Motivation and Commitment as strategies to reduce turnover in seasonal hotels in Austria

Bachelor Thesis for Obtaining the Degree

Bachelor of Business Administration
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Affidavit

I hereby affirm that this Bachelor’s Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed.

The thesis was not submitted in the same or in a substantially similar version, not even partially, to another examination board and was not published elsewhere.

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Abstract

In the following paper the author explores the relationship between the concept of motivation, the concept of commitment and the retention of seasonal employees within Austria. For this purpose also general information about the tourism and hospitality industry plus seasonality within Austria is provided.

The author’s interest in the topic of seasonal employees, motivation and commitment stems from her prior work-experience when working in a seasonal hotel in Austria.

Having experienced the positive and negative aspects of working as a seasonal employee in the hotel industry, this paper intends to provide a guideline to improve the employees’ working conditions and consequently increase the hotel’s benefits.

Keywords

Tourism industry, seasonality, turnover, motivation, commitment
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1 INTRODUCTION

Lee-Ross and Pryce (2010) describe the tourism industry as a complex and diverse one in comparison to other (manufacturing) industries, listing four different categories into which the characteristics of the tourism industry can be summarized. These characteristics will be specified within Chapter 2.1 of this paper, however one of the characteristics is that employees play a central role.

During the author’s previous work-experience as a seasonal hotel employee she gained many positive but also negative experiences. Thus the author can clearly affirm that the hospitality industry is very labor intensive. Additionally, the author concludes that by serving guests and working at the front line of a seasonal hotel, the employee is definitely affecting the customers’ experience. Thus, the author believes that happy and motivated employees are central for a seasonal hotel, as well as for any other service oriented company. This goes hand in hand with the statement of DePietro and Condly (2007) who mention that the performance and motivation of employees is responsible for the organization’s success. Hence, this paper will provide insight in the concepts of motivation and commitment as a way to reduce employee turnover in seasonal entities and, consequently, show benefits for employers as well as for employees. Thus, reducing the level of turnover within seasonal entities by applying the concepts of motivation and commitment is the central focus of this paper.

Before exemplifying these concepts in more detail, the paper will provide a general introduction to the tourism industry.

At the beginning of this paper the author likes to emphasize that employees play a crucial role within the tourism industry, as it is generally assumed that employees become part of the product; however, this will be discussed in further details in Chapter 2.4. Focusing on the importance of the tourism labor force, it is also important to characterize the labor market itself, as the labor market has a strong influence on the employment situation and the wellbeing of the employees.
Lee-Ross and Pryce (2010) characterize the labor market within the tourism industry according to the nature of demand, the nature of employment, management practice and working conditions as well as the nature of tourism workers.

They describe the nature of tourism demand as seasonal which means that there are levels of high and low demand. Furthermore, seasonality has a fundamental influence on the employment situation and, as Jolliffe and Fransworth (2003) state, leads to widespread seasonal employment, underemployment and unemployment.

The nature of demand leads directly to the nature of employment within the industry. The working conditions within the tourism industry are described, by Lee-Ross and Pryce (2010), as less than ideal. A number of authors already elaborated on the fact that the industry has to deal with a negative employment image. Lundberg et al. (2009) summarize the reasons identified by previous other authors such as restricted possibilities for promotion and further personal development. Moreover, according to Lundberg et al. (2009, p. 890), labor within the tourism industry could be "characterized by anti-social working conditions and casualized remuneration".

Lee-Ross and Pryce (2010) mention that received wisdom suggests that these negative characteristics result in high levels of labor turnover as well as reduced service quality and low levels of customer satisfaction. Authors like, Silva (2006), investigate the reasons for employee turnover in the hospitality industry due to the fact that employee turnover has been a large problem within the tourism industry. She concludes that it is important to have committed and satisfied employees in order to reduce turnover, and one has to bear in mind that employee turnover does not only end up in high turnover costs but also leads to indirect costs, as staff expertise is lost and consequently the service quality may suffer. The findings of Silva (2006) stress, again, the importance of employees within the tourism industry.

This leads to the fact that the labor market of the tourism industry is also characterized by the nature of tourism workers. Tourism employers have to be aware of the fact that people are the key element, as they become part of
the product itself. Further, Lee-Ross and Pryce (2010) point out that the more intangible a service is, the more important the input and skill of the service deliverer becomes. It is without question that an organization can create differentiation as well as competitive advantages through the help of its employees. One could say that the success of a service organization relies on the interaction between staff and customers.

Having characterized the industry as well as the labor market one can see that there are many factors an operator within this industry has to consider. It is without question that among these employees are the most important factor. Received wisdom suggests that motivated employees contribute to the success of a company, especially when employees play a key role in the customers’ perceived service quality.

However, the nature of seasonality challenges the employers within the tourism and hospitality industry. It is not enough to recruit the best employees it is also of great importance to have them return in order to keep the service quality maintained. Alverén et al. (2012) summarize the advantages of returning seasonal employees with the statement that if service quality is maintained, empowerment can be used to a larger extent and cooperation and communication among employees is easier.

Although seasonality is a challenge for the employers, if managed properly an organization can gain competitive advantage due to the fact that returning seasonal employees are crucial to a company’s success. This is underlined by the conclusion of Lundberg et al. (2009) that the employer has to be able to motivate his/her employees in order for the organization to gain overall success in the market.

Bearing that in mind, this paper seeks to identify what a Human Resources department, or rather people responsible for human resources of a seasonal hotel can do, in order to have their employees return. Thus, answering the research question “Which motivation and commitment strategies should be applied in order to reduce turnover in seasonal hotels and consequently increase the retention of employees within the next season?”.
In order to answer this question the author will evaluate different motivation and commitment strategies to find out which ones are most suitable in order to have seasonal employees return.

Further, the author will identify which benefits would be attractive for employees so that they come back the following season. Consequently, the paper will suggest which benefits the hotel could and should offer.

In conclusion, the paper will summarize why it is important for managers of seasonal hotels to have employees return.

1.1 STRUCTURE OF THE WORK

By writing my thesis I would like to find out what people responsible for human resources in a seasonal hotel can do, to have its employees return and how they contribute to the value of the hotel.

Chapter 1 and 2 aim to provide the context for this paper by reviewing literature on the tourism industry. Following the general introduction given in Chapter 1, Chapter 2 will elaborate on the general situation of seasonal employees, especially in Austria. At the beginning of Chapter 2 an outline of the tourism industry as a whole will be provided and the arising problems within the industry identified. Furthermore, in this section the term seasonal employees will be defined and the fields in which seasonal employees are working identified. In addition, the legal background of seasonal employees will be described and the tourism industry in Austria will be analyzed.

Chapter 3 will then deal with the basic understanding of motivation. Within this chapter different motivation theories will be introduced, as it is commonly known that motivated employees contribute to the value of the hotel. After having defined motivation the author will concentrate on three different levels of motivation, namely the individual level, the group level and the organizational level.

Chapter 4 focuses on the concept of commitment, as it is commonly believed that commitment contributes to a reduction of the turnover rate. Within this
chapter the term commitment will be defined and the characteristics of committed employees will be outlined. Following this, different commitment strategies will be introduced and the benefits of commitment will be outlined. At the end of this chapter, implications for management will be proposed.

Chapter 5 will investigate the relation between the topics discussed in Chapter 2-4, namely the tourism industry, motivation and commitment, and establish the general relevance as well as state the author’s personal motivation for introducing these concepts.

After linking the topics together, in Chapter 6 the author will propose some general guidelines of how to apply motivation and commitment strategy in a seasonal work setting. In conclusion the author gives a personal outlook and points out the limitations of this paper.
2 THE INDUSTRY

In order to bind employees to a seasonal hotel and as a result have them returning it is first and foremost important to understand the tourism industry as a whole. This chapter will give an overview of the industry (Chapter 2.1), seasonality in tourism (Chapter 2.2) and the general image and problems of the industry (Chapter 2.3). Furthermore, the author will elaborate on the circumstances of the seasonal employees (Chapter 2.4) as well as the status of their legal background (Chapter 2.5). An analysis of the tourism industry with a focus on Austria will conclude this chapter (Chapter 2.6).

2.1 THE TOURISM INDUSTRY

Within this subchapter, the author will point out the characteristics of the tourism industry.

Lee-Ross and Pryce (2010) describe the tourism industry as a complex and diverse one in comparison to other (manufacturing) industries.

There are some important differences when comparing the tourism industry to its manufacturing counterparts. According to Lee-Ross and Pryce (2010) these differences can be summarized into four categories.

First of all, the tourism product is, by its nature, intangible and therefore it cannot be measured in material terms. Secondly, the way the customer perceives the service is depending on the employees. Thirdly, most of the tourism services have to be produced and consumed at the same place. The place of production and consumption cannot be separated and mostly the customer has to take part in the process. Fourthly, the tourism product is perishable. This means that it can neither be stored nor be replaced, if, for example, an employee fails a customer’s expectation one cannot replace it afterwards.

The characteristics of the tourism industry clearly indicate that employees play a crucial role within the industry. Lee-Ross and Pryce (2010) point out that operators within the tourism industry have to offer points of differentiation and uniqueness in order to stay competitive. Therefore, employees play the most important role, as they can provide differentiation,
which should lead to competitive advantages for the companies. Following this, Lee-Ross and Pryce (2010) conclude that Human Resource Management, service quality and competitive advantages are interconnected.

The complexity of the industry does not only challenge the operators within the industry but also people collecting data and compiling statistics. This specific problem will be further addressed in Chapter 2.5.

When investigating the tourism industry it is also important to characterize the labor market, as it has a strong influence on the employment situation and the well being of the employees.

Lee-Ross and Pryce (2010) characterize the labor market within the tourism industry according to the nature of demand, the nature of employment, management practice and working conditions as well as the nature of tourism workers.

One of the main features characterizing the tourism industry is seasonality. In order to identify the importance as well as the impact of seasonality on the tourism industry, it is necessary to briefly discuss the term seasonality and its relation to the tourism industry. This will be done in the following subchapter.

2.2 SEASONALITY WITHIN THE TOURISM INDUSTRY

Throughout prior literature seasonality is addressed as one of the most important features that reflects discredit on the tourism industry, however authors like Vanhove (1981), go one step further and state that the seasonality feature has an impact on the entire economic planning of tourism regions.

Further, Krakover (2000) identifies seasonality as a major problem of the tourism industry, which leads to an instability concerning demand and revenues. Moreover, Krakover (2000) summarizes prior literature and states that due to the feature of seasonality, employers have to adjust their labor force in order to meet demand which is known as harmful not only for employers and employees but for the whole society. This goes hand in hand with the statement of Jolliffe and Fransworth (2003), who mention that the challenge of the seasonal characteristic holds true for employers as well as
for employees and consequently also impacts entire communities as well as the government. Similar, Lundberg et al. (2009) summarize the findings of different authors who state that the occurrence of seasonality within the tourism industry has a major impact on the complete supply-side behavior including not only the labor market but also marketing and business finance.

Seasonality as a whole is described by Lee-Ross and Pryce (2010) as levels of high and low demand. Similar, Jolliffe and Fransworth (2003) explain seasonality in tourism by cyclical variations in demand. Further, Kennedy (1999, cited by Lundberg et al., 2009) mentions an international definition of seasonality in the hospitality and tourism industry, which is defined by high demand at different times of the year.

Baron (1975, cited by Ball, 1988) states that in many regions tourism is shaped by one main season, forcing hotels to close or operate at reduced capability throughout the other periods of the year. Hence, seasonality constrains the employees within the industry to look for another employment, to remain unemployed or move to another area.

The statement can be underlined by Jolliffe and Fransworth (2003) who indicate that the seasonal characteristic of the tourism industry results in widespread seasonal employment, underemployment as well as unemployment.

Having this in mind, Jolliffe and Fransworth (2003) give a definition of seasonal jobs by Marshall (1999, cited by Jolliffe and Fransworth, 2003, p.312) as “a non-permanent paid job that will end at a specified time or in the near future, once the seasonal peak has passed”.

Summarizing prior researchers, Lundberg et al. (2009) indicate that costal as well as winter sport resorts face the strongest difficulties in overcoming seasonality whereas urban areas are less impacted, as their attractions are not bound to climatic conditions.

In order to deal with seasonality Jolliffe and Fransworth (2003) propose two possible adaptations, to either “embrace” or “challenge” seasonality. The two adaptions are explained by the authors as follows: embracing means that operators within a seasonally influenced industry accept the seasonal
component and limit their operations according to the seasons, whereas challenging the seasonality is explained by extending the seasons as far as possible, if possible even to a full operation all year round.

On closer examination, one can clearly see that the existence of seasonality within the tourism industry brings challenges for the employers. The feature of seasonality differentiates the way of operating in companies affected by seasonality from that of permanently operating companies. Despite the difference and challenge of seasonal employment, authors like Alverén et al. (2012) claim, that if seasonal employment is managed in the right way it can give the company competitive advantages.

**2.3 THE GENERAL IMAGE & PROBLEMS OF THE TOURISM INDUSTRY**

Many authors already discussed the adverse working environment within the industry. In general, the working conditions within the tourism industry are described as less than ideal. Different authors elaborated on the fact that the industry has to deal with a negative employment image. Lundberg et al. (2009) summarize the reasons identified by previous other authors such as restricted possibilities for promotion and further personal development. Moreover, according to Lundberg et al. (2009), the working conditions within the tourism industry can be described as anti-social and are marked by casualized remuneration.

This is supported by Vanhove (1981) who claims that the industry is known as highly labor intensive and characterized by irregular working hours and weekend work. Similar, Baum (2006) mentions that people working within the industry feel that they have to work long and difficult hours, moreover, many jobs within the industry are perceived as dirty and very hard, additionally people working in the tourism industry think that they have a monotonous and boring work whereby they are on feet a lot.

Silva (2006) summarizes findings of prior research indicating that low compensation, inadequate benefits, poor working conditions, poor worker moral and job attitudes as well as inadequate recruitment lead to poor worker attitudes or morals and subsequently result in reasons for turnover.
Likewise, Lee-Ross and Pryce (2010) mention that received wisdom suggests that these negative characteristics result in high levels of labor turnover as well as reduced service quality and low levels of customer satisfaction.

Authors like, Silva (2006), investigate the reasons for employee turnover in the hospitality industry due to the fact that employee turnover has been a large problem within the tourism industry. Silva (2006) concludes that it is important to have committed and satisfied employees in order to reduce turnover.

Subsequent to the statement of Silva (2006) one can conclude that reducing the turnover rate is crucial, especially as it entails further disadvantages, which will be outlined in the paragraph below.

Reducing employee turnover is especially important as it does not only add up in high turnover costs, as Alverén et al. (2012) state, but also lead to indirect costs, as staff expertise is lost and consequently the service quality may suffer. Subsequently, avoiding employee turnover is of great importance, especially when, as Lundberg et al. (2009) claim, the tourists’ perceived service quality is directly linked to employee performance. Similarly, Lee and Moreo (2007) conclude that customer satisfaction is mostly dependent on the job satisfaction of employees due to the fact that they provide services.

Therefore, Lundberg et al. (2009) state that an employer within the tourism industry should have the ability to motivate his/her employees in order to gain overall success. Further, they stress the importance of work motivation, especially in service organizations, due to the nature of the tourism product.

Summarizing one could say that having committed and motivated employees would contribute to a reduction in turnover as well as it might increase the service quality and employees’ wellbeing. Therefore, the concept of motivation as well as the concept of commitment will be introduced in Chapter 3 and 4.

Having now introduced the tourism industry, the feature of seasonality as well as the resulting problems the next subchapter will focus on the work force within the industry. Further, the term seasonal employee will be defined and the demographics within the industry will be outlined.
2.4 SEASONAL EMPLOYEES AND TOURISM LABOR FORCE

In order to define the term seasonal employees the website www.arbeitsratgeber.com (2013) provides a definition as follows. The website defines seasonal employees “as people working in a seasonal industry, whereby the work is strictly limited in time. It is mentioned that many industries would not be able to deal with their work without the help of seasonal employees. A seasonal employee could be a foreigner as well as a resident of a country, whereby residents who suffer from long-term unemployment are supported by the agency of work.

It is stated that seasonal employment is typical within the following industries: agriculture and forestry, horticulture, catering trade (hotels and catering), fruit and vegetable processing, vintage and harvest of hop, as well as within the industry of sawmills and showmen industry. Further, it is clearly stated that seasonal employment is not possible in the industry of nursing services.” ¹

Furthermore, the website mentions four important features of seasonal employment:

“First, the duration of seasonal employment within one calendar year is limited to a maximum of six months, only for people in the showmen industry it can be extended to nine months. Secondly, the placement of seasonal employees through partner agencies is only legal if the employee is older than 18 years. Thirdly, the weekly working time amounts to at least 30 hours per week with around 6 hours per day. Fourthly, the payment is according to the collective agreement.”²

Another definition is given by Lee and Moreo (2007), who define seasonal employees as workers who work for one part of the year for one certain employer. Further, they differentiate between summer resort workers and winter resort workers. In order to be categorized as a seasonal worker, either for summer or winter resorts, the authors set the following preconditions:

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¹ Translated from: www.arbeitsratgeber.com, retrieved on December 11th, 2012
² Translated from: www.arbeitsratgeber.com, retrieved on December 11th, 2012
namely a worker has to leave home, school or other employment in order to be able to work at the resort.

Following the definition given by Lee and Moreo (2007), the understanding of seasonal employees within this paper are people working in the tourism industry at a place other than home for a specific period of time. The time period of the employment contract is regulated by the period of the season, either winter or summer season. The author will concentrate on seasonal employment within Austria and within the tourism industry.

The payment conditions for seasonal workers in Austria are according to the collective agreement of the Austrian hotel and catering trade industry.

Workers within the tourism industry are not only characterized by seasonal employment, many authors differentiate further between core- and peripheral workers as well as internal and external labor.


Summarizing prior literature the category of core workers includes professional, full-time and permanent staff. Moreover, core workers benefit from job security as well as high earnings due to the fact that they are able to perform a broad variety of tasks.

In contrast, peripheral workers are described, according to Atkinson (1984, cited by Lee-Ross and Pryce, 2010), as rather unskilled workers getting paid less and in most cases only being employed for a short time. In addition to this, it is often not possible for peripheral workers to aspire to join the group of core workers.

Krakover (2000) refers to another theoretical framework in order to understand the human resources management in tourism, namely the differentiation between internal and external labor. This phenomenon is mentioned by different authors, however Riley (1991) adapted it to the tourism industry. Krakover (2000) summarizes Riley’s statement as internal labor consisting of employees directly employed by the company, whereas external
labor consists of a pool of workers who would be available to the company but are not employed at that time.

As outlined, theory divides labor force into core and peripheral workers as well as into internal and external workers. Additionally, Head and Lucas (2004) refer to further problems the tourism industry has to deal with, these problems might also contribute to the structure of the labor force. They summarize prior literature and conclude that the hospitality industry is dominated by small enterprises, which are acting in a price competitive environment. In order to be competitive, employers minimize their costs by high concentrations of young, part-time, female and unskilled manual labor. This demographic concentration can be underlined be the study of Lee and Moreo (2007) who investigated summer resort workers, whereby 63% of their respondents were female and the highest percentage was found in the category of workers from 18-25 years (34% female; 28,6% male). Likewise also Biehl and Kaske (2011) report that the share of women and young workers within the tourism industry is above the average, details of this phenomenon will be discussed further in Chapter 2.7.

Following the paragraphs above, one might conclude that all the facts outlined neither contribute to a better image of the industry, nor make the industry more attractive for employees.

As one could infer from prior chapters employees are crucial for the tourism industry. Moreover, one could see that a lot of problems arise due to the factor of seasonality as well as to the generally negatively perceived image associated with the tourism industry. Considering the possible problems that might arise between employers and employees it is especially important to know the legal background. The next chapter will introduce different forms of employment contracts with a focus on the contracts relevant for seasonal employees.

2.5 LEGAL BACKGROUND

Generally, in the past, there have been two different forms of employment contracts, either one was employed permanently or temporary. However, Guest et al. (2010) notice the growing development of atypical employment
contracts. They clearly state that flexible forms of employment are on the increase thus they define different types of employment contracts.

The table below is adapted to the differentiation of Guest et al. (2010). As the table clearly indicates, there are five different forms of contracts, namely permanent contracts, limited-term contracts, short-term contracts as well as agency contracts and others. In the category of others, Guest et al. (2010), allocated contracts such as subcontractor contracts.

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Table 1 Types of employment contract, adapted from Guest et al., 2010

In relation to limited-term contracts, as the table shows, Guest et al. (2010) differentiate between fixed-term contracts, seasonal contracts, specific task contracts, replacement contracts, trainee contracts, probation contracts and job creation contracts.

Most interesting for this paper is the form of seasonal employment contract; therefore this special form will be investigated in more detail in the following paragraphs.

Hargreaves (2004) elaborates on the issues of seasonal employees. Thus, he stresses that terms and conditions of seasonal employment have to be stated by the employer in a written form. The author differentiates the employment basis of seasonal workers into four categories, namely permanent (full-time or
part-time) workers, fixed term (temporary) workers, casual (as and when required) workers and persons intending to work (they are not actually employed but an employment is offered to them). Furthermore, he states that seasonal workers primarily have a fixed-term contract or are employed on casual basis. Moreover, the author adverts that these two forms could lead to permanent employment hereafter. When the form of employment does result into a permanent basis, Hargreaves (2004) indicates that the employee is required to work during the relevant season but is employed permanently.

However, Hargreaves (2004) stresses that an employee has to be careful about the sub items mentioned in the IEA – individual employment agreement. The author states that an IEA has to be in written form and for a fixed-term contract it has to include an unfeigned reason for ending the contract. In addition to this, the IEA of seasonal employees could include terms to continue the contract at the end of the season into the next. Hargreaves (2004) also indicates that the IEA for seasonal workers has to make clear if there is no continued employment after the expiry of the fixed-term contract.

According to Hargreaves (2004) a fixed-term contract must have a reason to be ended, and the end of a season is an acceptable reason for ending the contract.

A casual employment, according to Hargreaves (2004) does not end when the current assignment of an employee ends. Therefore a casual employment contract should contain all important terms of employment as they may be individual to each employee. Normally, according to the author a casual employment is on an “as and when required basis” (Hargreaves 2004, p.28) however if it takes regular forms the employment contract can be considered as permanent employment.

Not only should law regulate the contract, but also the relations between employer and employee; however, there are still problems occurring. Baum (2006) mentions that although there are laws, they are sometimes violated within the tourism industry, especially within seasonal entities. This can be explained by the tight profit margins in which seasonal tourism employers have to operate.
Moreover, Lee-Ross and Pryce (2010) advert to power games that might occur in an employer-employee-relationship; thereby they stress the fact that employees in most cases do have less power than employers.

Furthermore, Head and Lucas (2004) mention that the hospitality industry is shaped by ad hoc, autocratic and authoritarian management styles.

The factors mentioned above, the violation of laws, power games and the styles of management, stress the importance of trade unions. According to Lee-Ross and Pryce (2010), trade unions are particularly important when bargaining terms and conditions of work, thereby the trade union should act as a third party and support the employees. In general, according to the authors, unions are clusters of employees from similar work groups who act as a third party on behalf of the employee.

When Head and Lucas (2004) sum up the legislative effects on the employment relationship in hospitality, they summarize characteristics other authors already investigated, like the fact that there is less union presence within the hospitality industry. Following prior research 88% of workplaces in the hospitality industry do not have a union. Congruent, Wood (1997, cited by Baum, 2006) states that within the United Kingdom only 6% of total workforce in the tourism industry is ascribed to the union.

Following this Baum (2006) evaluates reasons why the existence of trade unions within the tourism, hospitality and leisure industry is that low. Thereby he lists the following reasons: the organization for unions is difficult because of the geographical dissection, the high average of part-time employees, casual and seasonal employment in the industry as well as the high level of female employment. Moreover, he cites ethnic minorities especially at low or unskilled levels, the conservatism and consequent reluctance of employees to join trade unions as well as high labor turnover, the hostile attitude of employers towards unions and the historical isolation of the industry’s sector from the mainstream of labor movement.

Received wisdom suggests that a stronger presence of trade unions could contribute positively to the negatively perceived working conditions within the tourism industry.
This subchapter aimed to explore the main legal aspects, especially for seasonal workers. To conclude, in general the working conditions and the environment for seasonal workers are regulated by law, however it is recognized that laws within the tourism industry are often violated due to the competitiveness the operators have to deal with. It is suggested that a stronger trade union presence would contribute positively to overcome employer power games, but due to the reasons outlined trade unions within the tourism industry are difficult to arrange.

Following this, the next subchapter will try to explain why it is so difficult to analyze the tourism industry as a whole.

2.6 ANALYSIS OF THE TOURISM INDUSTRY WITH MAIN FOCUS ON AUSTRIA

Lee-Ross and Pryce (2010) point out several problems in collecting relevant data within the industry, which is due to its complexity. One major problem is that tourism is not recognized as a separate industry by international governmental systems of industrial classifications. Authors like Riley et al. (2002, cited by Lee-Ross and Pryce, 2010) understood the problem and started to use statistical data from other international classifications like restaurants, accommodation and bars instead of the whole tourism industry as one.

Also Biehl and Kaske (2011) state that because of weak definitions and problems in regards to the measurements it is nearly impossible to get exact figures of all people working within the field of tourism or find the exact direct and indirect relations (of jobs) to the tourism industry. As the authors are aware of these problems they are using the statistics and numbers of the economic sectors of “accommodation” and “catering trade” in order to investigate the core area tourism.

Moreover, the tourism industry represents a mixture of public and private organizations, whereby some are directly related to the customers’ satisfaction and others are indirect related.
Another feature of the complexity within the tourism industry is, that most of the products are not exclusively for tourists. If one takes a restaurant as an example, the restaurant does not only serve tourists but locals as well. In addition to this, there is neither a correct and universe definition of tourism nor one of leisure.

Therefore, Lee-Ross and Pryce (2010) show that collecting tourism data is constrained to be an estimate as it faces some constitutional difficulties. First, it is not clearly stated which businesses should be included, only the direct related ones or the indirect related ones as well. Secondly, concerning the organizational departments there is always the question of including only front-line workers or also employees who do not have direct contact with the customers, such as accountants and maintenance. Thirdly, there are no universe definitions, a fact, which makes the gathering of statistical data even harder.

In order to better understand the tourism industry, Lee-Ross and Pryce (2010) work with a figure adapted from Holloway (1989), a simplified version of this figure is shown below (Figure 1). The figure indicates that producers within the tourism industry are dependent on private sector support services as well as on public sector support services. Further, the producers are split into three main categories, namely “carriers”, “accommodation & catering” and “man-made attractions”. The author likes to stress the category “accommodation & catering” as it seems to be the most relevant one for this paper, due to the fact that it is the most common sector in order to gather statistical data from the tourism industry.
Likewise, when Biehl and Kaske (2011) analyze the Austrian tourism labor market they focus on the economical sectors “accommodation” and “catering trade” instead of the tourism economy as a whole. Biehl and Kaske (2011) also emphasize that it is nearly impossible to get exact figures off all people working in the tourism industry due to weak definitions and problems in regard to the measurement. Having this in mind, the next paragraphs will provide information about the tourism industry in Austria.

In general, the World Travel and Tourism Council (WTTC) (2012) approximates that travel and tourism directly contributed 938,500 jobs in 2011. This is 3% of total employment worldwide and it is expected to rise by 1,7% in 2012. Considering the total contribution, including jobs indirectly supported by the tourism industry, the WTTC (2012) suggests that there have been 2,308,000 jobs related to the industry in 2011. This means that the tourism industry supports 7,4% of total employment worldwide.

Focusing on the Austrian labor market, Biehl and Kaske (2011) state that there have been 180,964 employees within the economic sector of accommodation and catering trade in the year 2010. This constitutes 5,4% of total employment within Austria in 2010.
When analyzing the Austrian tourism labor market Biehl and Kaske (2011) mention that the business activity within the Austrian Tourism is marked by relatively strong seasonal variability. Additionally, it is also important that the seasonal variability differs between the various regions/ federal states.

As pointed out, due to problems within the definitions as well as the relations in regard to measurements it is nearly impossible to get exact figures that is why the authors investigate the economical sector of accommodation and that of catering trade in order to get statistical tourism figures.

The following table shows the distribution of the total employees within the industry subdivided into the Austrian federal states.

<table>
<thead>
<tr>
<th>Federal State</th>
<th>Annual average 2010</th>
<th>Changes to previous year</th>
<th>Share of total employment in 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>absolute</td>
<td>in %</td>
<td>in %</td>
</tr>
<tr>
<td>Burgenland</td>
<td>5.491</td>
<td>+149</td>
<td>2.8</td>
</tr>
<tr>
<td>Carinthia</td>
<td>13.095</td>
<td>+114</td>
<td>0.9</td>
</tr>
<tr>
<td>Lower Austria</td>
<td>21.012</td>
<td>+324</td>
<td>1.6</td>
</tr>
<tr>
<td>Upper Austria</td>
<td>18.830</td>
<td>+354</td>
<td>1.9</td>
</tr>
<tr>
<td>Salzburg</td>
<td>21.343</td>
<td>+559</td>
<td>2.7</td>
</tr>
<tr>
<td>Styria</td>
<td>21.430</td>
<td>+771</td>
<td>3.7</td>
</tr>
<tr>
<td>Tyrol</td>
<td>31.889</td>
<td>+570</td>
<td>1.8</td>
</tr>
<tr>
<td>Vorarlberg</td>
<td>9.749</td>
<td>+268</td>
<td>2.8</td>
</tr>
<tr>
<td>Vienna</td>
<td>38.124</td>
<td>+1.067</td>
<td>2.9</td>
</tr>
<tr>
<td>Austria</td>
<td>180.964</td>
<td>+4.176</td>
<td>2.4</td>
</tr>
</tbody>
</table>

Table 2 Employees in the Austrian tourism industry, adapted from Biehl and Kaske, 2011

As the table indicates, most people within the industry have been employed in Vienna, namely 38.124. However, Biehl and Kaske (2011) state the importance of the share of employment within the different federal states, due to their different sizes.
When focusing on the employment in the accommodation and catering sector within the different federal states one can find out the regional importance of the industry for the different states. Bearing this in mind, Tyrol has the greatest share of employment within the tourism industry, namely 10,8%, followed by Salzburg (9,1%) and Vorarlberg (6,8%).

Furthermore, Biehl und Kaske (2011) advert to a high share of women, foreigners and marginally employees within the accommodation and catering trade industry. In 2010 the share of women employed within the accommodation and catering trade sector amounted to 59,4%.

In total 65.000 foreigners have been employed within the sectors, this contributes to 36% of the total employees, in comparison in all other economic sectors there has been a share of 13,8% of foreigners. Furthermore, the percentage of marginally employees was measured with 19,2% whereby the average of marginally employees within the other economical sectors has been amounted to 8,3%.

Concerning the demographics, Biehl and Kaske (2011) state that the younger generation is more dominant within the accommodation and catering trade industry, namely 24,8% of all employees within the industry in 2010 were between 15 and 24 years old. In contrast there has been a percentage of 14,4% of employees between 15 and 24 in all other sectors within Austria. On the other side there are less people employed within the age of 45-65 years, namely 24,8% whereas the percentage in other sectors within this age group amounted to 34,3 % in 2010.

This chapter provided an overview about the tourism industry itself, the feature of seasonality, the resulting problems and image of the industry, furthermore the seasonal labor force, the legal background and the tourism industry in Austria were analyzed. The next chapter will focus on the concept of motivation. Thereby a general definition will be given as well as different motivation theories, which seem to be relevant in terms of seasonal employment, will be introduced.
3 MOTIVATION

The author suggests that in order to identify a strategy to have seasonal employees returning it is necessary to understand their motivation. Therefore, this chapter will focus on the main points of motivation, different motivation strategies as well as managerial implementation. The aim of Chapter 3.1 is to define the term motivation, leading to Chapter 3.2, which will introduce the basic essentials of motivation. Following this, Chapter 3.3 explains the different classifications of motivation theories; subsequently within Chapter 3.4 these strategies will be discussed in more detail. Thus, motivational strategies at the individual, group and organizational level will be introduced.

3.1 Definition

Drawing from various prior research the author infers that it is essential for every organization to have motivated employees. Having elaborated on the tourism industry in the prior chapter, the author further concludes that motivation is even more important in tourism and hospitality organizations, where employees' satisfaction affect the service quality as a whole.

At the beginning of this chapter the author will introduce various definitions of motivation. Nevertheless, it is to say that the concept of motivation is a very broad and complex one.

Numerous definitions of motivation have been proposed, however, in general, motivation is described as an internal force that tries to explain behavior. It is said that the term motivation derives from the Latin word "movere" – which means moving.

Nebel III (1978, p.63) explains motivation as: “the process of motivation is set into motion by a need or desire, which leads to action, directed towards a goal. As the action’s results become manifest, they are fed back to the individual- sometimes causing him/her to establish another goal”. The definition of Nebel III (1978) can be portrayed in the way the figure below shows.
According to the figure, motivation arises from an individual need that leads towards a goal. In order to achieve the specific goal there is an action. As soon as the goal is reached the individual gets feedback and as Nebel III (1978) stresses, feedback can initiate the individual to plan a new/different goal. Meaning, if individuals are not satisfied with the outcome of the goal, they will search for another action to reach the goal, due to the fact that motivation is still present.

Similar, Go et al. (1996) characterize motivated employees as employees who feel the urge to do their best. In other words Go et al. (1996, p.81) summarize motivation as: “The willingness to exert high levels of effort toward organizational goals, conditioned by the effort’s ability to satisfy some individual need”. The authors explain their definition in the way that even if an individual is working towards a common, organizational goal, it is still the individual’s willingness related to the individual’s need to do so and to be motivated. Furthermore, the authors stress that managers and organizations have to understand the needs that drive the individuals in order to lead them to a common organizational goal.

Another definition is given by Greenberg and Baron (2007, p.248), whereby they define motivation as “the set of processes that arouse, direct, and maintain human behavior toward attaining some goal”. In more details the authors explain their definition as follows: The arousal should explain the drive and energy behind the individual’s actions, why an individual likes to do what it takes to do in order to achieve his/her objectives. Further, they mention that motivation is determined by the choices people make and in which direction their decisions lead. The last component of their definition
concerns the duration, meaning how long people will maintain their desire to achieve a goal.

In other words this definition should explain why people do the things they do as well as which choices people make and how long they go for one goal in order to achieve their accomplished objectives. Moreover, Greenberg and Baron (2007, p.249) point out that “motivation requires all three components: the arousal, direction, and maintenance of goal-directed behavior”.

3.2 Basic Essentials of Motivation

Before different motivation strategies are explained the author would like to stress some additional information for those who have to deal with motivation strategies.

For everyone who is concerned with motivation, Greenberg and Baron (2007) mention three key points when it comes to motivation.

First of all, the authors explain that motivation does have different facets that are common to operate at the same time. Meaning, there is not always just one motive that motivates employees. Further, Greenberg and Baron (2007) strengthen that motives can also act contrary. It could be that an employee works really hard in order to impress his/her supervisor however, at the same time the employee may displease his/her co-workers as they fear that the supervisor could have the impression that they do not work enough (although co-workers are usually seen as motivators). As a result the individual may be guided in different directions because of different motives. Similar, Dermody et al. (2004) conclude, from prior research, that motivational factors are dynamic. Hence, the motivation of an employee may change over time; according to the authors this can be due to an employee’s age, his/her personal life and career phase. Moreover, Dermody et al. (2004) state that the original motivational factor that forced an employee to take the job might not be a relevant factor for staying within the organization.

Secondly, against a widespread believe people are not only motivated by money. Greenberg and Baron (2007) mention that performing an interesting and challenging job is a greater generator for motivation than money. Dermody et al. (2004) list the most frequent motivational factors for
employees. Thus, they list the organization, the supervisors, money, the work environment, recognition, playing a specific role within the company, empowerment, the employee’s status, the team and co-workers as well as the work schedule.

Thirdly, Greenberg and Baron (2007) state that motivation and job performance are not equivalent. Therefore, it is not said that an employee who does his/her job well is also highly motivated at the same time.

Similar, Go et al. (1996) propose that having motivated employees does not mean that they perform simultaneously satisfactorily for the organization. Although the authors stress that motivation is a key role in accomplishing organizational goals, they also advert that there is a formula to achieve an effective performance. Accordingly, an effective performance of an organization is reached by combining “ability”, “direction”, “motivation” and “support”.

Go et al. (1996) mention that an effective performance is reached differently within different groups, meaning reaching an effective performance is different from an individual's perspective, a group's perspective as well as from an organizational perspective.

The authors describe the individual’s perspective of effective performance as a tool to satisfy a personal or internal need.

The group perspective illustrates the challenge employers have to face, as they have to make the workplace attractive in order to meet the needs of the employees and the organizational objectives at the same time.

From an organizational perspective, according to Go et al. (1996), an effective performance is reached when the firm is productive which means that employees act in a manner that is profitable for the organization. In order to keep the desired behavior, the authors list two important statements. First of all, an employer has to be conscious that employees’ needs differ from one person to the other. Secondly, in order to cater for the different employees’ needs employers have to deploy various motivational strategies.
3.3 Classification of different motivation theories

The previous section has shown that there is no universal motivation strategy applicable due to the different needs of each individual, and this sections will now introduce a number of motivation strategies that are commonly applicable in the tourism and hospitality industry.

Looking at the literature every author classifies motivation strategies differently. For this paper the author would like to stick to the classification given by Go et al. (1996) who characterize the different motivation strategies according to three different perspectives, the individual’s perspective, group perspective as well as organizational perspective. However, one has to bear in mind that many of the principles are deployable at all three levels.

Moreover, Go et al. (1996) differentiate between content theory and process theory. Thus, according to the authors, a content theory defines “why” an individual becomes motivated and contrarily, the process theory tries to explain “how” someone gets motivated.

Following the classification by Go et al. (1996) motivation theories primarily working at the individual level include Maslow’s Hierarchy of Needs theory (1943), the Expectancy theory originally developed by Vroom (1964), Herzberg’s Two-Factor theory (1966) as well as McClelland’s manifest needs theory (1969).

At the group level the authors categorize the Hawthorne effect (1933) and the Equity theory (1965). Whereby the Scanlon plan (1947) and the Reinforcement theory (1953) are assigned to the organizational level. An additional way of enhancing motivation at the organizational level is through job design; at that common forms of job design are Job enrichment or Job redesign. The concept of job design dates back to Herzberg and colleagues (1959) and was later extended by Hackman and Oldham (1980).

The table below provides an overview of the categorization of the given motivation theories.
<table>
<thead>
<tr>
<th>Level of greatest applicability</th>
<th>Motivation theory</th>
<th>Classification of content or process theory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual level</td>
<td>Maslow’s Hierarchy of Needs theory</td>
<td>Content theory</td>
</tr>
<tr>
<td></td>
<td>Herzberg’s Two-Factor theory</td>
<td>Content theory</td>
</tr>
<tr>
<td></td>
<td>McClelland’s manifest needs theory</td>
<td>Content theory</td>
</tr>
<tr>
<td></td>
<td>Expectancy theory</td>
<td>Process theory</td>
</tr>
<tr>
<td>Group level</td>
<td>Hawthorne effect</td>
<td>Process theory</td>
</tr>
<tr>
<td></td>
<td>Equity theory</td>
<td>Process theory</td>
</tr>
<tr>
<td>Organizational level</td>
<td>Reinforcement theory</td>
<td>Content &amp; Process theory</td>
</tr>
<tr>
<td></td>
<td>Job enrichment</td>
<td>Process theory</td>
</tr>
<tr>
<td></td>
<td>Job redesign</td>
<td>Process theory</td>
</tr>
<tr>
<td></td>
<td>Scanlon plan</td>
<td>Process theory</td>
</tr>
</tbody>
</table>

Table 3 Classification of Motivation theories, adapted from Go et al., 1996

The middle column of the table lists the different motivation theories, the left column specifies the level at which each theory is operating, whereas in the right column the differentiation between content and process theory is outlined.

In the following subchapter the author will introduce the different motivation theories in more detail. Although, the most relevant motivation theories throughout the literature will be explained, one has to bear in mind that there is no universal valid guidance how to motivate employees. In addition to this, it is essential to know that every motivational approach has to be tailored to each employee individually.
3.4 Motivation theories

Although every motivation theory focuses on something different all have in common that people like to be rewarded for their performances. Thereby it is stressed that it does not matter whether a reward is of intrinsic or extrinsic nature. However, Sadri and Bowen (2011) stress that employees need a broad spectrum of motivators for the purpose of keeping engaged with their jobs. In other words, the authors emphasize the importance of knowing that a mix of extrinsic and intrinsic incentives motivates employees.

Go et al. (1996) define intrinsic rewards as those that are intangible. Amabile (1996, cited by Hon, 2012, p.54) defines intrinsic motivation as “any motivation that arises from the individual’s positive reactions to the qualities of the task itself”. Similar, Go et al. (1996) refer to intrinsic rewards, as rewards based on the fact that motivation is increased due to an increased feeling of self-esteem. In other words, based on prior research, one could say that intrinsic rewards operate at the psychological level and are of nonmonetary nature. As examples of intrinsic rewards, the following can be mentioned: feelings of accomplishment and increased self-esteem, the pleasure of learning something new, feelings of pride when a job is well done, a sense of purpose and meaningfulness, the ability to choose the way of doing a task, as well as a sense of progress (Go et al., 1996; Covington and Müeller, 2001).

Contrarily to intrinsic rewards, extrinsic incentives refer to all kinds of monetary compensations. Extrinsic rewards are also known as tangible rewards, including additional payments, incentive trips, and additional days-off and the like.

Go et al. (1996) stress that supervisors have to be mindful in choosing the right motivation strategy or strategies, as the same motivates not every employee. This is also true for rewards, as not every employee feels rewarded by the same incentives. Thereby, recent research concludes that money is not always the main motivator.

Sadri and Bowen (2011) point out that only 20 percent of satisfaction within the job is due to the salary. Research suggests that employers have to find the right balance between intrinsic and extrinsic rewards, thereby the authors
point out that companies can use various motivators or design benefit packages in order to have quality employees returning. The authors stress that by designing benefits employers should not only focus on monetary incentives but also on incentives like health insurance, concierge services or additional nap times. They refer to a research conducted by the Employee Benefit Institute (ERBI), which shows that employers, within the year 2004, spent 92 percent on monetary rewards; within 2005 the percentage fell to 81 percent. These results clearly indicate that companies have started to focus on intrinsic rewards rather than only on monetary benefits.

In general, Go et al. (1996) suggest that a company should make annual reviews and provide questionnaires in order to find out what motivates their employees. Such reviews are useful due to the fact that employers often have different beliefs of what motivates their employees than the employees themselves.

The chapter of motivation theories is structured into three parts. First, motivational theories at the individual level will be addressed. In this section Maslow’s Hierarchy of Needs theory, the Herzberg’s Two-Factor theory and the Expectancy theory will be described. Secondly, the author will describe the Equity theory as a representative theory at the group level. Thirdly, the Scanlon Plan is introduced as theory acting at the organizational level.

The author focuses on the individual level of motivational strategies, as they are the basis for further motivation strategies. A motivation strategy at the group or organizational level cannot work as long as the single individuals are not motivated.

3.4.1 Motivation theories at the individual level

First, motivation theories at the individual level will be surveyed. According to Go et al. (1996) motivational theories at the individual level are based on the variety of needs of each individual. Most important authors representing the need-based theories are Abraham Maslow, Frederick Herzberg and David McClelland. The need-based theories are based, according to Go et al. (1996), on the fact that an individual is motivated to act
in a way so that his/her need is fulfilled. However, if the need is satisfied the motivation is gone.

Hence, Greenberg and Baron (2007) emphasize that if companies focus on meeting the needs of their employees they will be successful in their operations. Greenberg and Baron (2007, p.250) state that “organizations that strive to meet the needs of their employees usually attract the best people and stimulate them to do excellent work”.

Need-based theories are classified as content theories as they try to explain “why” a person is motivated.

Lundberg et al. (2009) summarize prior literature and conclude that need-based theories are underlying the assumption that a need of an individual has the possibility to guide him/her towards the fulfillment of this need. Further the authors stress that need theories are based on different needs that motivate individuals and “by identifying the needs and by fulfilling them it is assumed that people will become motivated at work” (Wright, 1989, cited by Lundberg et al. 2009, p.891).

3.4.1.1 Hierarchy of Needs Theory by Maslow

Maslow’s Hierarchy of Needs theory is known as one of the most profound motivation theories which can help employers not only to motivate their employees but also helps to develop loyalty, reduce turnover and force employee retention.

Maslow’s Hierarchy of Needs theory (1943) focuses on five different categories of needs, namely physiological needs, safety needs, social needs, esteem needs and self-actualization needs. The importance within Maslow’s Hierarchy of Needs is based on the fact that lower-order needs have to be fulfilled before an individual is striving for higher-ordered needs.
The figure above shows the hierarchy of needs, following the theory; for example, if an individual has reached his/her safety needs s/he will strive for social needs.

According to Maslow, physiological needs are the basic, fundamental biological needs including air, food, water and shelter. Basically, physiological needs include everything that prevents the individual from being ill (physically and mentally).

Sadri and Bowen (2011) investigate Maslow’s Hierarchy of Needs and give suggestions how employers can implement the theory in order to increase their employees’ satisfaction. They argue that within the category of psychological needs the main motivator is money, including wages and salaries, bonuses, stock options and retirement plans. The reason why money is that important as a motivator within this category can be attributed to the fact that employees need money to fulfill their physiological needs as they have to pay rent, buy food and clothing.

Further the authors list the right equipment for doing the job, cafeterias, employee-rooms and regular breaks with, if possible, food and drinks as motivational factors operating at this level. In addition to this, other benefits such as laundry services, or on-site gyms also contribute to fulfill employees
physiological needs and last but not least, recently also a healthy work-life balance is known as an important factor for employees’ motivation.

The next section of Maslow’s Hierarchy of Needs is grouped as safety needs, including everything that protects the individual from physiological and mental harm or danger. The individual is striving, at this level, for an environment that is harmless and safe.

Greenberg and Baron (2007) mention several options how a company can meet the safety needs of their employees, including a safe work environment (for example security and fire regulations) as well as psychological security (including various kind of insurances). Similar, also Sadri and Bowen (2011) elaborate on the need for insurances in order to make employees feel safe, also in a long-term perspective by providing life and retirement insurances.

Following Maslow’s Hierarchy of Needs theory (1943), if the safety needs are fulfilled an individual is motivated to meet the social needs. Social needs include the need of being with others, to be loved, to be appreciated and to be accepted by other people. Bearing this in mind, it might be of great importance for companies to organize group events, hold team-building seminars or similar events. In addition to this, Sadri and Bowen (2011) list company luncheons, banquets, company sponsored sport teams, clubs and mentoring as possible tools to fulfill employees’ social needs. It is suggested that building teams is beneficial for employers as well as for employees, not only will it help to satisfy the individual’s social needs, but it will also benefit employers - as it is said that the output of a team is greater than the sum of all individual parts.

Once an individual’s social needs have been satisfied, Maslow indicates that esteem needs are activated. These include the need to be successful and the urge that others recognize the individual’s success. Basically esteem needs include the need for self-respect and personal-worth as well as the recognition of our accomplishments.

Greenberg and Baron (2007) suggest that rewards like “employee of the month” or any other awarding bonuses are a way that organizations meet the esteem needs of their employees. In addition to rewards, Sadri and Bowen
(2011) propose that employers could provide business cards for their employees, as the cards should foster feelings of pride and organizational-belonging. For smaller companies, the authors suggest that employers should give more responsibility to their employees; by being empowered employees will feel rewarded and subsequently, they keep engaged with the organization. Other possibilities to fulfill employees’ esteem needs could be reserved parking spaces, valuable prices for e.g. spa treatments, or similar.

At the top of Maslow's Hierarchy of Needs self-actualization needs are located. Self-actualization needs are the stage, where the individual discovers who s/he is and develops himself/herself to the fullest potential.

At the point where employees are self-actualized, according to Greenberg and Baron (2007), they perform at the highest level of creativity, which is extremely important and valued for the success of an organization. Keeping this in mind, it is of great importance for an organization to meet the lower needs of its employees. Moreover, Sadri and Bowen (2011) indicate that one can motivate employees at this level with providing them opportunities to participate in courses and seminars. Hence, it is important that these courses and seminars are related to job tasks because this will not only satisfy the individuals but will also be beneficial for the company as the employees will bring new knowledge to the company.

However, if one need is violated, for example if the need for safety is disturbed an individual will automatically go back to this stage of the pyramid and the motivation of the individual is to meet the need for safety. Such a change happens when a change in an individual’s lifestyle happens. Connecting this statement to the focus on seasonal employees within this paper, if employees change the employer from one season to the other they will go back to the basic needs and will be motivated to meet safety needs, social needs and so forth. Important to state is that according to Maslow’s Hierarchy of Needs theory only one need can be activated at one time.

Maslow’s Hierarchy of Needs is a motivation strategy widely used by managers due to its logical appeal. However, Go et al. (1996) advert to a common mistake, namely that managers tend to focus on their own needs rather than center the needs of their employees.
Sadri and Bowen (2011) indicate that Maslow's Hierarchy of Needs provides a useful framework to develop motivators and benefits that are useful to increase employee satisfaction. The underlying principle of Maslow's Hierarchy of Needs theory is that money alone is not enough to motivate employees. The Hierarchy of Needs theory can help to satisfy employees' needs at all levels, however one has to bear in mind that each individual can be located at different levels. In order to provide an employee-tailored motivation program, Sadri and Bowen (2011) suggest to do regular one-on-one performance reviews as well as opinion surveys for groups. Further the authors suggest that if employers offer rewards and incentives in an attentive way it will have a positive effect on employees' motivation as well as on the company's financial situation, as no money is wasted on not-suitable incentives. Additionally it is said that by motivating employees, employers will attract and retain quality employees.

Summarizing, and with regard to seasonal employees within the tourism industry, the following advantages and disadvantages of Maslow's Hierarchy of Needs have been identified:

As pointed out, Maslow's Hierarchy of Needs is a logic and easy-to-apply approach. However, it is not a universal motivation-strategy for the total workforce as employees can be located at different stages of the pyramid. This might be additionally challenging for seasonal enterprises as, e.g. at the beginning of a new season there might be first-timers whose physiological needs have to be satisfied, whereas, on the other hand, there might also be returning employees who might be situated at a higher level of the pyramid. For the returning employees the employer will have to satisfy higher-order needs like esteem or self-actualization needs. The latter, might be difficult to fulfill for seasonal operators within Austria, as these are smaller entities and it might be hard or sometimes even impossible to give them more responsibility.

In addition to this, as stated before, due to an employee's lifestyle-change s/he might fall into a lower level of the pyramid, the employer might not always see such changes in lifestyle and even if the employer could recognize them it might be hard to deal with. In order to make this statement more clear, the following example should help. Thereby it is to say that the
example can also be mentioned for other motivation theories, nevertheless the author believes that it helps demonstrating life-style changes according to Maslow’s Hierarchy of Needs. For this purpose imagine, a young-couple, both cooks, rise to a new challenge and take a seasonal job within the same hotel. They could even arrange to live together in a staff-flat. Their jobs are stressful, it is a new situation for both and somehow they cannot deal with it and break-up. This is a change in both of their lifestyles and their social needs will be harmed, it might be recognized by the employer and the employer might even be able to arrange a new housing situation for both, however they still have to work within one team. Even if the employer tries to satisfy their social needs, teambuilding events or similar will not be effective in that case.

3.4.1.2 Expectancy Theory

The expectancy theory was originally developed by Vroom (1964) and is classified as a process theory working at the individual level. Greenberg and Baron (2007) refer to this theory as a really functional approach to motivation due to the fact that it identifies several important things that can be applied in order to motivate people.

The basis of the expectancy theory states that motivation arises out of three different types of believes of people. These three believes are: expectancy, instrumentality and valence. Thereby, expectancy is defined as the belief that the performance will be positively influenced because of the individual’s effort. Instrumentality explains the belief that an individual will be suitable rewarded for his/her work. Further, valence stands for the value of the reward, meaning the rewards have to be valuable for the individual otherwise it will not work as a motivator.

The figure below summarizes the main idea of the expectancy theory.

![Figure 4 Expectancy Theory, adapted from Go et al., 1996](image)

Following the figure, one can see how the single elements of the expectancy theory work together in order to gain a high level of an employee’s motivation.
Hence, a high level of the employee’s motivation is given when there is a high expectancy that the employee’s effort will result in a satisfactory performance and, consequently, this performance will lead to a desired reward.

According to expectancy theory, motivation is a multiple function of all three elements—expectancy, instrumentality and valence. Meaning that if all three elements are high also motivation is high. The table below should help to make this more understandable.

<table>
<thead>
<tr>
<th>Effort → Performance</th>
<th>Performance → Rewards</th>
<th>Reward Valence</th>
<th>Predicted level of Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>Low</td>
<td>Low</td>
<td>Very low</td>
</tr>
<tr>
<td>Low</td>
<td>Low</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Low</td>
<td>High</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Low</td>
<td>High</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>High</td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>High</td>
<td>low</td>
<td>High</td>
<td>Moderate</td>
</tr>
<tr>
<td>High</td>
<td>High</td>
<td>Low</td>
<td>Moderate</td>
</tr>
<tr>
<td>High</td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
</tbody>
</table>

Table 4 Predicted levels of Expectancy Theory, adapted from Go et al., 1996

This table shows that motivation is a multiple function of all components and the predicted level of motivation can only be at a high level if also the other components are high. Important to note is that, the general predicted level of motivation stays low unless there are at least two components at a high level.

However, expectancy theory recognizes that motivation is not the only motivator for job performance. The following figure clearly shows that there are more factors influencing job performance than just motivation.
According to Greenberg and Baron (2007) expectancy theory recognizes that skills and abilities are another determinant for job performance. Meaning that, although some people may be highly motivated they just do not have the most suitable skills for that job, like a person with an arithmetic talent and a number sense will be more suitable as an accountant than a person with speech comprehension.

Further, Greenberg and Baron (2007) explain that expectancy theory acknowledges that the perception people have of their role influences job performance. Therefore, it is of great importance that an employee's actual task fits to the perception the employee had in advance. As an example: if someone starts a job as a waiter s/he may expect that his/her task is serving the guests with food and drinks, however, if s/he has to polish glasses day after day s/he may have a different role perception which then leads to dissatisfaction and the employee may not be motivated.

Additionally, Greenberg and Baron (2007) state that expectancy theory recognizes the role of opportunities to perform one's job as a component leading to the actual job performance. Thereby the opportunities to perform one's job are linked to the equipment the employee can use, so if his/her
resources are limited the employee cannot perform his/her job adequately although s/he may be highly motivated

Moreover, Greenberg and Baron (2007) comment that although expectancy theory has generated a great deal of research it is only partly supported. Similar, Go et al. (1996) point out that the main criticism on the expectancy theory derives from the fact that the expectancy theory is based on the fact that employees act logically and rationally, which of course, is not the case at any given time. Nevertheless, Greenberg and Baron (2007) mention that the theory remains popular probably because of its useful suggestions for practicing managers, which will be discussed in the next paragraph.

The expectancy theory is a very practical approach and provides various strategies for motivating employees. Greenberg and Baron (2007) list the following three approaches for motivating employees with the help of expectancy theory as motivation strategy.

First of all, Greenberg and Baron (2007) mention that it is important that the employees’ expectancies are clarified so that their effort leads to performance. This can be done, according to the authors, with the help of training and support, meaning that a supervisor should not only make clear the job instructions but also help employees to reach the right level of job performance. In addition to this, Go et al. (1996) state that an employee should possess the right skills to perform satisfactorily and therefore they propose that managers should already look at an employee’s skills when hiring him/her. However, Go et al. (1996) too stress the importance of training in order to guarantee a high level of motivation.

Secondly, Greenberg and Baron (2007) state that supervisors should set rewards that are valuable for the employees. Thus, it is important to be aware of the fact that labor force is diverse and not all employees may be motivated by the same rewards.

Thirdly, the authors propound that rewards should be directly linked to performance. Hence, it should be clear which rewards are dedicated to which job performance. This goes hand in hand with the statement of Go et al.
(1996) who mention that managers should be uniform in allocating their rewards.

3.4.1.3 Two-Factor theory by Herzberg

Herzberg’s Two-Factor theory (1966) also belongs to the category of need-based theories and is the first theory known that combines conditions and outcomes with motivation and job satisfaction. According to Herzberg’s Two-Factor theory an individual has two different sets of needs, one are called “hygiene factors” and the others are called “motivators”. Correspondent to the theory hygiene factors are those factors that are linked but not directly related to the job. Examples of hygiene factors comprise job conditions, reward systems as well as salary and interpersonal relations. Important to mention is that hygiene factors lead to dissatisfaction when they are not given, however, in contrast hygiene factors do not lead to motivation when they are met - they only avoid dissatisfaction.

The second factor of Herzberg’s theory is known as motivator or growth needs. These factors are directly related to the job and include characteristics like achievement, responsibility, advancement, recognition of a task completed and work itself. These factors work as motivators, meaning if individuals are satisfied with their tasks they become motivated. Thus, Herzberg stresses that the content of work (like the opportunities for responsibility) is the only factor that can increase satisfaction and, consequently, leads to an increased work motivation. Again, it is important to note that according to Herzberg’s Two-Factor theory missing motivators/growth needs do not lead to dissatisfaction, they just signalize the absence of satisfaction.

Summarizing motivation at the level of individuals one can conclude that motivation is extremely important for the successful performance of a company. According to Go et al. (1996) an improved individual motivation leads to an improved performance of the company. Therefore, employers should make use of motivational theories in order to boost the motivation of the individual employee. The authors suggest that the individual performance is seen as a percentage of total performance.
The author elaborated on motivation theories at the individual level as, especially in the tourism and hospitality industry, an individual’s motivation contributes to a guest’s overall experience.

In order to motivate seasonal employees in the tourism industry, the author would like to point out some important factors of each theory outlined in this chapter, starting with Maslow’s Hierarchy of Needs (1943).

From the author’s point of view, it is necessary to fulfill the social needs as employees spend most of the day together, either at work or at the staff-houses. Therefore it is extremely important that employees get along well with each other. The author concludes that teambuilding events and get-togethers are of great importance, especially at the beginning of every new season.

Following Herzberg’s Two-Factor theory (1966) hygiene factors and growth factors are the tools to motivate employees. According to the author’s point of view, hygiene factors should be regulated by the employee’s contract, which is done within Austria. Therefore, the main focus for employers, when applying the Two-Factor theory should be on the growth factors. Following this, the employers should give their best to guarantee a good work-life balance.

In order to motivate seasonal employees, expectancy theory (1964) stresses a very important point, namely that employees and employers should talk about what to expect from the job. This should already be done at the job interview, as employees should know what to expect before they start their job. The author considers this especially important for seasonal employees due to the fact that they have to move permanently away from home. Further, expectancy theory highlights that an individual’s skills are of great importance, not only for the future job but also for the efficiency of the organization. Therefore, the employer should carefully check the individual’s skills and whether they are suitable for the future job already during the job interview.

Congruent to all other theories mentioned, also expectancy theory stresses that rewards should be tailor-made for employees and they should be linked to the performance. Focusing on seasonal entities within the tourism industry the author likes to point out that, for example, in some hotels the tip is
collected and only distributed at the end of the season. So, following expectancy theory it would be important that the tip is handed over at the point where it is collected so that employees know that their performance got rewarded from the guests. This goes hand in hand with the fact, that regular feedback is crucial for employees’ motivation.

Having discussed motivation at the individual level, the next subchapter will deal with motivation at the group level.

3.4.2 Motivation at the group level

According to Go et al. (1996) motivation at a group level is as important as at the individual level because individuals are not just motivated by their own needs but they are also influenced by the presence and action of others. In some cases, the authors mention, group influences can be as influencing as individual needs therefore managers need to understand motivation at the individual level as well as at the group level.

3.4.2.1 Equity Theory

As a representative of motivation theories at the group level, the equity theory (1965) will be described. The author chose the concept of the equity theory, as the basic idea of this theory is that people are motivated by fairness. From the author’s point of view fairness is important in every organization, however it might become even more important in seasonal hotels. The author reasons this due to the fact that seasonal employees work as well as live very close together, closer than in other jobs. As employees live so close together it is even more important that they are treated equally and that they perceive that they are equally treated. Hence, otherwise the relationship in-between the employees will turn negative and subsequently, work performance will suffer.

Authors like Go et al. (1996) classify equity theory as a process theory. According to Greenberg and Baron (2007) the theory is based on the fact that individuals compare their outcomes to their own inputs as well as to the outcomes and inputs of others. Thus, according to equity theory, it is important that one’s own outcomes and inputs are equal to the outputs and inputs of others. Thereby, the variable outcome concerns what one gets out of his/her job, like pay, benefits and prestige, whereas, inputs are related to the
contribution an employee has made. Examples for inputs are the time worked, the effort put into as well as the number of produced units.

In other words, according to equity theory individuals compare their own rewards for their own performance to how much others in their group are being rewarded for their performance. Following prior research, authors like Greenberg and Baron (2007) state that it is vital to bear in mind that these judgments are done by the individuals themselves and therefore, they are subjective.

According to the theory an employee differentiates between a status of inequity and equity. If an employee has a perception of inequity s/he might change his/her behavior, however if an employee feels equally treated - in the same way as other group members – s/he will carry on working. Summarizing, an employee who feels equally treated will carry on his/her current behavior and is thereby motivated. In contrast, an employee who feels inequitable treated might change his/her behavior as well as his/her motivation. A state of inequity can arise from an employee’s feeling to be under-rewarded or over-rewarded, depending on which perception the motivation will change.

Following the explanation of equity theory by Go et al. (1996) an employee who feels under-rewarded might take some of the following actions in order to reduce the state of inequity: S/He might change his behavior in order to get an increased reward, s/he might search for a logical reason to explain the state of inequity, s/he might do less work or s/he may get others to do his/her work or s/he might leave the job.

In contrast, Go et al. (1996) explain that according to the principles of equity theory an employee who feels over-rewarded might take some of the following actions in order to balance equity: S/He might work harder or longer, s/he might say to himself/herself that s/he is worth it, sometimes an employee who feels over-rewarded might ask for a pay cut or s/he might take some action so that his/her group members also get higher rewards.

The figure below shows the three basic principles of equity theory.
An employee feels over-rewarded when:

An employee feels under-rewarded when

An employee feels equitably rewarded when:

Figure 6 Equity Theory, adapted from Go et al., 1996

The first possibility is that an employee feels over-rewarded thereby the employee has the impression that his/her own performance is more valued than the performance of his/her colleagues.

The second possibility is contrary to the first one, hereby an employee feels unfair treated and thinks that the performance of his/her colleagues is rewarded higher than his/her own.

The third possibility shows equity between one’s own performance and the performance of colleagues – the performances are rewarded in the same manner.
However, Go et al. (1996) point out that employers face challenges as they cannot be sure to whom employees compare themselves as it is not necessarily that an employee compares his/her performance and rewards to a group member of the same working group. It can absolutely be that an employee compares himself/herself to a close friend working in a totally different business or someone else s/he knows from school.

Moreover, managers have to deal with an individual’s perception rather than facts. An employee’s perception of his/her rewards and performance is always subjective therefore it might be the case that a manager has a completely different perception and does not recognize the inequity an employee feels.

However, equity theory offers some general advice in dealing with motivation.

Go et al. (1996) suggest three preconditions in order to guarantee a high level of motivation. First of all, they state that managers have to understand the perception of equity that their employees do have. Probably managers can only find out about their employees’ perception by appraisal interviews. Secondly, managers should choose rewards that are fair for all parties involved. Thirdly, if an organization does have clearly stated objectives and standards of performance and an effective performance appraisal, the authors suggest, that there will be fewer problems concerning a perception of inequity.

Greenberg and Baron (2007) try to find ways in order to overcome inequity. As equity theory is concerned with perceptions, an inequity may be changed because of the rethinking of an individual. Hence, when an individual changes his/her point of view it may be possible that a former perception of inequity is now perceived as fair. Thereby the authors mention that feelings of guilt and anger can be changed to a feeling of satisfaction. This could happen if one, for example, may earn more than others and then s/he rethinks the situation and comes to the solution that s/he does have a higher education than his/her colleagues and therefore it is fair that s/he earns more - so the feeling of an over-rewarded state changes to an equal reward-state.

Greenberg and Baron (2007) advert to the fact that according to equity theory employees respond to inequities on the job. Thereby, one of the worst things
probably, happens when employees feel that they are unfairly paid. The authors point out that prior research has shown that employees who feel unfairly paid tend to face more negative symptoms such as stress and health complaints, and signs of depression and insomnia. As mentioned when explaining the theory, people react to inequities and as a consequence when they feel unfairly paid they reduce their output. Moreover, Greenberg and Baron (2007) summarize prior research and state that theft increases when a company lowers payment as the employees try to find a way to compensate for the financial shortage. Summarizing this, prior findings suggest that companies who try to save money by lowering pay may not save money in the end, due to the fact that theft rises and in the worst case employees may even leave the company which occasions additional costs. Thus, it is necessary that employees are paid fairly according to their performance and education, otherwise they will always try to compensate for it which has neither positive consequences for the employer nor for the organization as a whole.

Summarizing the author classifies equity theory as a very important one, especially in seasonal entities as employees do not only work together but they also have to live together in staff-houses. Basically team members are together for the whole season so it is especially important that no one perceives inequity within the group.

The author introduced this theory because her own experience shows that (seasonal) employees always compare themselves to each other. For example, employees within the service industry will always compare their tip (if it is put together and divided afterwards) therefore the author recommends that there should be a fixed agreement how the tip will be portioned. Therefore objectives and standards for each reward should be clear and comprehensible for all employees in order to avoid that employees feel treated inequitable. For employers it is therefore important to know their employees and to know how they feel as unmotivated employees who feel inequitable treated will have immediate negative consequences on the organization’s overall performance. In order to prevent this the author recommends that employers arrange regular face-to-face appraisal interviews.
even if only for some minutes during the employee’s working time – just to inform himself/herself about the employee’s wellbeing.

3.4.3 Motivation at the organizational level

As pointed out motivation is an important tool for an organization to be successful. Within the organizational level it is crucial that the individual as well as the motivation in the group is ensured, therefore a system has to be accomplished to keep the motivation level high. By the time one strategy is implemented to the organization, Go et al. (1996) state that it is sometimes hard or nearly impossible to change the motivation strategy. However, the authors point out that within the tourism and hospitality industry it may be easier to change motivation strategies because the managers are aware of the different cultures of their employees.

Go et al. mention the following motivational strategies at the organizational level: Reinforcement theory, Job enrichment, Job redesign and the Scanlon plan. This paper will focus on the Scanlon Plan, which will be explained in the following paragraph.

The Scanlon plan (1947) will be introduced because this theory is known as one that directly involves employees in organizational procedures, thereby it is said that employees might get bound to the organization. Employees will feel valued by the organization as being a part of it and as a consequence they might develop a feeling of commitment to the organization. Due to the fact that this paper aims to clarify how motivation and commitment will positively influence employees to return the following season, the author choose to introduce this theory. Additionally, the author believes that especially in service industries employees might recognize problems and possible improvements that management might not see as they are not directly involved in the service process.

The underlying principle of the Scanlon plan is that employees should offer ideas how operations could be improved and in return they will be rewarded.

Following authors like Go et al. (1996) the Scanlon plan goes back to its creator Joseph Scanlon and was instituted in 1947.
Thereby, Go et al. (1996) explain that this theory is based on the assumption that employees do have the best inputs and suggestions for the company in order to improve operations. According to the Scanlon plan (1947), a company motivates employees to generate ideas by rewarding them with the amount of money they would save by implementing the suggested concept. For example, a hotel would like to improve the service flow during the check-in process and an employee gives an advice that can be introduced and saves money, then the money the company saves by applying the new procedure will be given to the employee.

Go et al. (1996) mention that the Scanlon plan was traditionally introduced in an industrial production company setting, however, today many organizations have implemented some form of the plan. Evidence suggests industries like the tourism industry, often implement a slightly different form of the Scanlon plan due to the fact that in most cases the benefits cannot be measured directly as these firms often rely on indirect benefits. Going back to the given example of the check-in procedures: if an employee has a great idea how to reduce the perceived waiting time for the guest this will, for sure, increase the customer satisfaction, however the benefit for the hotel might be hard to calculate.

It is said that the Scanlon plan (1947) works as a motivator due to the fact that money is paid directly to the employee who had the idea for improvement and therefore the reward is, also by co-workers, perceived as fair and equitable. Go et al. (1996) describe that the Scanlon plan as a motivational strategy leads to a win-win-situation for both, employer and employee. Following the assumption of the authors the employee wins because s/he will be (financially) rewarded and the employer benefits due to an increase in productivity, efficiency and the relationship between employees and management might be positively influenced. Last but not least it is said that when applying the Scanlon plan the willingness to accept change within the organization is greater.

Similar also Snell and Bohlander (2012) stress that the Scanlon plan is a popular motivation theory, at the organizational level, as it creates psychological and financial involvement of the employees. The authors further
state that when employees give everything and put in an effort they will subsequently develop a feeling of involvement and identification with the organization. The latter indicates that a feeling of commitment will develop among the employees – this has to be stressed as it might be of relevance for this paper as motivation and commitment should be linked in order to create a strategy of having seasonal employees returning.

However, Snell and Bohlander (2012) also point out some downsides of this theory. It has to be emphasized that although, on the one hand, the cooperation of employees is important to create profitable plans, it does not mean, on the other hand, that the plan itself will stimulate cooperation. Moreover, in order for the Scanlon plan to work effectively it is important to have supervisors who encourage their employees. Having a supervisor who has a negative attitude towards his/her employees or a supervisor who is not able to raise enthusiasm will not contribute to a successful implementation of the Scanlon plan.

3.5 General Guidelines For Applying Motivation Theory

When it comes to applying motivational theories and giving rewards to the employees, Go et al. (1996) elaborate on one major problem. The problem, according to the authors, is that reward standards are set at the organizational or upper-management level however the supervisors of the individual teams do have to assign them and motivate the employees. Meaning that supervisors might want to reward their employees but they do not have the permission to select the rewards. Therefore it might not be guaranteed that employees get rewards that actually motivate them. This clearly shows how important it is for employers to hold regular appraisal interviews and make sure that they provide incentives that are working as a motivator.

Moreover, Go et al. (1996) indicate some general guidelines that should help an organization to apply motivation strategies in the right way. The following guiding principles are proposed:

First of all the individual needs of each employee should be clarified and the company should work in order to meet them. Moreover, the authors suggest
that a motivation strategy should be chosen that works for all employees. This motivation strategy should be reviewed and analyzed regularly in order to guarantee the desired outcome. Furthermore, before fixing a motivational strategy an employer has to make sure that the motivational strategy to be used in the future fits on the individual, group and organizational level and is also connected to the organizational culture and organizational values. Additionally, Go et al. (1996) emphasize that employers should already select employees according to their motivational strategies; the chosen motivation approach should also suite future employees. Likewise, the authors elaborate on the fact that performance requirements and rewards systems have to be clear throughout the whole organization. Last but not least, the rewards have to be fixed in a way that the overall performance of the organization is enhanced.

To conclude, motivation strategies are used to satisfy employees’ needs as well as to increase organizational effectiveness. It is important that an organization selects an approach that is suitable at all three levels (individual, group and organizational level). Moreover, prior literature clearly indicates that rewards and incentives should be tailor-made for each employee. The author is distinctly aware that it might not be possible to develop and deploy a universal motivation strategy suitable for all employees as well as at all levels. However, the author likes to encourage Human Resources managers and people responsible for human resources to research on motivation strategies in order to find a strategy that is suitable for most of the employees. As a result of selecting the right strategy as well as the right reward, the employee should not only be satisfied but s/he should also develop a feeling of organizational belonging and commitment. The next chapter will focus on the concept of commitment in more detail. Together, the concept of motivation and the concept of commitment should help to find a way to have seasonal employees returning the following season.
4 COMMITMENT

Within this chapter the author will outline the nature of commitment (Chapter 4.1) and explain what is generally understood by the term committed employee (Chapter 4.2). Moreover, the three-component model of commitment by Meyer and Allen (Chapter 4.3) will be introduced and the development of commitment (Chapter 4.4) and its consequences (Chapter 4.5) will be explained. The chapter on commitment ends with a discussion of the implications for management (Chapter 4.6).

At the beginning of this chapter the author likes to repeat the main aim of this paper. The aim of this paper is to find out what a seasonal hotel or rather the manager of a seasonal hotel can do in order to have his/her employees return, as it is commonly known that returning employees are valuable for a business.

From the author’s point of view, an employer needs a plan or rather a strategy in order to have his/her employees return the following season. This paper aims to provide a possible strategy for an employer of a seasonal entity. Thereby, the author would like to focus on two concepts, namely the concept of motivation, as introduced in Chapter 3, and the concept of commitment, which will be introduced within this chapter.

It is a common saying that committed employees are important for an organization. In order to understand and prove this assumption the next chapter looks on commitment in more detail. Hence, it is to say that the concept of commitment is a relatively broad and complex one, therefore the author decided to primarily rely on the work of Meyer and Allen (1991; 1997) as they are known as the premier researchers in the area of work commitment for the past decade.

First of all the nature of commitment will be discussed in the following section.

4.1 THE NATURE OF COMMITMENT

In order to understand the term commitment and the relevance for this paper, the author starts by giving a definition, or rather summarizing existing definitions of the term. When reviewing prior literature one recognizes that
there is little consensus and that there is no generally accepted definition existing.

A universal definition of commitment given by the online Oxford English Dictionary explains commitment in two ways. First, commitment is referred to as a “state or quality of being dedicated to a cause, activity” or second, “an engagement or obligation that restricts freedom of action”. (18th Feb. 2013).

Describing someone as committed in everyday language we usually state precisely that s/he is committed to something, e.g. one is committed to sport, family, work or similar.

So far, many authors tried to define the concept of commitment, however the definitions vary to a common extend. The reason for the variations of definitions can be explained, according to Meyer and Herscovitch (2001), by the different interests and perspectives the authors had. Further, Meyer and Allen (1997) ascribe the problem with defining commitment in academic literature to the fact that in everyday language the term commitment is applied in a flexible way - commitment is interchangeably used with words like allegiance, loyalty and attachment. Considering the versatility of the word it might be hard to see the importance of the concept.

As mentioned before one can be committed to basically everything, from family to sport, though, this paper focuses on organizational commitment. Following the work of Meyer and Allen (1997) organizational commitment refers to the relationship between an employee and the organization s/he is working.

Organizational commitment is a frequently studied field of research. Although no consensus was reached, authors generally differentiate between attitudinal and behavioral commitment (Mowday et al. 1982; Reichers 1985; Salancik 1977; Scholl 1981; Staw 1977, cited by Meyer and Allen, 1997). These two approaches are defined by Mowday et al. (1982, p. 26) as follows:

“Attitudinal commitment focuses on the process by which people come to think about their relationship with the organization. In many ways it can be thought of as a mind set in which individuals consider the extent to which their own values and goals are congruent with those of the organization. (…)

58
Behavioral commitment, on the other hand, relates to the process by which individuals become locked into a certain organization and how they deal with this problem."

Following this, Meyer and Allen (1991) provide a schematic figure to demonstrate the differences between attitudinal and behavioral commitment; however, they indicate that both approaches include secondary relations.

**Attitudinal Commitment**

![Attitudinal Commitment Diagram]

**Behavioral Commitment**

![Behavioral Commitment Diagram]

Figure 7 Attitudinal and Behavioral Perspectives on Organizational Commitment, adapted from Meyer and Allen, 1991

The broken arrows, as seen in the figure, indicate these relations and show that within the attitudinal approach the behavior might influence the conditions and within the behavioral approach the psychological state might influence the behavior.

Consistently, evidence implies that individuals can be committed to entities as well as to behaviors. For example, an employee could be committed to his/her job or the hotel itself (committed to entities) but also to an organizational goal or the implementation of policies (committed to behaviors) (Meyer and
Herscovitch, 2001). In other words, a waiter of a seasonal hotel can be committed to his/her job – being a waiter but s/he can also be committed to the vision of the hotel.

According to Meyer and Allen (1997), researchers recently focus on two distinct directions in order to explain the construct of commitment. First, they focus on the nature of commitment. The nature of commitment defines the relationship between employees and the entity, in the case of organizational commitment it refers to the relationship between employee and the organization. Thus, it is known that commitment can take different forms. Secondly, researchers try to find out to which entities employees can be committed.

When reviewing the different existing definitions of commitment, Meyer and Allen (1991) recognize that all definitions have three general themes in common, namely an affective orientation, a cost-based approach and an obligation or moral responsibility approach. Some of the existing definitions of organizational commitment are summarized in the table below.

<table>
<thead>
<tr>
<th>Affective Orientation</th>
<th>The attachment of an individual’s fund of affectivity and emotion to the group. (Kanter, 1968, p.507)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The process by which the goals of the organization and those of the individual become increasingly integrated or congruent. (Hall, Schneider, &amp; Nygren, 1970, pp.176-177)</td>
</tr>
<tr>
<td></td>
<td>An attitude or an orientation toward the organization which links or attaches the identity of the person to the organization. (Sheldon, 1971, p.143)</td>
</tr>
<tr>
<td></td>
<td>A partisan, affective attachment to the goals and values of the organization, to one’s role in relation to goals and values, and to the organization for its own sake, apart from its purely instrumental worth. (Buchanan, 1974, p.533)</td>
</tr>
<tr>
<td></td>
<td>The relative strength of an individual’s identification with and involvement in a particular organization. (Mowday, Porter, &amp; Steers, 1982, p.27)</td>
</tr>
</tbody>
</table>
**Cost-based**

Commitment comes into being when a person, by making a side bet, links extraneous interests with a consistent line of activity. (Becker, 1960, p.32)

Profit associated with continued participation and a “cost” associated with leaving. (Kanter, 1968, p.504)

A structural phenomenon which occurs as a result of individual-organizational transactions and alterations in side bets or investments over time. (Hrebiniak & Alutto, 1972, p.556)

**Obligation or Moral Responsibility**

The committed employee considers it morally right to stay in the company regardless of how much status enhancement or satisfaction the firm gives him or her over the years. (Marsh & Mannari, 1977, p.59)

Commitment behaviors are socially accepted behaviors that exceed formal and/or normative expectations relevant to the object of commitment (Wiener & Gechman, 1977, p.48)

The totality of internalized normative pressures to act in a way which meets organizational goals and interests. (Wiener, 1982, p.421)

Table 5 Definitions of Commitment, cited by Meyer and Allen, 1997, p.12

Additionally to the common themes within the given definitions, Meyer and Allen (1991;1997) recognize that all definitions refer to organizational commitment as a psychological state. The psychological state characterizes the relationship of an employee and the organization and it is significant for whether an employee stays within the organization. Following this, researchers commonly believe that strongly committed employees have a stronger intention to remain in the organization than those with weak commitment.

Nevertheless, researchers do have different views about the nature of the psychological state. Meyer and Allen (1997) acknowledged the different
natures of the psychological state when they developed their three-component model.

Following the three sets of definitions given above Meyer and Allen (1991) refer to the different forms as affective, continuance and normative commitment. However, they believe that it is more adequate to view affective, continuance and normative commitment as components of commitment rather than as different types. Hence, they consider commitment as a multidimensional construct. Similar, Meyer and Herscovitch (2001) explain the multidimensionality of commitment due to the various mind-sets that establish commitment.

This is in conformity with nowadays view of organizational commitment, namely that organizational commitment can be best understood as a collection of multiple commitments. According to this understanding it is possible that employees can have varying commitment profiles. Further, conflicts can arise among an employee’s commitment. This recognition is crucial for employers and should not be neglected when trying to bind employees to their organization.

Having clarified the nature of commitment, the next section will discuss the features of committed employees. Additionally, the main advantages and disadvantages of commitment, for employers as well as for employees, will be presented.

4.2 WHAT IS A COMMITTED EMPLOYEE?

Meyer and Allen (1997, p.3) state that a committed employee is usually described as “one who stays with the organization through thick and thin, attends work regularly, puts in a full day (and maybe more), protects company assets, shares company goals, and so on”.

From an employee’s point of view, Meyer and Allen (1997) clearly indicate that money to pay bills and time to occupy will not lead to commitment.

In order to have committed employees an organization has to provide incentives. According to the authors, commitment might develop if an organization provides a challenging and important work, the opportunity to
meet and interact with interesting people as well as the possibility to learn new skills. Last but not least, personal development seems to play a significant role in the development of commitment.

Reviewing this it seems like commitment has considerable advantages for employers as well as for employees. However, there are two sides of the same coin. Meaning, commitment is not only beneficial for employers and employees - there are drawbacks for both.

From the standpoint of an organization, Randall (1987, cited by Meyer and Allen, 1997) mentions the danger of “blind” commitment. An employee’s “blind” commitment to an organization will have disadvantages for the organization as it might lead to a loss of innovation and of the ability to adapt to change as the employee accepts the status-quo of the organization. Further, evidence suggests that for some organizations gaining committed employees is simply too expensive, and cannot be afforded. According to Meyer and Allen (1997) employers state that they cannot compensate for loyalty and it is argued that organizations cannot guarantee employment and therefore it is hard to develop commitment.

Hence, the reverse side of commitment for employees might be that they spend time and energy on their work tasks and may be forced to make shortcuts among others, like family or hobbies. Additionally, Meyer and Allen (1997) propose that committed employees might be in danger of neglecting further education and training, which would help them to keep marketable outside the organization. However, the latter might also be a disadvantage for the employers as the employers’ aim should be to have well-educated employees who keep their knowledge up-to-date.

Only knowing the advantages and disadvantages of commitment is not enough for an organization to get committed employees. According to the author’s point of view it is important to be aware of the fact that there are different forms of commitment but principally that not all forms are equally beneficial for an employer. Therefore, for a better understanding the three-component model by Meyer and Allen (1991) will be outlined in the following section.
4.3 THE THREE-COMPONENT MODEL BY MEYER AND ALLEN

Among all the different models that describe organizational commitment, the author chose to work with the three-component model outlined by Meyer and Allen.

As pointed out, Meyer and Allen (1991) refer to commitment as a psychological state that characterizes the relationship of employees and the organization. This psychological state or rather the level of commitment is significant for whether an employee remains within the organization. Throughout prior literature three different types of commitment were introduced: affective, continuance and normative commitment. However, Meyer and Allen (1991) are convinced that it is more suitable to view affective, continuance and normative commitment as components rather than as types of commitment.

Thereby, Meyer and Allen (1991, p.67) summarize the principles as follows:

“Affective commitment refers to the employee’s emotional attachment to, identification with, and involvement in the organization. Employees with a strong affective commitment continue employment with the organization because they want to do so.

Continuance commitment refers to an awareness of the costs associated with leaving the organization. Employees whose primary link to the organization is based on continuance commitment remain because they need to do so.

Finally, normative commitment reflects a feeling of obligation to continue employment. Employees with a high level of normative commitment feel that they ought to remain with the organization.”

According to the authors an employee is able to experience all three forms of commitment at the same time to different degrees. Thereby, it is of great importance to be aware of the fact that different actions, motives or feelings will influence the development of each component of commitment. Each component can develop independently and will influence the employee’s behavior in a different way.
As a result antecedents of affective, continuance and normative commitment also differ. The various antecedents and the development of commitment will be outlined in the following section.

When elaborating on prior research Meyer and Allen (1997) further indicate that irrespective of the definition of commitment all conceptualizations refer to committed employees as employees who are more likely to stay in the company. Therefore, commitment is often linked to turnover. However this should not be the main focus, as the employee’s on-job-behavior is probably more important than whether an employee stays or leaves the organization.

Summarizing, the three-component model by Meyer and Allen (1991) describes commitment as a psychological state, whereby it can be divided into three components, the affective, continuance and normative component. One should bear in mind, that employees who are affective committed continue working because they want to do so, employees who are committed in a continuance way do so because they need to do so and employees with a strong normative commitment do so because they ought to do so.

Even more interesting for this paper is to answer the question: “How does commitment develop?” Being aware of the development of commitment might be of great importance for the practices of employers in order to create commitment. In the next section the antecedents of each component of commitment will be outlined as well as the development of commitment.

### 4.4 THE DEVELOPMENT OF COMMITMENT

Reviewing prior research Meyer and Herscovitch (2001) try to explain the process of how commitment develops. Thereby they stress that each component of commitment (affective, continuance and normative) does have different antecedents. Further, the authors emphasize the significance of different mind-sets that contribute to the development of commitment. As these different mind-sets do have the possibility to link individuals to a course of action or a special target.

Meyer and Herscovitch (2001) claim that desire, as a mind-set, is accountable for the development of affective commitment. The mechanisms necessary for the development of desire were listed differently in prior research (Mowday et
al., 1982; O’Reilly & Chatman, 1986; Meyer and Allen, 1991; Shamir, 1991; Mayer and Schoormann, 1992, 1998; cited by Meyer and Herscovitch, 2001). Summarizing one could say that involvement, shared values and identification are listed as mechanisms. Additionally, it seems reasonable, for Meyer and Herscovitch (2001) that affective commitment develops when an individual becomes involved into business processes. Similar, Meyer and Allen (1997) ascribe the development of affective commitment primarily to personal fulfillment. The authors summarize prior research and conclude that justice and supportiveness are significant for an employee’s personal fulfillment. In addition to this it is vital that an employee feels that his or her contribution is important for the organization.

In general it is said that continuance commitment develops when the costs of leaving the organization are too high. Meyer and Herscovitch (2001) categorize the costs of leaving the organization in three forms, namely the investments an employee would have, the side-bets s/he will have to deal with or any losses of an employee that will be linked to leaving the organization. Additionally Meyer and Allen (1991) mention the lack of alternatives as a possible reason for the development of continuance commitment.

As for the development of normative commitment Meyer and Allen (1991) summarize prior research by Scholl (1981) and Wiener (1982) and conclude that normative commitment arises due to a socialization process, either prior or following entry, or because of “rewards in advance” or costs in providing employment. Meaning, normative commitment is developed when an employee can see that the employer paid money related to the job (e.g. for training or education) and therefore a feeling of obligation develops and forces the employee to stay in the company. Additionally, Meyer and Herscovitch (2001) mention the psychological contract as a tool for the development of normative commitment. A psychological contract, in context of an employer-employee-relationship, is an employee’s perception or understanding of a common obligation between the two parties. This obligation is based on the exchange of promises, like an employer may promise continuing employment or other carrier opportunities and in return the employee works hard (Rousseau, 2000).
When reviewing the development of commitment one can clearly see that each form or component of commitment develops in a different way. Therefore it is only logical that also the consequences of affective, continuance and normative commitment differ. To which extend they differ will be described in the next section.

4.5 THE CONSEQUENCES OF COMMITMENT

This section will outline the consequences of affective, continuance and normative commitment, keeping in mind that the consequences of commitment are essential for every employer. However, it has to be mentioned that what can be explained in theory might be different in practice as each employee reacts differently and more factors than just different mind-sets will have an influence on the reaction of an employee.

Meyer and Allen (1991), in common with all prior research, note that as a consequence of commitment, turnover will be reduced as employees become bound to the organization. However, the authors point out that only focusing on turnover might be shortsighted as organizational effectiveness may vary through the different forms of commitment. Consequently, one has to bear in mind that all three components cause a different on-the-job-behavior.

The picture that emerges from existing research is that employees with strong affective commitment will be more valuable than those with weak affective commitment. This can be explained by the fact that affectively committed employees feel that they belong to the organization. It is supposed that the values of an affectively committed employee are the same as the organization’s values. Similar, also employees with a strong normative commitment perform in a way worthwhile for the organization, Meyer and Allen (1991) ascribe this to the obligation they have towards the organization. Contrarily, evidence suggests that employees with a strong continuance commitment might perform worse than others as they are forced to stay because costs associated with leaving the organization are too high.

This goes hand in hand with the statements of Katz (1964; cited by Meyer and Allen, 1991) and Organ (1987; cited by Meyer and Allen, 1991) who state that
it is necessary to have employees who engage in their activities and perform their assigned tasks reliably.

However, Meyer and Allen (1991) point out the complexity of the relationship between any form of commitment and behavior, as it is possible that all three components can occur and have an effect on the employee’s behavior.

Evidence suggests that affective commitment does have also positive consequences for the employees themselves. For example, Meyer and Allen (1997) mention that employees who are committed affectively do report a positive quality of life and wellbeing whereas employees with high levels of continuance commitment do not.

4.6 IMPLICATIONS FOR MANAGEMENT

First it has to be said that there is no single universal strategy or management practice for achieving organizational commitment.

Of course employers can influence the development of commitment with the help of management practices, but it has to be clear that these practices do not happen in isolation. From prior research Meyer and Allen (1997) conclude that in order to be successful in creating organizational commitment, the organization’s existing culture has to be in line with to the business strategy.

In addition to this, Meyer and Allen (1997) point out that managers have to be conscious about the fact that an employee’s perception might differ from reality and consequently the employee will react according to his or her perception and maybe not to reality. Meyer and Allen (1997) mention, as an example, that employers might invite their employees to take part in a stress counseling in order to do them something good but in reality it made the employees aware of the fact that the organization is the reason for their stress.

Within their research about workplace commitment Meyer and Herscovitch (2001) introduce four basic recommendations for managing commitment in an organization.
First of all the authors stress the importance of the outcome one likes to achieve. In other words, managers have to be clear about what they would like to achieve, therefore a target should be fixed. Thereby, Meyer and Herscovitch (2001) point out that the target can either be to achieve commitment to a broad target or to a specific one. Meaning, employers should decide whether they would like to have their employees committed to the whole organization or to a specific organizational goal. The authors argue that it might be more effective to have employees committed to a specific target as to a broad target, due to the fact that it will be easier for employees to direct their efforts to a specific target.

Secondly, Meyer and Herscovitch (2001) emphasize that although organizational commitment would be the most desirable form of commitment an employee can have, it is not always achievable. They point out that organizations with unstable economic conditions, where employment cannot be guaranteed, will not be able to achieve organizational commitment. In that case, the authors suggest that organizations should provide goals that can be associated with an alternative target like personal career, the customer or profession. It is argued that if a project seems in line with to the aims of an employee’s career s/he will be likely to work hard on the project.

Thirdly, Meyer and Herscovitch (2001) propose that, if possible, an employer should strive for enhancing affective commitment. Similar, Meyer and Allen (1997) state that affective commitment is known as the most desirable form of commitment. Meyer and Herscovitch (2001) underline this by the statement that employees who believe in the value of what they are doing are also performing better.

However, Meyer and Allen (1997) indicate that employers have to bear in mind that one management practice might also influence other components of commitment, not only affective commitment. In other words, the same practice can also evoke continuance or normative commitment. This leads directly to the fourth point.

Meyer and Herscovitch (2001) propose that it is of great importance to consider the strategy by which one likes to achieve commitment. Thereby it is crucial to be aware of the different mind-sets that force any form of
commitment (affective, continuance and normative commitment). The authors state different procedures which will evoke different components of commitment, for example if an employer uses tactics that invoke fear or failure it is likely that an employee will become committed in a continuance way. However, if an employer applies a tactic that gives the employee a feeling of oblige, the employee will become committed in a normative way. Further, the authors suggest for getting an affective committed employee one should give him/her the opportunity to participate in developing and implementing policies and decisions.

Moreover, Meyer and Allen (1997) point out that employees become more committed if they believe that an organization acts in the employee’s interest. Furthermore, prior research advocates that communication is fundamental to get employees committed. Hence, Meyer and Allen (1997) stress that communication is important in order to keep employees informed but also to provide feedback.

By now the author introduced the concept of motivation as well as the concept of commitment. Within the next chapter the author is going to explore the linkages between the individual concepts. Following this, Chapter 6 will introduce a strategy, how motivation and commitment can be implemented in the organizational procedures of seasonal hotels in order to make sure that valuable employees are returning the following season.
5 CONSOLIDATION

5.1 Relationship and connection

Chapters 1-4 presented an overview of the tourism industry, the seasonality factor within the industry, motivation strategies and the concept of commitment. This chapter is going to highlight their relationship and connection.

The author would like to introduce three findings to show the link between the prior chapters.

Finding 1: There is a strong relationship between the concepts of motivation and commitment. This is supported by Costen and Salazar (2011) who summarize prior literature and stress the linkage between job satisfaction and organizational commitment. The authors conclude that the factors job satisfaction and organizational commitment are indicators for an employee’s intention to remain in the organization. Thus, the authors relate job satisfaction to the fact that an employee is happy and assume that a happy employee is unlikely to quit his/her job. Regarding commitment Costen and Salazar (2011) mention that a committed employee is commonly seen as an employee who is loyal to his/her company. Hence, the authors assume that neither an employee who is satisfied with his/her job nor a committed employee will leave his/her job and therefore turnover is supposed to decrease.

Finding 2: There is a relationship between an employee’s commitment to the organization and customer satisfaction. This is shown by Allen and Grisaffe (2001) who point out prior research findings and state that affectively committed employees will contribute positively to different forms of work performance, both in customer-relevant behavior and in internally oriented work behavior. Thus, Allen and Grisaffe (2001) are convinced that there is a linkage between the commitment to an organization, whereby they refer to affective organizational commitment, and customer attitudes as well as customer behavior. The prediction of the authors is visualized in the figure below.
Following the figure above, Allen and Grisaffe (2001) assume that affective organizational commitment leads to customer retention due to the fact that, as discussed in Chapter 4, affectively committed employees feel attached to the organization, they can identify themselves with the organization as well as agree to and act in accordance with the organization’s values and goals. Therefore, Allen and Grisaffe (2001) are convinced that affectively committed employees will, in further consequence, help establish loyal customers due to the fact that customers can develop a relationship to employees who stay in the company for extended periods. According to Allen and Grisaffe (2001), this holds true for frontline employees as well as for employees with low levels of direct customer contact.

Finding 3: Insufficient motivation and/or weak commitment leads to higher turnover. This is recognized as one of the main problems within the tourism and hospitality industry and can be underlined by the research of DiPietro and Condly (2007) who investigated 22 workplaces within the hospitality industry and found out that 96 percent of labor turnover were due to motivational factors. Moreover, the authors point out that prior research indicates that although motivation is the main factor responsible for a good organizational performance, most managers are not able to motivate their employees.
5.2 Relevance for the industry and author’s interest

Why is it actually important to understand the relationship between motivation, commitment and (reduction in) employee turnover and why should managers or operators within the tourism and hospitality industry be especially interested in these topics? This is probably the most important question, for this paper’s general relevance as well as the author’s personal interest.

Principally the author assumes that in order to increase the number of returning seasonal employees, it is, first and foremost, important to decrease the level of turnover. Reducing turnover is fundamental, especially in the tourism and hospitality industry, as turnover will, subsequently, lead to downturns in financial as well as organizational effectiveness. This can be underlined by findings of authors like Ricci and Milman (2002) who conclude that turnover does not only lead to bad service quality, it reduces the likelihood of attracting and maintaining high-qualified employees and last but not least, it will negatively contribute to profit margins.

It should be noticed that turnover is a major problem within any service industry, hence, DiPietro and Condly (2007) elaborate on the fact that especially the tourism and hospitality industry is facing extreme values of turnover. Similarly, Ricci and Milman (2002) advert to the problem of labor turnover within the hospitality industry, thereby they refer to a prior study by Foley (1996) who found that labor turnover within the hospitality industry is said to be in-between 60 and 300 percent.

Thus, the reason why the author again emphasizes the problem of employee turnover is due to the fact that the most common explanation for the high level of turnover is the phenomenon of “turnover culture”. DiPietro and Condly (2007) conclude from prior research that many employers simply accept the high levels of turnover, as they believe that they are due to the nature of the business itself and its perceived negative images. Following this assumption DiPietro and Condly (2007) stress that turnover is most of the time accepted and employers do not make an attempt to change the situation. Contrary to this, Phillips and Connell (2003, cited in Davidson and Wang, 2011) state that organizations could be able to maintain a low level of labor turnover. In order to be successful, it is suggested that employers, need to detect the causes for
turnover. In fact, not only the less than ideal working conditions contribute to the high level of labor turnover, for example, Ricci and Milman (2002) infer that job satisfaction and organizational commitment are the main determinants of an employee’s attempt to remain in or quit a job.

Within this paper the author introduced the concepts of motivation and commitment in order to identify a way to reduce turnover in the tourism and hospitality industry and increase the wellbeing of employees.

The general importance for introducing the concept of motivation can be underlined by two factors:

Firstly, DiPietro and Condly (2007) advert to prior studies and conclude that circa half of total performance results can be contributed to motivation.

Secondly, the authors further point out that most of the managers are not able to motivate their employees. Therefore it is highly recommended that managers start to deal with motivation.

Thus, prior research points out that motivation is important in leading an employee towards a goal, this is especially important in the tourism and hospitality industry where the organizational success is depended on the performance and motivation of an employee. In addition to this, the level of motivation is accountable for whether an employee perseveres until the end of the goal or resigns.

Further, prior research suggests that enhancing employees’ motivation will result in a decrease of turnover as well as in an increase of retention (Hampton, 2001 cited in Ricci and Milman, 2002; DiPietro and Condly, 2007). This is underlined by the research of DiPietro and Conldy (2007) who found that 96 percent of labor turnover are due to motivational factors.

In addition to the concept of motivation the concept of commitment was introduced as a further tool to decrease turnover. The importance of the concept of commitment is underlined by Camaron et al. (2009) who claim that it is essential that employees feel that they belong to the business. Moreover, the authors emphasize that the employer-employee-relationship is co-
responsible for the level of turnover; therefore a good relationship will contribute positively to reduce turnover.

Similarly, Meyer and Allen (1997, p.112) confirm, "the most widely studied consequence of commitment has been employee retention". Moreover, the authors suppose that it is likely that there is a link between affective commitment and reduced absenteeism as well as better job performance.

Summarizing, this chapter showed that the concepts of motivation and commitment are clearly linked to the level of turnover, but in order for them to become successfully implemented, seasonal entities need to elaborate on the employees themselves as well as on the employees' individual convenience and necessities.

The connections between these concepts as well as their relevance and the origin of the author’s personal concern, clearly show that employers should not neglect them and that any motivation or commitment strategy needs to be well conceived prior to its implementation. The aim of this thesis is to explore a possible way of fostering employee motivation and commitment within seasonal entities in order to reduce turnover and consequently, increase an organization’s success. The next chapter will outline how to implement strategies to increase employee motivation and commitment in a seasonal hotel, relying on the prior theoretical chapters as well as on statements and experiences of seasonal employees.
6 DISCUSSION AND INTERPRETATION OF FINDINGS

Following the prior chapter, which outlines the linkages between the individual chapters, the author will in the following propose a strategy for employers to implement the different concepts in order to have seasonal employees return the following year. This is important since authors like, Allen and Grisaffe (2001), commonly suggest that returning seasonal employees create value for the organization itself as well as for the guests. The strategies presented in this chapter are based on the author’s personal opinion and experience as well as on interviews with seasonal employees sharing their personal experiences.

First of all it is important to note that due to the complexity of the tourism industry as well as the multifacetedness of both concepts (motivation and commitment) it is not possible to provide a size-fits-all yet specific solution that can be implemented by all operators within the tourism and hospitality industry. Nevertheless, the author will point out strategies for managers of seasonal hotels that could reduce turnover and have their employees return the following season.

Thus, in this paper the author assumes that a combination of different motivation and commitment strategies should be deployed in order to reduce employee turnover as well as reap organizational benefits. Moreover, it should be noted that in terms of commitment the author will only focus on affective commitment, as this is the most appreciated form an employer can establish (cf. Meyer and Allen, 1997).

In order to be successful the author suggests employing different motivation and commitment strategies at the various phases of a season or employment contract respectively. Hence, the author assumes that at each phase of the employment contract another strategy can and should be practiced. For this reason the author structures a season or rather an employment contract of a seasonal employee into five phases. This is visualized in the figure below.
As the figure shows, the author structures a seasonal employment contract into an application and job-interview phase. Following this phase, the actual working contract starts, which is at the beginning of the season; subsequently the main phase of the employment contract follows. Thereafter, one has the last weeks of a season constituting its final phase. Lastly, following the end of the actual season, a post-season phase concludes the cycle.

In the next paragraphs the author will discuss each phase in more detail.

### 6.1 Application and Interview Phase

The application and interview phase is of great importance for the success of a seasonal hotel; certainly this is also true for other types however this paper focuses on its relevance for seasonal hotels. As outlined, evidence suggests that motivation as well as commitment strategies should fit to the organization’s values and beliefs. Hence, authors like Go et al. (1996) advise selecting employees according to the motivational strategy that is used by the company. Consequently, employers should not only focus on an employee’s abilities to do the tasks but also on his/her characteristics and if s/he would fit into the organization.

Thus, the author assumes that in this phase, expectancy theory will be the best motivation strategy to implement. The necessity of expectancy theory during the application and interview phase can be reasoned based on the following:

First of all, it is important for future employees to clearly understand what they can expect from their job as well as from the housing and living conditions provided by the organization. This is essential in order to prevent
disappointment, as disappointment would have a negative influence on the employee’s motivation and consequently, a disappointed employee would not become affectively committed.

Secondly, expectancy theory stresses that skills, abilities and role perception are determinants for an employee’s motivation and his/her job performance. When introducing expectancy theory it was highlighted that although some individuals might be highly motivated they will not be able to perform the task satisfactorily if they do not have the right skills. Bearing this in mind it is important to select employees with the right skill set and abilities. Therefore, the (future) employer should outline the employee’s tasks very detailed to make sure that employer and employee do have the same perception of the job, and the tasks the employee will have to perform.

Following the job interview, the author recommends that as soon as the employer has decided on an applicant, s/he should call personally the applicant and convey the good news. The reason for highlighting this is the potential feeling of appreciation the employee might start to develop as a result, which is helpful in building the basis for a good employer-employee-relationship. The following statement further underlines the author’s assumption on the importance of expectancy theory as a motivation strategy during the application and interview phase.

“I started doubting my decision to work as a seasonal worker at the point when someone of the hotel called me to make sure that I can start in three days from now and asked if I do know that I am not allowed to bring my car as there are not enough parking spaces.”

This statement clearly indicates how important it is for an employee to know in advance what exactly s/he can expect and how crucial it is to show the employee ab initio appreciation and his/her importance for the organization.

In regards to commitment strategies, Meyer and Allen (1997, p.70) refer to prior studies by Wanous and state that “by using realistic job previews, organizations can increase the job satisfaction, (affective) organizational commitment, and job survival of new hires without having a negative impact

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on productivity”. Summarizing prior research Meyer and Allen (1997) are convinced that realistic job previews help develop affective commitment for the following reasons.

First of all, exact job previews allow candidates to better predict if the (future) job fulfills their expectations. Secondly, adjusting the candidates’ expectations to realistic levels (especially in seasonal hotels where the job is very labor intensive) prevents disappointment. Thirdly, it is argued that applicants can better adjust themselves to conditions commonly perceived as not ideal (e.g. overtime or similar). Last but not least, it is highlighted that applicants appreciate honest organizations.

Summarizing, this phase can be considered the basis for having satisfied and committed employees. Without this basis it will be difficult or may even be impossible to have truly motivated and affectively committed employees.

6.2 Start of the season

Subsequent to the interview phase starts the employment contract phase. This phase lasts from the arrival of the seasonal employee at the hotel until s/he has been working for about two weeks.

For this phase the author assumes that employers should deploy Maslow’s Hierarchy of Needs (1943) in order to have satisfied and motivated employees. More specifically, the author suggests that during the beginning phase of the season, an employer should try to fulfill the first three needs of the hierarchy-pyramid.

According to Maslow’s theory each individual need has to be fulfilled before one can strive for the next. Therefore it is, first and foremost, important for an employer to fulfill an employee’s basic/physiological needs. Although these are basic needs an employer should never underestimate the importance of these needs.

When introducing the theory of Maslow’s Hierarchy of Needs the author summarized implementation suggestions from different authors, in this section the author will discuss specifics of the implementations and give examples for seasonal hotels (in Austria). In the theory chapter monetary compensation,
food, clothing, a comfortable work environment, cafeterias and a good work-life-balance were introduced as factors satisfying an employee’s physiological needs.

In the next paragraphs the author will now address each of these factors individually and in more detail. However, it is absolutely essential to understand that whatever measures are taken, they have to be applied fairly, and in the same way for all employees.

Starting with monetary compensations it has to be noted that in Austria these are actually regulated by the collective agreement. However, if an employer decides to offer financial rewards or bonuses above and beyond the collective agreement s/he has to make sure that these rewards and bonuses are fairly allocated. In order to prevent dissatisfaction it is crucial that employees know how rewards are allocated and rewards and their allocation are consistent throughout the whole organization as well as transparent for every employee (cf. Two-factor theory and Equity theory).

Another aspect in the category of basic needs previously introduced is food. For seasonal employees this aspect is particularly important as a motivational factor, due to the fact that seasonal employees are usually not cooking for themselves but get food provided by the organization, as commonly food and housing is included in the employment contract for seasonal employees.

In order to have motivated employees two things are important: first of all, the food has to be varied and tasty and secondly, it has to be prepared punctually. An apprentice in a seasonal hotel told me the following:

“I am an apprentice in my first year, so I do not earn that much money but it makes me grumpy that I have to spend lots of my money on food because the staff food is neither very good nor always prepared on time; so sometimes the food is just ready 10 minutes before my shift starts.”

Furthermore, a service employee stated:

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“Serving a delicious menu from a cook who got rewarded with two chef’s hats, whereas I myself get noodles every second day just makes me sad.”

Therefore, the author would recommend to put more emphasis on this aspect of basic needs as it is probably easy to improve and will definitely contribute positively to the employees’ motivation.

With reference to the aspect of clothing the author would like to point out that all employees of an organization should indeed be treated equally. The author knows from her own experience as a seasonal hotel worker that in some organizations cooks get their jackets cleaned, whereas the service employees have to wash their working clothes on their own. In addition to this, they have to pay for ever washing load and having white blouses for breakfast service obviously requires to wash these blouses very often.

The author is certain that it would increase employees’ motivation if the company washes the working clothes or at least gives some financial support for washing them.

Other conditions that would increase employees’ motivation are a comfortable work environment as well as nice staffing rooms.

From the author’s point of view it is, especially in seasonal entities, important to create a space for the staff where all can meet, sit together and relax. This is vital due to the fact that many seasonal employees have just small staff-rooms and therefore no possibility to meet anywhere, except in cafes or bars. The following statement underlines this aspect:

“Often we were looking for a space where we can meet and sit together, especially in spring when the landscape is picturesque and you just like to relax and sit in the sun and have a talk. Unfortunately, we had no possibility where we could meet except in the café next to our hotel, but this meant to spend again money on drinks.”

Hence, the author believes that a nice staff room where all can meet, chat or maybe watch TV would be of great benefit to seasonal employees. Thus,

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enhancing the team spirit and contributing positively to developing affective commitment.

Again, it is important that employees do feel that their employers do care about them, and providing a space where employees can meet during their free time would definitely be a step in the right direction.

Having explored aspects an employer should consider to satisfy employees’ physiological needs, the next step in Maslow’s hierarchy is to meet employees’ safety needs.

According to Maslow safety needs involve everything that prevents employees from being harmed physically or psychologically. In the theory part it was suggested that fire regulations as well as health and retirement insurance are all part of this category. The author will not elaborate on these facts in detail, as she believes that the law in Austria regulates all these aspects. In brief, there are security and fire regulations as well as hygiene concepts every organization within the hospitality industry has to fulfill otherwise they are not allowed to operate. In regard to insurances, an employer in Austria is obliged to pay for an employee’s health insurance and a portion of the (gross) salary is (mandatorily) automatically deducted and used for retirement insurance.

Having fulfilled employees’ safety needs the employer should try to meet their social needs.

The author includes social needs also in the beginning-of-the-season phase as she considers it crucial that employees get to know each other at the beginning of the season.

The author suggests that a team event at the very beginning of the season, even before the first guests arrive (normally most employees start working at least 2-3 days before the first guests arrive) will contribute positively to teamwork. Additionally, it will show that the employer cares about his/her employees and once again it contributes positively to a good employer-employee-relationship, which is, as pointed out several times before, necessary if one intends to create affective commitment.
However, as seasonal employees work and live so close together, and this for about half a year, it would be wise to hold regular team events.

A friend of the author worked as cook in different hotels throughout Austria and made an especially positive experience in a hotel in Seefeld, about this experience he says:

“All in all, I can say that it was a great time in that particular hotel, as we had an own staff house, with indoor gym, a small kitchen and most important we were all together. We did teambuilding events within our department and we had staff events, like skiing days for all employees. I really enjoyed that season and the good team spirit could compensate for the stressful everyday life in the kitchen.”

Furthermore, the author assumes that company luncheons, as mentioned in the theory part, would give employees the opportunity to exchange experiences as well as learn from each other. This would enhance the group feeling and team spirit as well as increase the commitment to the organization. As stated before, an employee has to feel that s/he is appreciated by the company and in the author’s opinion, company luncheons are relatively easy to establish and arrange and will, for sure, contribute positively to motivation as well as affective commitment.

As mentioned in the theory part, some employers believe that creating commitment is too expensive for them, however the author believes that the benefits of teambuilding events will exceed these costs.

6.3 Middle of the season/ Main season

Having focused on basic, security and social needs during the first few weeks the author suggests that during the main season, phase 3 in Figure 9, employers should focus on maintaining the employees’ satisfaction and deepen the employer-employee-relationship in order to create affective commitment.

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Even though it will be stressful during high season, employers should always focus on giving the employee the feeling that s/he is important. Small chats between employer and employee will support this.

Maslow’s Hierarchy of Needs (1943) suggests that esteem needs can be met by providing opportunities for training and further education. The author believes that seminars, such as wine seminars for the service employees are potentially a tool for meeting their esteem needs. Such seminars would not only satisfy the employee but will also provide benefits for the employer. Sticking to the example of wine seminars, the employee will gain additional knowledge relevant to his/her job whereby s/he can provide a better service to the guests.

However, only seminars that are helpful for everyday work life will actually be beneficial. The following statement of an assistant restaurant manager provides a negative example, which is not helpful, neither to the employee nor the employer.

“It is now my fourth season in this hotel, and I attend the same tea seminar for the third time and it is not even useful as tea is provided on the breakfast buffet and the guests help themselves.”

Considering this statement, the author likes to emphasize that seminars or any other possibility for further education should be chosen wisely as they should show that the employer is willing to invest money in his/her employees but at the same time these seminars should be relevant to the actual work of the employees or the development of their careers. Providing every year the same seminar neither benefits the employee nor the employer and will therefore neither motivate employees nor foster commitment.

Prior research commonly claims that providing training is helpful in fostering organizational commitment. In their study Costen and Salazar (2011) investigate the impact of training on job satisfaction, loyalty, and intention to stay. Hence, the authors conclude that if an employer offers adequate training the employees, in further consequence, become emotively involved and

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develop organizational commitment and as a result employees will stay within the company.

In addition to fulfilling employees’ esteem needs the author advises that applying the Scanlon plan (1947) as a motivational strategy during this time interval is most suitable as it directly involves the employee in organizational procedures.

As the theory part states, the Scanlon plan gives employees the opportunity to submit proposals for improvement, which is not only financially beneficial for the employee but also benefits the employer due to the fact that service procedures will be improved, efficiency increased and, even more importantly, the employee becomes psychically involved which fosters and deepens the development of affective commitment. Thus, applying the Scanlon plan is a win-win-situation for both, employers and employees. At this point the author likes to refer to the example given in Chapter 3.4.3, when introducing the Scanlon plan. There the author discusses that employees might probably be the first who realize when the check-in procedure can be improved, due to the fact that the employee is directly involved in the procedure, whereas an employer might not be frequently present at the check-in procedure and therefore not in a position to come up with appropriate improvement-suggestions. According to the concept of the Scanlon plan, an employee will get rewarded if s/he offers a suggestion for improvement.

Moreover, the author likes to stress that praise and feedback is crucial for every employee, as it is important that the employee knows how s/he is performing during the season because otherwise s/he will become demotivated at some point.

In order to raise motivation as well as affective commitment the author would proposes to talk to employees personally from time to time, this does not have to be a long talk but it would be valuable for both parties, the employee develops a feeling of belonging and feels appreciated and the employer gets a better understanding of the employee’s emotional status quo, which allows the employer to adapt motivation strategies accordingly.
6.4 Final phase of the season

Reaching the end of the season, the author likes to highlight that it is necessary for the employer to start talking to the employees about their impressions in a timely manner, and find out if they would be interested in coming back the following season. The author highlights this because her own employer asked her, if she would like to come back for the summer season only one week before the end of the winter season. This is disadvantageous for the employer as employees are likely to have already accepted a different job offer for the next season.

Naturally, also during this phase motivation and commitment strategies should be maintained and continuously be reviewed.

6.5 Post-season phase

In the last phase it is important that the contact between employer and employee remains intact. Evidence suggests that regular contact is important for the employee’s motivation and commitment to persist. Regular company newsletters as well as birthday cards and phone calls a few weeks before the new season starts are suitable tools for this purpose and will contribute positively to keep the employee committed and give him/her the feeling of being valued and important.

Summarizing, the author believes that if an employer follows the strategies discussed in this chapter, the employees will work motivated throughout the whole season. Additionally, if an employer makes sure that all employees are treated fairly and equally and benefits are applied and given in a way that is easily comprehensible and transparent the outlined strategy will lead to success.

However, this does not mean that an employer should not be knowledgeable about other motivation strategies. The author presumes that an employer who is knowledgeable about several motivation strategies and knows how to deploy them, is better prepared to react to employee’s individual needs and wants.
It is fundamental to keep employees motivated during the whole season and therefore it is also important to always check if the applied motivation strategy/strategies is/are indeed working as expected.
7 CONCLUSION

The aim of this study was to highlight the connection of motivation, commitment and retention of seasonal employees. The results reveal that both motivation strategies as well as affective commitment influence the retention of seasonal employees. However, due to the complexity of the tourism industry as well as the multifacetedness of both concepts (motivation and commitment) it is not possible to provide a single universal motivation and commitment strategy.

Nevertheless, the author suggests one possible strategy for implementing motivational and commitment strategies at seasonal entities. This strategy is based on prior research about the concepts of motivation and commitment as well as on personal experience, of the author herself as well as from other seasonal workers interviewed by the author.

The author further advises to apply different motivation strategies at different phases throughout a season. Thus, the author decided to work with the following motivational strategies: Maslow’s Hierarchy of Needs, expectancy theory, and the Scanlon plan. Additionally, the author assumes that these motivation strategies are also helpful in creating a high level of affective commitment among the employees.

Summarizing, the author proposes that in order to have satisfied and affectively committed employees it is most important that the employer shows that s/he is caring about his/her employees. The author is convinced that most of the time, the simple things are the most effective ones, like regular talks between employer and employee and positive work-environment.

Despite the proposed strategy being supported by prior literature, and prior research findings, there are still limitations to this research paper. Firstly, the results obtained from the interviews are based on the interviewees’ personal opinion and therefore subjective. Furthermore, the author decided to only conduct some interviews, therefore the author recommends that in order to get more accurate data further research should be conducted.
Secondly, the aspect of training, which in the author’s opinion might also be of relevance, was not investigated within this paper. Further research should incorporate this aspect and its connection to commitment and employee retention.

Furthermore, it should be noted that even if employers succeed in creating an appropriate motivation and commitment strategy for their organization it is still not guaranteed that employees are indeed returning the following season. Many seasonal workers chose a seasonal occupation due to the fact that they like to see different places and get to know different organizations. Thus, they change the organization every season because they like to work in varied locations regardless of how fair they were treated and how satisfied they have been. Especially seasonal hotels in skiing regions will face the problem that some employees might perceive the summer season in a hotel at, for instance Arlberg, as too “boring”. Consequently, hotels located in regions that are mainly popular for winter sports, which also operate at a lower capacity during the summer season, have to expend extra effort to retain good employees for the next winter season.

Summarizing it should be noted, that although a considerable body of literature about the different motivational strategies and commitment theories does exist, it is a challenge to put these findings into practice. Many advantages, such as higher customer satisfaction as well as higher employee satisfaction are commonly ascribed to the retention of seasonal employees. Thus, the retention of highly qualified employees should be clearly the aim of every employer operating in a seasonal entity, regardless of the tough challenges in finding the right strategy.
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