaching people to ask themselves every step of the way: What is within my control right now? Where will I focus my attention and energy? What are my options? What is the plan? What are my next steps? What are my next thoughts, words, and actions? (Tulgan, 2015). Thus, reliability develops, a person’s willingness to fulfil the agreements and his duties honestly and diligently, understanding that mistakes must be paid. This is willingness, with a reasonable need, to take on difficult moments of life. A developed sense of responsibility is a sign of adulthood.

Positive attitude is one of the components of success and personal growth. A positive attitude helps to look for perspectives, opportunities, direct energy and get the desired results; this is a big component of success and personal growth. Negative emotions constrict thinking and limit thoughts. The power of positive thinking is comprehensively examined in the famous book “Think and Grow Rich” by American writer Napoleon Hill. In this book, the author meticulously collected many examples when people achieved success solely because of their belief in success (Hill, 1937). To think positively, a person should work on that position and do what he/she is well versed in. Also, the company must ensure a balance between work and free time, so that a person has time to engage in their hobbies, which make them happy. It is necessary to avoid toxic relationships. It is also important for young employees to learn how to leave their personal problems at home and not transfer them to the workplace. Research shows that if a person makes an effort to display positive words, tones, and gestures on the

outside, it has a positive effect on his/her internal brain chemistry and it actually makes him/her feel better on the inside (Tulgan, 2015).

Teamwork is the activity of a group of people focused on solving a specific problem. To improve teamwork, it is necessary to introduce employees to each other to reduce the formal distance. It is also possible to arrange team sports games that involve every member of the team, the sport also helps in the fight against stress. Or management can organize a joint trip, a bike ride to get to know your colleagues better. More expensive but no less useful are seminars, lectures, educational events. It is also possible to celebrate the achievement of any goals of the company, to arrange a mini celebration. Someone is given these skills by nature; others must do serious work on themselves. But nothing is impossible and, if desired, it is possible to achieve excellent results. The employer is required to understand and desire to train young employees by investing in the future of their company, and young people should realize that the development of these skills is useful primarily for themselves.

### **Case Study Analysis**

Managers in hotel chain Marriott can explore more than 20 areas of management through a special program. These courses are taught by certified trainers, professionals, and experts from a wide range of fields. Programs are divided into three levels and are related to the core competencies of Marriott International (leadership, performance management, building relationships, building talent and organizational potential, training and applying personal experience, as well as business and functional results). Seminars and certification process focus on co-educational methods, experiential learning steps, in measuring and better understanding learning styles and methods (HM Staff, 2010). According to the founder of Marriott International, employees prepared for different situations help to provide high-quality guest services. Therefore, cross-training is practiced in this hotel chain. For example, a guest came in and needed a bellboy service and only a receptionist is available at the front office. If the receptionist is trained, then he can replace the bellboy so that the guest does not wait long. Untrained workers cannot do this. John Willard “Bill” Marriott Jr. is sure that success lies in the presence of the right person in the right place with the necessary skills and knowledge. Thus, the Marriott chain workers are very well developed, flexible, able to perform a wide range of tasks. Management greatly encourages employee development and motivates them to learn (Marriott, 2008).

### **Results**

In the hospitality industry, soft skills are the most important. If employees are trained in soft skills, they will make fewer mistakes based on their weak skills, thus improving the quality of their work, which means it will directly improve efficiency. Developing talents in a team will be much more profitable than constantly looking for new candidates.

### **Conclusion**

According to a 2016 Wonderlic study, 93 percent of employers believe that soft skills are especially important when deciding whether to hire a candidate (Wonderlic, 2016). In the hospitality industry, soft skills are the most important. It means that staff must use soft skills effectively. Industry employees must understand the needs of guests in order to provide them with first-class service, use skills to develop relationships with guests and encourage them to return to their hotel for positive experience, to show cultural awareness is equally important, since every day employees meet with different cultures, as well workers must be flexible in order to adapt to any situation, to be multi-tasking. The young employees at the hotel have a big task, because they do not have to learn all this, and before that no one had trained them. The author believes that the best solution is to take on the responsibility of management to develop each employee, which will help to fulfil long-term business goals. To close soft skills gap, firstly, management can try to inspire young employees to learn. Young people themselves may not know what they are interested in and what they are strong in. Therefore, there is a need to inspire them to study, to try themselves in different departments, and when they will find their place; they need to improve their skills that are needed on that vacancy. A great idea would be to invest in the development of young talents and engage in coaching. The author believes that young people need the right motivation and example. Young talents need to be interested in and all the benefits of improving their skills should be described to them. Developing talents in a team will be much more profitable than constantly looking for new candidates. Of course, each company decides based on an analysis of its means and goals. A small hostel hardly needs to invest and engage in talent management. But large hospitality organizations, given the money and other opportunities, should consider developing talent for their employees. Also, talents belong to the company, which means people can be easily moved between branches or departments to unleash their potential.

After conducting a research on “Closing the Soft Skill Gap and Improving Business Competitiveness by Managing Young Talent”, the student has decided to give the following recommendations to the companies of the hospitality industry in Latvia: the hiring process must be carried out as thoughtfully and responsibly as possible. This means choosing the right person, the one who has the potential, for the right job and then improving his/her skills. This is better, more efficient and cheaper than constantly changing employees. Human resource managers need to think of plans to develop talent among young people. To improve performance, it is necessary to understand the motivation of the young employee. Perhaps an employee is interested in a monetary reward, perhaps the recognition of the boss and surrounding colleagues, maybe he/she is interested in improving his/her skills. Based on these factors, it can be concluded how to encourage the employees to improve their skills. To raise the motivation and interest of employees, it is necessary to notice their efforts. It may be worth arranging a mini celebration when achieving any of the goals, so that the employees understand why they are working. Employees need to instil a learning culture and offer an interesting learning strategy. For a young employee, the best tool for learning anything is coaching. They need the right mentor, an example to follow. To improve soft skills, management must firstly find the gaps. Then the manager can arrange joint sessions, master classes, and trainings. Employees can also be attracted by the possibility of paid courses related to their work.

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### **Implications and Future Research**

Due to the emergency situation introduced in Latvia, it was not possible to conduct an interview or a survey. The student believes that the topic of “Talent Management” is extremely specific and only industry professionals and other workers in this field will be able to comment on it. If the topic was, for example, about the quality of the services provided, about marketing, preferences of customers, it would be possible to conduct an online survey with ordinary customers, people who do not have to work in the hospitality industry. And since the topic in this year was precisely Talent Management, it was necessary to interview the managers of the

companies who are responsible for the recruitment and training of personnel, or HR specialists. In this situation, the student tried to contact managers and recruitment specialists in hotels in Riga and Jūrmala, also wrote emails or in social networks, but no one answered and as a result, neither a survey nor an interview were conducted. Undoubtedly, primary research would give a better understanding of how the concepts of Talent Management are used in Latvia.

The importance of this work is that if managers or hoteliers read this study, then they will understand that all people are talented, everyone needs to find their own approach. They will also be able to realize that it is impossible to find the perfect employee who can do absolutely everything, and young employees need time and training in the first place. After all, they came only after school / college / university and they lack experience in a real work environment, and it is especially difficult for them to adapt and start to work well. Also, from this work, we can emphasize ways to close skills gaps. Students, young employees, and other readers from this work will learn about the importance of soft skills and may already begin to improve them.

This work may be the basis for further research by other researchers in the field of talent management, human resources, and lack of soft skills. They would be able to conduct similar studies to find out how the situation with soft skills among young people in other countries is, as well as how local companies use TM concepts, do they provide training for employees and what do they expect from them, do they draw up individual improvement plans. Also, the topic of soft skills can be considered not only in the context of the hospitality industry, but also in other areas.

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## **CAPITALIZING ON THE OPPORTUNITY FOR STRATEGIC HOSPITALITY SUCCESS – EMBEDDING AND SUSTAINING TALENT POWER**

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**Abstract.** Human resources have always been in high demand and with regard to economic performance; new talents have always been an indicator of successful and sustainable business. Nowadays attracting, retaining, motivating and measuring new talents have become highly debated aspects among employers. Despite increased attention to new talent, the main problem is to understand how new talent will help the company to achieve and set new goals or existing ones and how it is important to measure their performance and understand main concepts. The aim of this paper is to make a critical analysis of talent management in overall, as well as to assess the relationship between quality talent and business performance/strategic success. Moreover, the task is to understand how managing young talents can help to reveal the prospects of your company. The paper is divided into two main parts: a critical review of the literature and practical part (interview). While doing the work the author noticed such a tendency as, correct talent management is always the key to the success of any business but it is costly anyway. The study has concluded that there are many aspects that influence the selection, promotion and retention of a new talent. Each organization should be guided by its goals and objectives, but any strategy is the foundation of any business where new talent is a kind of improvement and acceleration of results.

*Keywords:* strategic success, retaining, motivating, measuring, talent power

### **Introduction**

Talent management plays an extraordinary role in the business strategy since it manages one of the important assets of the company are people. Nowadays talent management plays a crucial role in all kinds of businesses and it is very important to understand how it works and how organizations can sustain it and develop appropriate programs or strategies to reach set goals and, what is more, to increase the profit. Flourishing of the companies is the main indicator that a company possesses a large number of high-quality talents. To take the organization on the next level, it is necessary to create a clear strategy and vision of how managing young talents will help the organization grow and thrive in the future, as well as an understanding of the risks it may face by hiring potential talent.

### **Methodology**

For better research, author used qualitative method and literature review in general. Collection of information is a major component of the work, which includes analysis of all literature review and different sources of information. In the course of this work primary (interview) and secondary sources of information will be analyzed, such as books, existing research data on this topic and different kinds of articles. In this paper, the author also will use a qualitative method, which includes an interview with 10 open minded questions, related to talent management at the 4-star Hotel Riga Old Town. The questionnaire has been made with the support of Word program and has been sent not directly, but through an intermediary. All the information complies with ethical norms and considerations, and is also authorized to publish.

### **Literature Review**

Talent is superior mastery of systematically developed abilities or skills. It describes those people who do one or other of the following: regularly demonstrate exceptional ability – and achievement – either over a range of activities and situations, or within a specialized and narrow field of expertise; consistently indicate high competence in areas of activity that strongly suggest transferable, comparable ability in situations where they have yet to be tested and proved to be highly effective, i.e. potential (Williams, 2000).

Talent should refer to a person's recurring patterns of thought, feeling, or behaviour that can be productively applied (Buckingham & Vosburgh, 2001).

Talent is a set of personal characteristics that enhance one's ability to achieve expertise in an accelerated manner. These traits allow one to improve at quicker rates than others in their field that are the same level of expertise (Epstein, 2013).

Talent consists of those individuals who can make a difference to organizational performance, either through their immediate contribution or in the longer-term by demonstrating the highest levels of potential (Tansley et al., 2007).

Talent = competence [knowledge, skills and values required for today's and tomorrow's job; right skills, right place, right job, right time] × commitment [willing to do the job] × contribution [finding meaning and purpose in their job] (Ulrich & Smallwood, 2012).



Essentially, talent means the total of all the experience, knowledge, skills, and behaviours that a person has and brings to work (Cheese, Thomas & Craig, 2008).

Talent management is the processes of ensuring that talented people are attracted, retained, motivated and developed in line with the needs of the organization (Armstrong, 2007).

Talent Management is not one single thing - it is a series of integrated processes that pull together to drive strategy delivery through Organizational Capability (Collins, 2001).

Strategic management is the management of an organization's resources to achieve its goals and objectives. Strategic management involves setting objectives, analyzing the competitive environment, analyzing the internal organization, evaluating strategies, and ensuring that management rolls out the strategies across the organization (Kenton, 2020).

For all the time Talent Management is tightly connected with Human Resource Management and sometimes there are some misunderstandings. So, TM is about to retain, recruit and develop new talents and existing highly skilled employees available in the job market. Talent management is the science of using strategic human resource planning to improve business value and to make it possible for companies and organizations to reach their goals. New and highly skilled talents play a crucial role not only in Hospitality Industry but also in any kind of companies to achieve goals and to make a sustain business. The essential point of all that is term 'strategy', because, if to look from a long term perspective at what is extremely important for business and for future company prosperity, maintaining and developing new talents will be a good strategy to success.

Talent Management has six very important dimensions which has a logical framework without which the effective management of new talent would not have been possible (see Table 1). It is worth noting that it is very difficult to keep young talent in companies because it is influenced by many different factors and, therefore, the author considers that the key point is the retention of a talent, as well as the motivation and its development. Moreover, deployment and management could be very hard tasks for employees as there are different cultures and human beings with their own opinions and views.

**Table 1.** *Six Talent Management Dimensions (Source: Talent Management: An Overview)*

Talent Management Dimensions	Description
Develop Strategy	Establishing the optimum long-term strategy for attracting, developing, connecting and deploying the workforce
Attract and retain	Sourcing, recruiting and holding onto the appropriate skills and capitalize, according to business needs
Motivate and develop	Verifying that people’s capabilities are understood and developed to match business requirements, while also meeting people’s needs for motivation, development and job satisfaction
Deploy and manage	Providing effective resources deployment, scheduling and work management match skills and experience with organizational needs
Connect and enable	Identifying individuals with relevant skills, collaborating and sharing knowledge and working effectively in virtual settings
Transform and sustain	Achieving clear measurable and sustainable change within the organization, while maintaining day to day continuity of operations

It is very important for building any business strategy to know company’s goals and objectives accurately and when recruiting new talents it is very important to understand how much their abilities would match these goals. It is necessary for setting goals and objectives, planning program activities to accomplish these goals, allocating resources to these programs, monitoring and evaluating the results to determine if they are making progress in achieving the established goals and objectives, and modifying program plans to enhance performance (Hatry, 1990).

Robert Kravchuk of Indiana University and Ronald Schack of the Connecticut Department of Labor do not offer a specific list of purposes for measuring performance. Nevertheless, imbedded in their proposals for designing effective performance measures, they suggest a number of different purposes: planning, evaluation, organizational learning, driving improvement efforts, decision making, resource allocation, control, facilitating the devolution of authority to lower levels of the hierarchy, and helping to promote accountability (Kravchuk and Schack, 1996). It is worth mentioning that they do not propose a specific set of objectives

for measuring productivity, but suggest a number of different objectives for developing effective performance indicators, noticing important factors such as evaluation, organizational learning, and stimulating improvement efforts and so on. Prerequisite of strategic success is the powerful strategic leadership. So, all organizations in this century focus on developing strategic leaders in their own to create excellent business results through gaining strategic competitive advantage. To attract people with high potential is not enough; there should be an overall strategy for managing their talents. The best organizations are mostly being future focused and predict what skills, attitudes and behaviors they will need from their talented individuals. This requires considering creation of the right environment or culture for talent to thrive. Talented people need to feel valued and that their contribution is making a difference. By feeling appreciated, recognized and valued, the identified talent will not only be motivated, but highly engaged and aligned to the organizations goals and objectives (Davies & Davies, 2010).

Strategic leadership plays a very important role in the development of companies and, therefore, it is very significant when recruiting new talents to familiarize them with business strategy and company structure for the best results, but at the same time company has to consider how much this talent will benefit new or existing strategies. Survival of the organization is in the organization. Organization is as powerful as the level of the commitment of the employees to the organization. Within the scope of employee recognition, Woodruffe (2006) offers that nonfinancial recognition needs to be offered to employees to sustain employee engagement. He underlines the significance of praise when it is due, training and development, and advancement opportunities. Therefore, it makes sense that organizations are in need to consider having either all or combinations of the elements of talent management in order to maximize the level of its employee engagement.

The frequent turnover of employees in companies can lead to additional problems, so it is very important to create and develop motivating programs or simply a way to retain an employee within your company. There are two general goals for performance evaluation. The first one is the evaluation of the current quality of performance by determining the subjects that employee is successful or unsuccessful. Second is to determine the management potential of the organization. Its aim is to enable the determination of the people who can take place in top management through their talent and performance. As a result, performance evaluation takes

an important place in developing the talents and improving performance of employees (Vural, Vardarlier & Aykir, 2012).

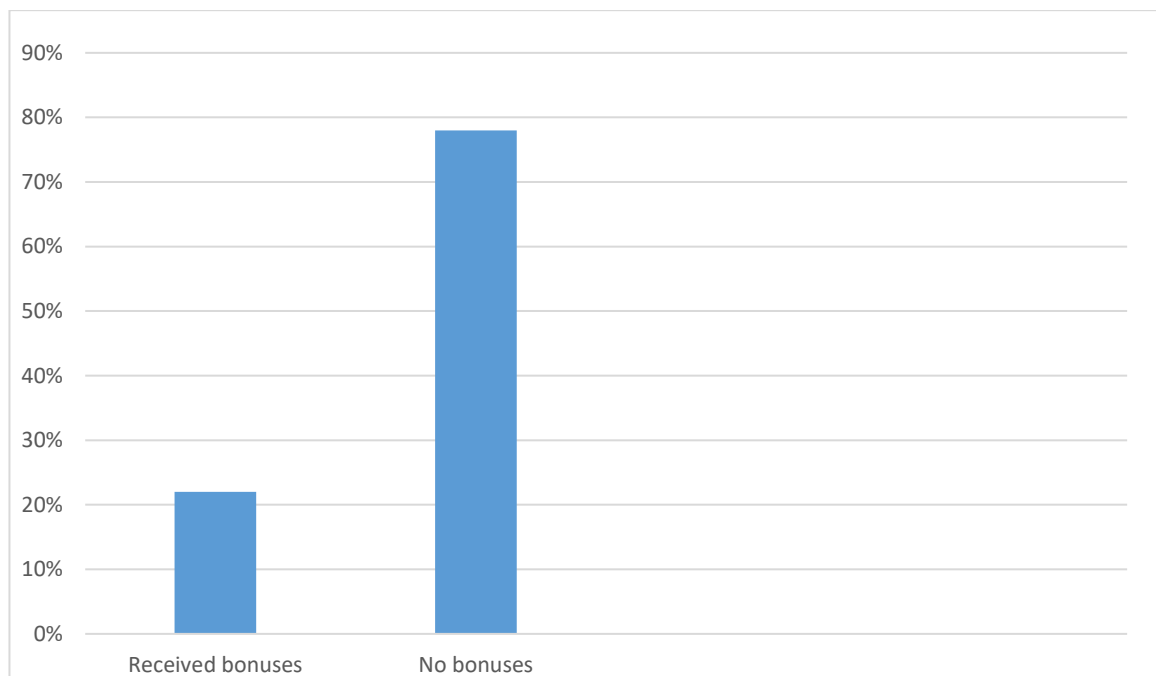
As it was mentioned before measurement process is needed for setting goals and objectives and there are two ways how to measure it. The first is how effective the work will be at the initial stage and what contribution has been done, the second is more about how ready a person will be for the further tasks of a company and it is about the employee's promotions at a certain stage. In this case, talent management is understood as a sum of activities to support the corporate strategy explicitly to successfully expand business activities (Becker, 2009). There is some support for the concept that those organizations with a strong link between talent management practices and corporate strategy report higher financial performance outcomes (Tansley et al., 2006). Additionally, if companies emphasize one strategic goal over other goals, priorities can be settled on a corporate level and are no longer decided by workers on the front line (Lipsky, 2010). Therefore, the sum of activities is purposively focused on one superior corporate goal, and the impact on financial and organizational outcomes is higher. Furthermore, if talent management is recognized and realized as part of a corporate strategy, a companywide talent mindset can be implemented (Cohn et al., 2005).

If the opinion of talent is realized as part of the strategies of companies, then this opinion should be considered more globally and at all organizational levels. The author fully agrees with this statement as it will help to consider the full potential of the new talent and his leadership abilities. For many time technologies have dominated over human beings, so when considering a new talent, it is necessary to pay attention to its adaptability to work with the newest technologies and hardware or software programs. This will improve the quality of business as well as development at all levels of companies. Moreover, it will help companies to adapt more quickly to the implemented strategies put in place. Zuboff and Stewart, for example, were discussing the relationship between talent and business strategy by outlining the impact of technological innovations on the value of talent with specific technical skills and pointing out the difficulty of replacing that specialized talent from the marketplace. High-value, difficult-to-replace technical talent was beginning to be seen as a strategic asset. Their approach helped to identify the strategic talent in the organization, that is, those individuals or groups of individuals who create a competitive advantage for the company. Zuboff (1988) argued that talent is critical to business strategies, and Stewart (1997) suggested that this strategic talent

might be found at all levels in the organization. Boudreau, Ramstad, and Dowling (2003) now call these pivotal talent pools (Silzer & Dowell, 2010).

#### **Statistics (bonus system in food, hospitality, tourism and catering sector in Latvia)**

One of the ways to reward an employee is a bonus system for well-performed work. The bonus system in Latvia in such sectors as the hotel and restaurant business as well as in tourism in general is very poorly developed. 78% of surveyed staff in Food / Hospitality / Tourism / Catering reported that they haven't received any bonuses or incentives in the previous year while 22% said that they received at least one form of monetary bonus. Those who got bonuses reported rates ranging from 1% to 2% of their annual salary (see Fig.1).



**Figure 1.** *Percentage of employee who received a bonus in Latvia (Source: Salaryexplorer.com, 2019)*

The bonus system in Latvia should be improved in such sectors as tourism, hotel and restaurant business, as this can lead to a big loss of new and existing talents. The bonus system plays a very important role in the motivation of all talents as well as of employees. This situation can lead to migrations of people and especially young talents to other countries, which will reduce the chances of finding new ones and lead to inefficiency of companies.

### **Practical part (interview analysis)**

As stated earlier, the author made an interview consisting of 10 open minded questions and interviewed the General Manager of the Pullman Riga Old Town Hotel, Valdis Vanadziņš. All the questions are directly connected with retaining, defining and motivating new talents overall and within particular company (Pullman Riga Old Town Hotel). All the answers are based on previous experience and personal opinion of the respondent. The first question was about defining a talent. It is a very important and responsible step to consider because a manager needs to understand what kind of employee he/she needs and how much potential the candidate would have to achieve the company's goals. The manager of the Pullman Riga Old Town Hotel said that the right talent is defined by asking questions, letting the person open up and share his drive, determination, vision; then evaluation of the personality and person's natural strengths and skills follow. The second question was: What do you think, is it important to use any motivation program to retain talent in any company? Why? Respondent replied that it is important, however, the program can be of support and continuous coaching based, as this is the most important fundament for employee engagement. The author agrees that motivation program is the significant point for employee engagement. However, money may not always be the motivation, sometimes different types of privileges or different types of training program or seminars may be used to motivate talents. The third question was about using any particular motivating program in the organization (Pullman Riga Old Town Hotel). It turned out to be no such set program, as well as no bonus package, however, it is the manager's duty to track the progress of employees and make for their development. Nowadays there are many hotels and each has its own motivation program, in regards to particular organization they pay more attention exactly to the development process of a new talent, but they don't use any set programs for motivation. The fourth question was: Have you ever had a situation when your competitors wanted to lure away your talent, if yes, what were your actions? This is a very important issue, as each company wants to get the best employees and offers its benefits in terms of working conditions, and, therefore, it is very important to retain the young talent in the organization. The respondent confessed that there have been such cases, but it depends on the talent. However, with all of the people the manager personally talks over the situation and for them to be aware of the pros and cons of leaving. If it is a very important talent, of course, it is desirable to make them reconsider by building loyalty towards the company and maybe offering career opportunities within this company. The next question was about the methods

they use to find a new or a potential talent. The company already knows all the hotel managers market. So, to find good managers they use headhunting techniques. With other workers what matters most is person's expertise and experience. The next question was: Do young talents require a special strategy to sustain them and what is your strategy? The respondent mentioned that there must be willingness, motivation and hard work shown on a daily basis. If there is no sparkle in the eyes, there is no way any strategy from management will work for this person. Besides, there are lots of people demanding, spreading rumors, judging about everything from the wage to their colleagues and managers and such attitude will never be tolerated by the company. The author agrees that new talent should be ready for everything and be motivated on his/her own.

Having analyzed the interview, the author can conclude that in selection young talent, the organization considers their motivation as well as their skills and abilities, both innate and acquired; furthermore, they don't have a specific motivational program but try to motivate and retain young talents through the coaching and also pay more attention to their practical development. Also, if there's a problem with talent interception, first of all, they're trying to talk about why or where he/she wants to go, and they're doing everything they can to retain talent in the organizations. Moreover, they have no person responsible for the development and retention of young talents, each manager being responsible for his/her department and also for attracting new talents to the managerial position. The organization is guided by the labor market analysis because it is small in relation and they already know all the managers and their capabilities.

## **Results**

Summing up the results of the research, attraction, management and development of new or existing talents these days is quite a key aspect since people are always a potential resource for the growth of any kind of business, but it is worth remembering the goals and objectives of the organization. The author has identified two ways how young talent can be considered: a talent can contribute to the company directly or in the long term, which affects the business strategy and perspectives of any organization. Moreover, in talent management there are dimensions that are logically connected and should be considered from the beginning to the end of the path of talent; these points will help employers to understand more quickly whether a given talent is a potential. These days technology is above the human beings, and therefore, when choosing

a talent, it is necessary to pay attention not only to his/her interests and motivation, but also to his/her adaptability to technology, working with latest technologies and programs.

### **Conclusion**

To achieve any success or profit in business, especially in hospitality, two things should be considered: good strategy and talented personnel. Exactly attraction, retention and development of young talent will help to speed up and improve the process of work and especially in setting and achieving new goals. To avoid any problems or misunderstandings in future business development, the most important consideration is selection of a new talent as a talent should be in line with the business strategies and possess the necessary innate or acquired merits and skills to understand and master company strategies and be directed to the right way. One more important point is to measure talent power, which is very closely related to the development of a talent, because it's very crucial to understand how much a new talent is moving towards a common business goal, and so they need to be motivated every time for their achievements and good results to feel a support and be aware that they're on the right track. Moreover, while selecting a new talent management must to check their technical skills, because nowadays all the companies work with newest programs and technologies. Sometimes companies can't afford monetary motivation, in which case they should pay more attention to new talent development process from the practical side, which means to make more seminars, trainings or simply organize a meeting of all workers where everyone can share their views on what is happening in the company. General recommendation will be to hire a talent management manager and introduce a special program based on the business strategy, as this will make work of other managers easier and improve the quality and productivity of other departments. Having a talent management manager would allow any organization to review performance and abilities of a talent more critically, thereby avoiding additional costs.

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### **Research limitations**

The limitations of this research paper are: lack of previous studies in the research area; the author's lack of experience of conducting research and producing academic papers; lack of opportunity to interview Human Resource Manager due to the lockdown. In addition, the data collection process has been very difficult and there has been poor access to necessary sources of information.

### **Implications and Future Research**

In general, the research work has been successful and some progress has been made, since before that the author had no experience in writing such work. The study has made it clear to the author how important it is not just to have talented employees in companies, but also to contribute to their development, retention and attraction. Moreover, it is important to recognize and match the goals and objectives of companies with new talents and how new talents will help the company to achieve them. It would be very useful to make more detailed and comprehensive primary research, as well as to conduct a survey among employers, which would improve the quality of work and provide more reliable information for more extensive analysis. For better research, writing plan or clear and more detailed strategy could be formulated, as well as access to more useful information (books, articles, researches, etc.) could be obtained. Moreover, a more clear and comprehensive analysis of the interview could be made, for example, 3 managers could be interviewed and then their opinions could be compared more critically. This study can be used to better understand the importance of introducing talent to the company, given the business strategy since talent can be considered in the long term as well as directly.

This research can be useful to all individuals who have their own business and especially for managers, because they are most involved in all processes that are associated with new or existing talents. The study can continue to be pursued in terms of what is culturally relevant and how talents from different countries and their cultural customs or habits can help achieve goals and it is equally important to consider the culture of talent when creating business strategies. As a researcher, the author has realized the importance of conducting research, as this helps to better understand the relevance of the topic as well as problems and identification of the pros and cons. Furthermore, it is important that more time be devoted to the practical part and that it is very important to start work on time and have the right vision and plan in advance.

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