

A large, modern Hilton hotel building at night. The building is illuminated with warm yellow lights from the windows and entrance. The Hilton logo is visible on the top of the building. A paved walkway leads towards the entrance, flanked by green lawns and small red lanterns.

Hilton Insights

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Data Dictionary



Engagement



Pay Satisfaction



Intent to Stay



Voluntary Turnover



RevPAR Index

1.

Engaged and
satisfied
employees
intend to stay

2.

Focus on
learning
development to
reduce voluntary
turnover

3.

Customer
experience
drives the
RevPAR Index

4.

Trim survey to
focus on
key metrics

Recommendations

Turnover and **Revenue**
are largely driven by
EMPLOYEE ENGAGEMENT
&
PAY SATISFACTION

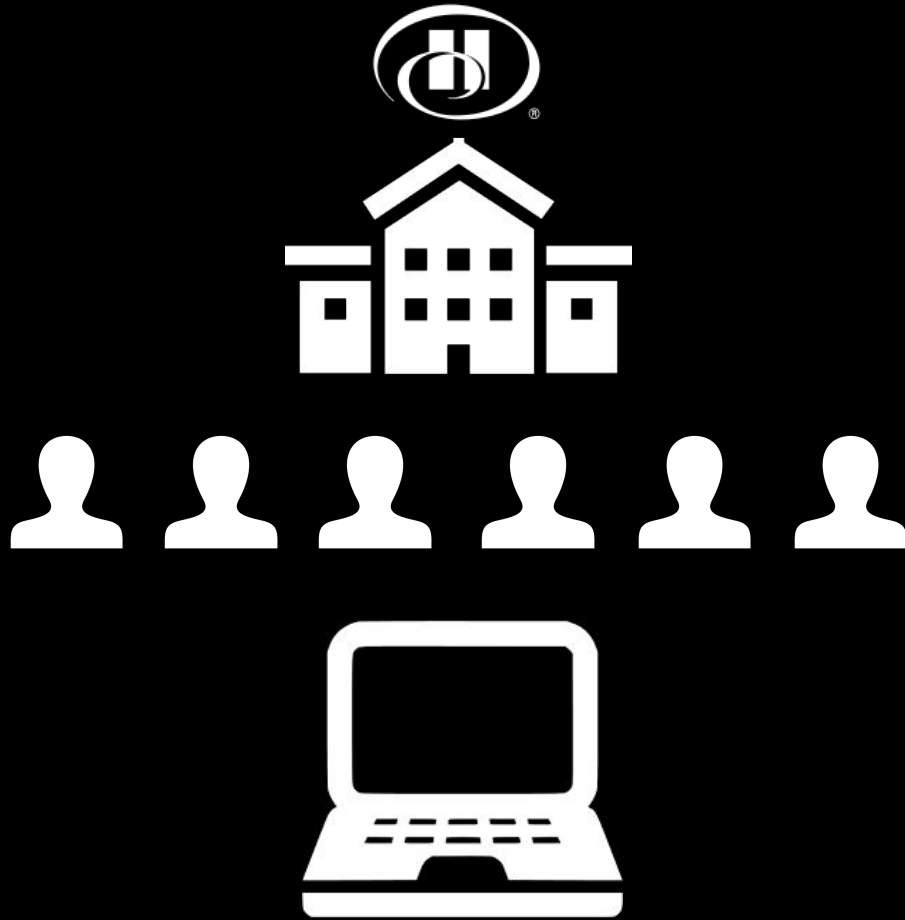
Focus on improvements in:

- **LEARNING DEVELOPMENT**
- **WORK ENVIRONMENT**
- **TREATMENT + RESPECT**
- **BENEFITS**

Agenda

1. Why HR Analytics Matter
2. Methods and Tools
3. Hilton Employees
4. Recommendations
5. Data Limitations
6. Next Steps





Why HR Analytics Matter?

“Bringing agility to HR”

Think in an era of constant upgrades

Decrease employee turnover BUT in the least expensive way...

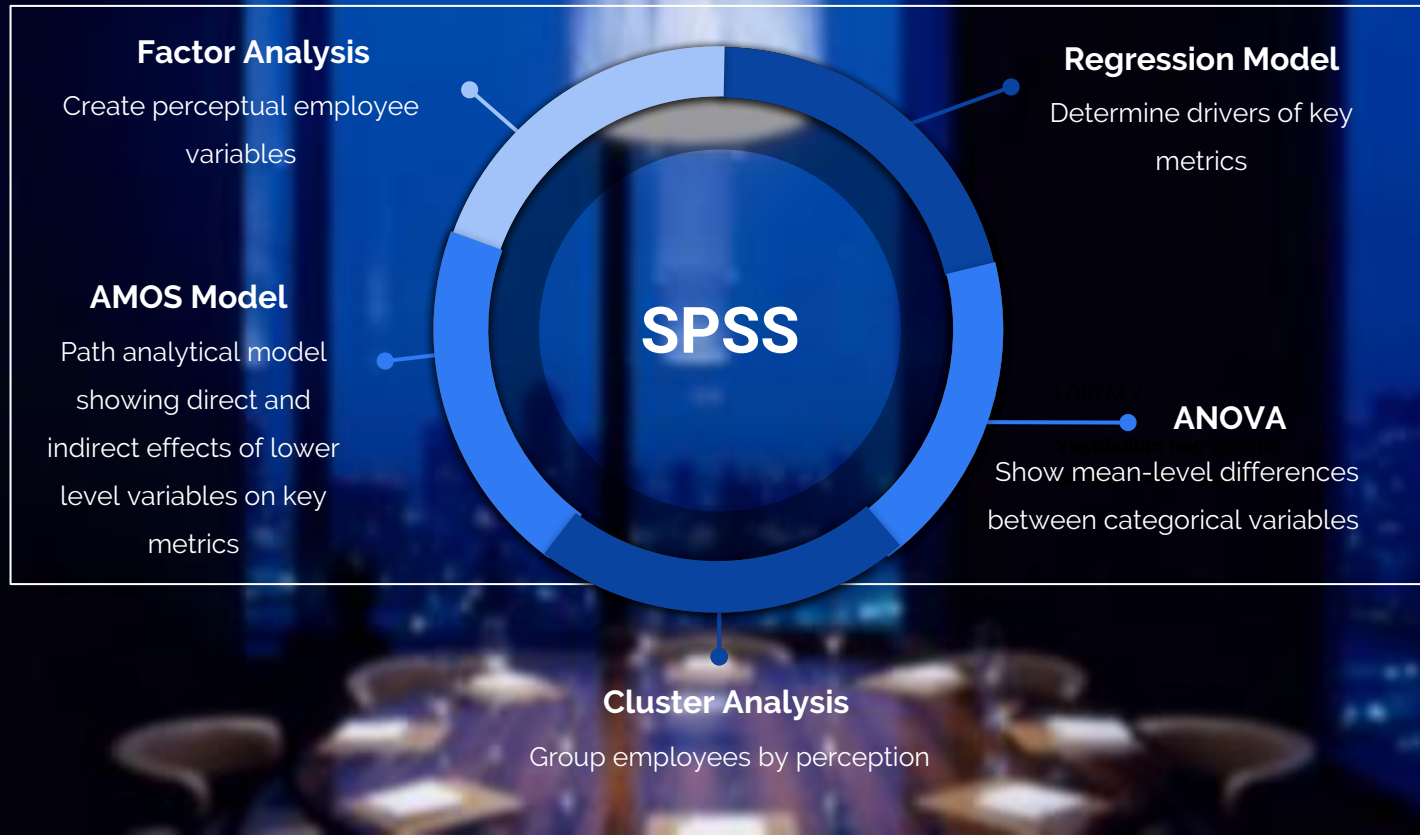
Highly engaged employees outperform less-engaged employees

Mission: To be the most hospitable company in the world – by creating heartfelt experiences for **Guests**, meaningful opportunities for **Team Members**, high value for **Owners** and a positive impact in our **Communities**.

ALL ABOUT PEOPLE



Methods and Tools



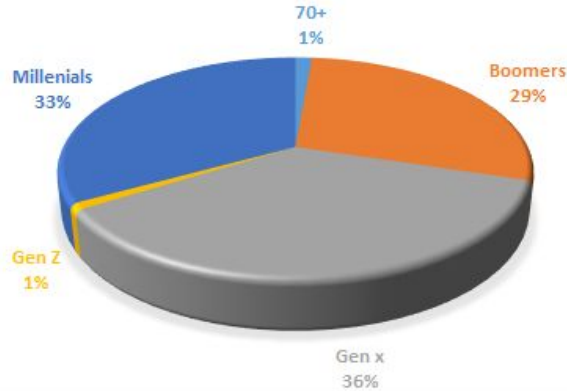


Overview of Hilton Employees

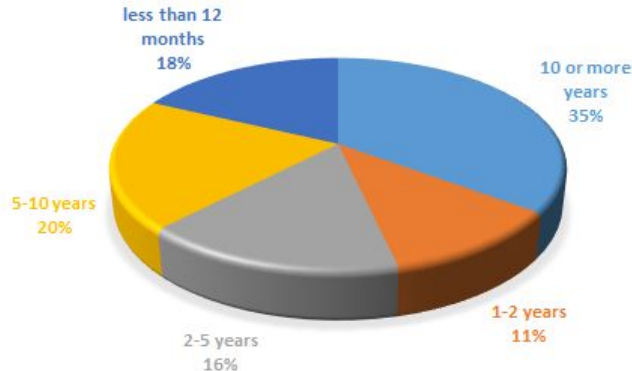
- Employee Generation and Tenure structure
- Commitment + Intent to Stay
- Cluster analysis results

Employee Generation and Tenure structure

EMPLOYEE GENERATION



EMPLOYEE TENURE

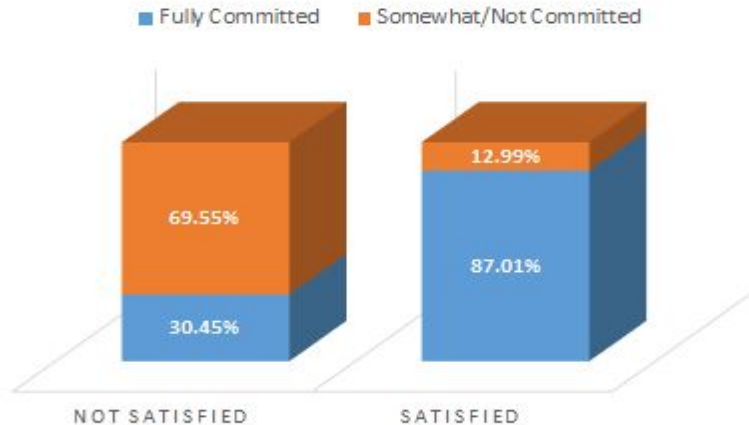


	Millennials	Gen X	Boomers
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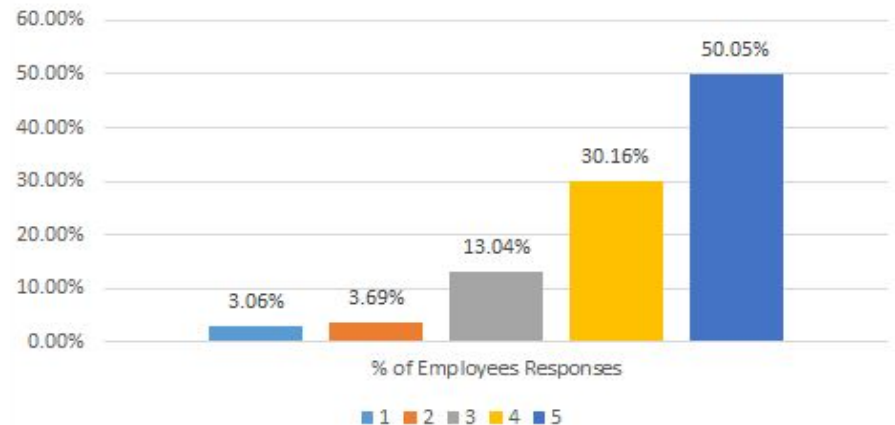
Less than 12 mo.	32.4%	11.2%	6.4%
1-2 years	17.8%	9.1%	4.0%
2-5 years	20.0%	14.2%	8.0%
5-10 years	13.1%	22.8%	17.6%
10 years or more	6.0%	32.0%	58.0%

Commitment + Intent to Stay

Commitment by Pay Satisfaction



Employee Intent to Stay Scores



Employee Clusters

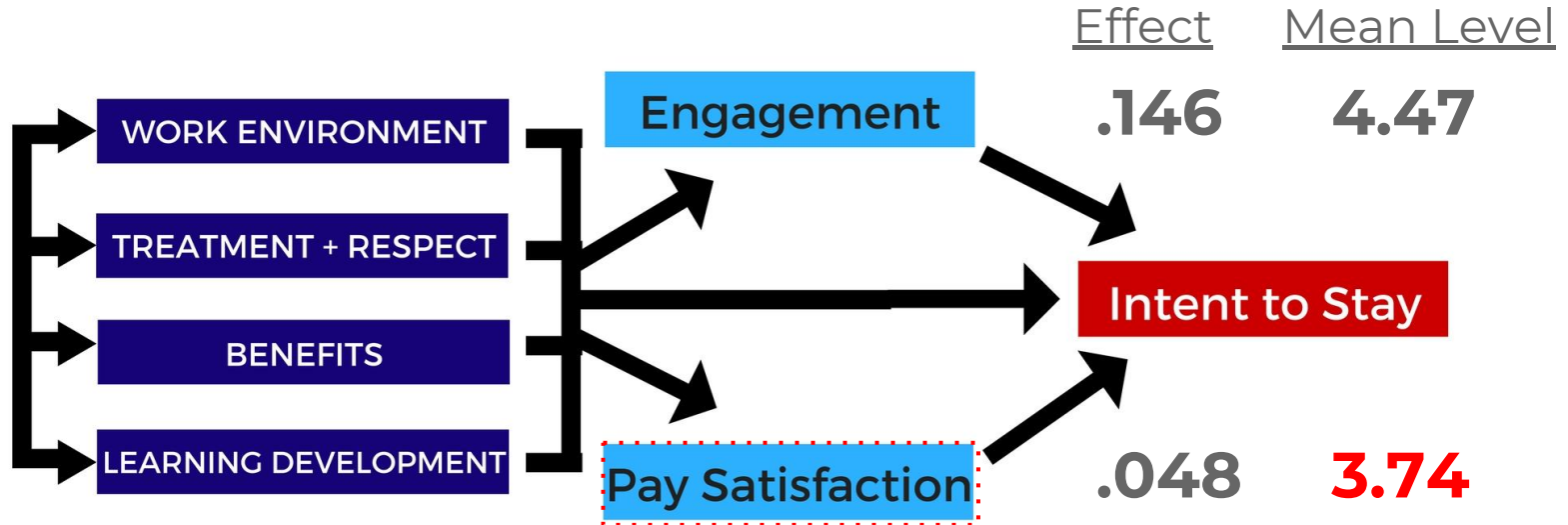


Engagement	4.92	4.41	3.62
Learning Development	4.71	3.82	2.66
Work Environment	4.84	4.1	3.15
Benefits	4.81	4.13	3.33
Pay Satisfaction	5	3	2
Treatment Respect	4.85	4.07	2.92
Cluster Membership (%)	39%	43%	18%

Employee Intent to Stay

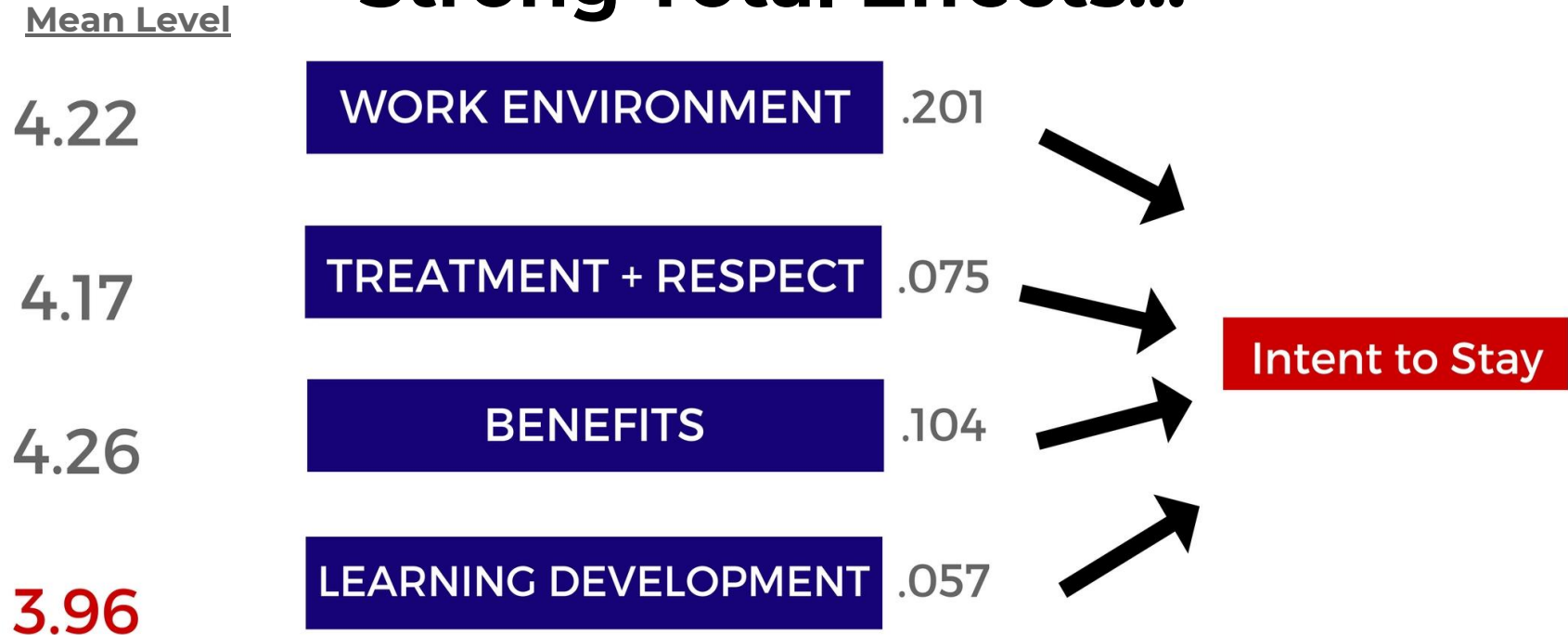
- Engaged and satisfied employees intend to stay
- Putting more energy on improving learning development opportunities to keep your employees

Focus on Pay Satisfaction



But Pay Satisfaction shows **more room to move**.

Strong Total Effects...



...with most room to move in learning development

Voluntary Turnover

Reduced through Pay Satisfaction & Learning Development

Estimated voluntary turnover costs range:

\$88.8M to \$133M (sample)

- Overall Voluntary turnover: 8,880 from hotel data
- Cost per employee range: \$10,000 to \$15,000

\$387M to \$580M (global)

- Based on 169,000 employees worldwide & average voluntary turnover

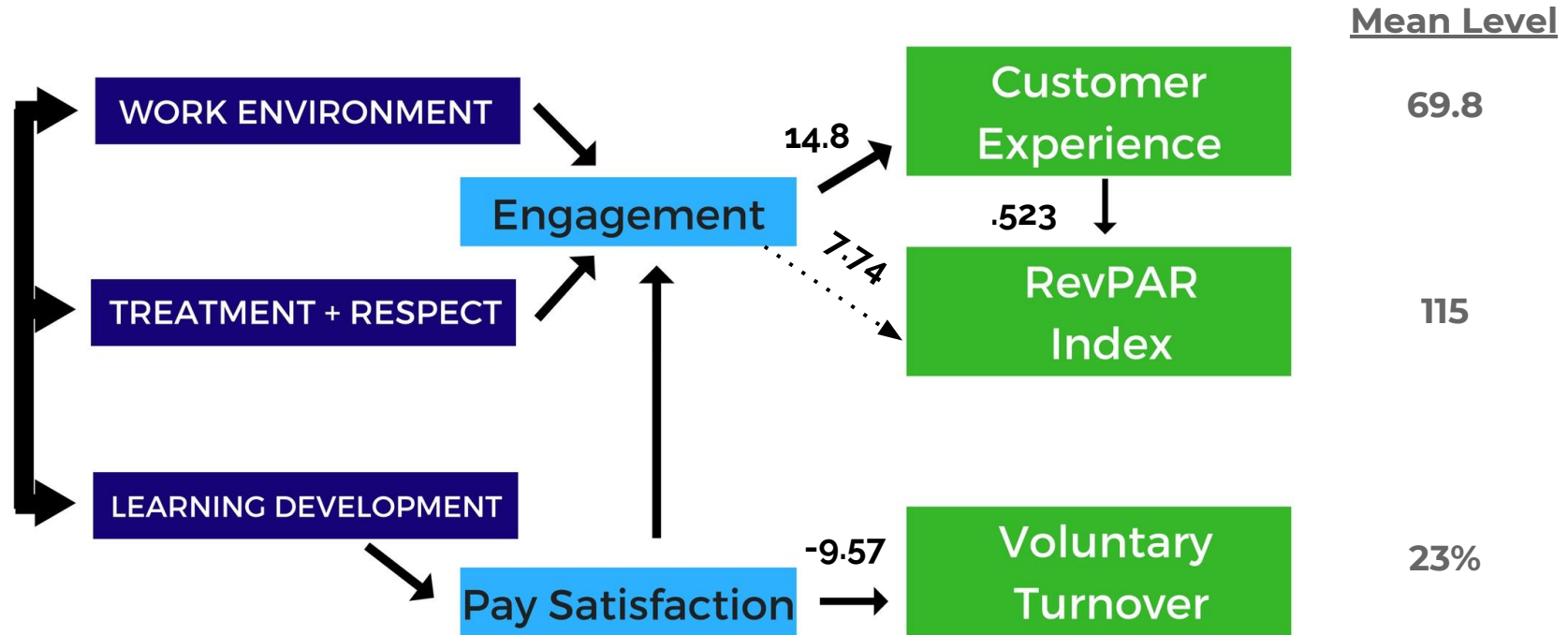
Current Average Voluntary Turnover : **23%**

Revenue Per Available Room Index

- Improving revpar through customer experience
- Customer experience is largely driven by engagement
- Engagement can be greatly impacted by work environment

Engagement drives Customer Experience...

... which drives Revenue per Available Room



Pay Satisfaction drives Voluntary Turnover

1% decrease in voluntary turnover
can save **\$16.9M to \$25.4M**



Total Effects

	Customer Experience	RevPAR Index	Voluntary Turnover
WORK ENVIRONMENT	8.26	4.32	-
TREATMENT + RESPECT	1.73	.907	-
LEARNING DEVELOPMENT	.723	.378	-9.09

Work Environment drives RevPAR

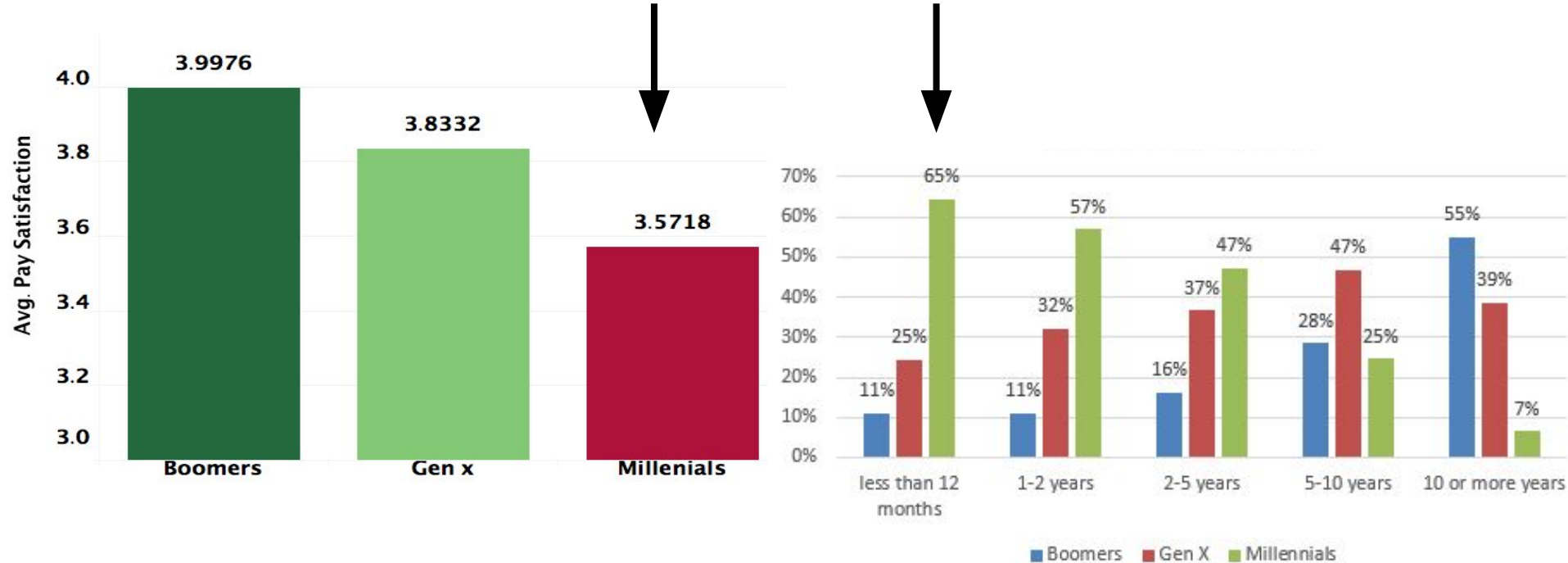
Learning Development impacts Voluntary Turnover

Focus on Millennials

- Millennials are the age group born between 1980 - 1994.
- Lower pay satisfaction than Baby Boomers + Gen X.
- Pay satisfaction impacts voluntary turnover, engagement, and intent to stay.



Millennials show lowest Pay Satisfaction... But also lowest Tenure



Key Trend: Learning Development = Important for Millennials

Trimming The Survey

- **Narrow survey scope & focus on key metrics**
- **Reduce redundancy & overlap of questions**

Condense overlapping questions:

JobSatisfaction: I'm satisfied with my hotel/property as a place to work.

Engagement1: My hotel/property is a great place to work.

WorkFamilyBalance4: Flexibility in work hours

TreatmentRespect6: I have the job flexibility I need to meet the needs of my work role and my personal life.

Focus on key metrics:

Reduce questions for non-key variables

Focus on those with predictive power:

- Learning Development
- Benefits
- Treatment Respect
- Work Environment



Limitations

1. Small sample size for Hotel level data
2. Missing data
3. Limited data for Gen Z and 70 +

Next Steps...

Focusing on 4 Key Variables

- **Learning Development:** Online Development Programs
- **Work Environment:** Safety in Food and Beverage
- **Treatment and Respect:** Quarterly open forums
- **Benefits:** Nutrition + Exercise Initiatives

 **THANK
YOU!**

APPENDIX SLIDES

Total Effects (Group number 1 - Default model)

	TreatmentRespect_1	WorkEnvironment_1	LearningDevelopment_1	Benefits_1	Engagement_1	PaySatisfaction
Engagement_1	.096	.472	.041	.086	.000	.000
PaySatisfaction	.182	.153	.249	.456	.115	.000
IntentToStayHiltonHL	.075	.201	.057	.104	.152	.048

Standardized Total Effects (Group number 1 - Default model)

	TreatmentRespect_1	WorkEnvironment_1	LearningDevelopment_1	Benefits_1	Engagement_1	PaySatisfaction
Engagement_1	.124	.551	.056	.100	.000	.000
PaySatisfaction	.131	.099	.189	.294	.064	.000
IntentToStayHiltonHL	.136	.324	.109	.167	.211	.120

Direct Effects (Group number 1 - Default model)

	TreatmentRespect_1	WorkEnvironment_1	LearningDevelopment_1	Benefits_1	Engagement_1	PaySatisfaction
Engagement_1	.096	.472	.041	.086	.000	.000
PaySatisfaction	.171	.099	.245	.446	.115	.000
IntentToStayHiltonHL	.053	.124	.039	.069	.146	.048

Standardized Direct Effects (Group number 1 - Default model)

	TreatmentRespect_1	WorkEnvironment_1	LearningDevelopment_1	Benefits_1	Engagement_1	PaySatisfaction
Engagement_1	.124	.551	.056	.100	.000	.000
PaySatisfaction	.123	.064	.186	.287	.064	.000
IntentToStayHiltonHL	.095	.201	.075	.112	.203	.120

Indirect Effects (Group number 1 - Default model)

	TreatmentRespect_1	WorkEnvironment_1	LearningDevelopment_1	Benefits_1	Engagement_1	PaySatisfaction
Engagement_1	.000	.000	.000	.000	.000	.000
PaySatisfaction	.011	.054	.005	.010	.000	.000
IntentToStayHiltonHL	.023	.076	.018	.034	.006	.000

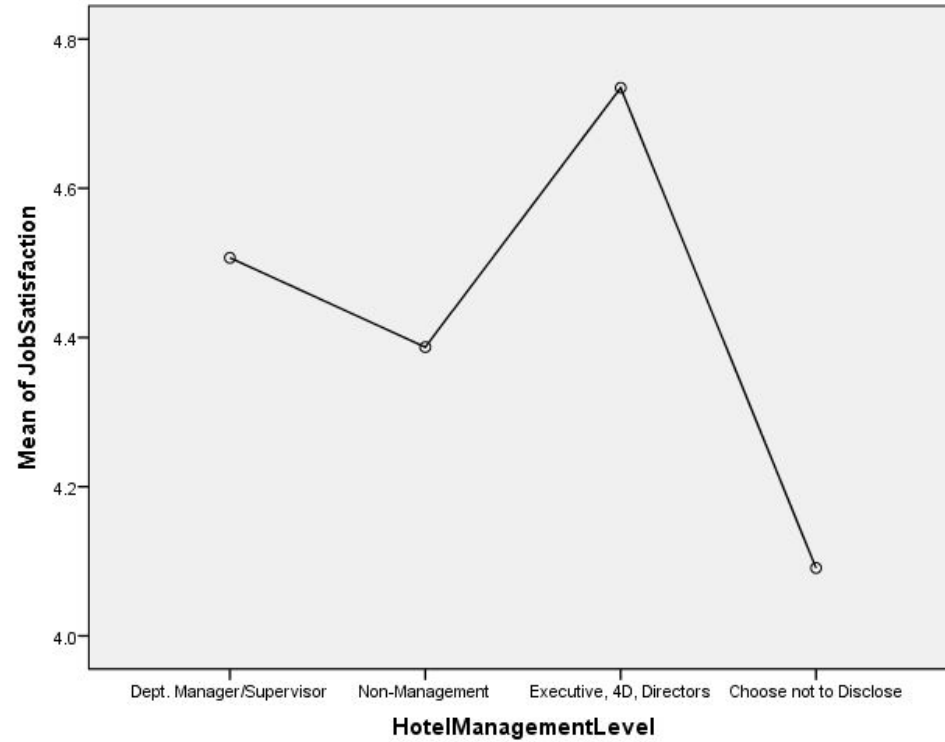
Mean plot of hotel managements levels and job satisfaction

Departments	Somewhat/ Fully Not		Difference	% of Workforce	# of Workers
	Committed	Committed			
Human Resources	72.00%	28.00%	44.01%	0.84%	1,073
Executive Office	67.04%	32.96%	34.09%	1.11%	1,427
Departments	55.18%	44.82%	10.37%	1.79%	2,315
Laundry	54.55%	45.45%	9.10%	2.79%	3,600
Housekeeping	53.25%	46.75%	6.49%	24.35%	31,258
General Administration/IT	53.15%	46.85%	6.30%	0.46%	587
Purchasing	53.03%	46.97%	6.06%	0.87%	1,121
Guest Activities	52.71%	47.29%	5.42%	0.57%	736
Food & Beverage	51.12%	48.88%	2.25%	23.07%	29,674
Property Operations/Engineering	50.17%	49.83%	0.34%	4.91%	6,311
Room Reservations	50.15%	49.85%	0.29%	0.81%	1,032
Spa/Health Club	49.77%	50.23%	-0.46%	1.36%	1,767
Guest Services	48.85%	51.15%	-2.29%	3.95%	5,087
Kitchen	48.17%	51.83%	-3.66%	11.61%	15,027
Telecommunications/PBX	47.63%	52.37%	-4.74%	0.96%	1,237
Cashiers	46.71%	53.29%	-6.58%	0.38%	494
Golf	45.35%	54.65%	-9.31%	0.59%	759
Front Office Opeations	45.34%	54.66%	-9.32%	6.94%	8,956
Finance	44.99%	55.01%	-10.03%	2.70%	3,511
Catering	44.18%	55.82%	-11.64%	1.39%	1,774
Security	41.55%	58.45%	-16.89%	3.03%	3,882
Meetings & Conventions	41.34%	58.66%	-17.32%	1.42%	1,829
Casino	40.76%	59.24%	-18.48%	1.10%	1,416
Sales/Marketing	39.57%	60.43%	-20.87%	3.01%	3,856
Grand Total	50.05%	49.95%	0.10%	100%	128,729

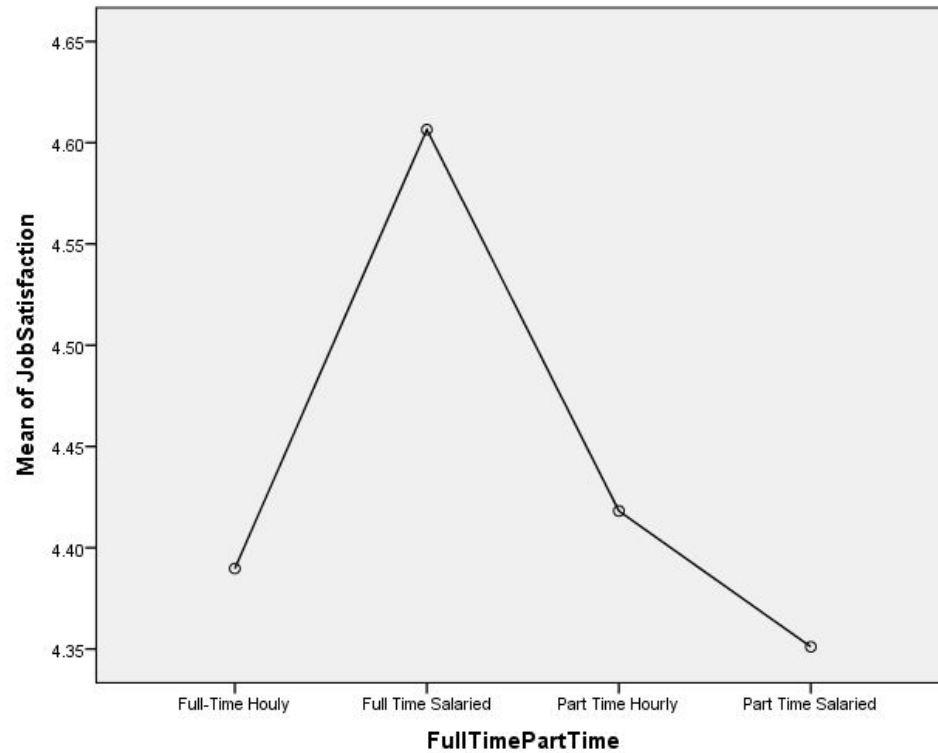
Heat map of commitment level with varying departments

	Difficult	Interesting/	My	Opportunities	Proud to		The	Work	% of	
	Job	Challenging	Manager	to Grow	of the	Relationships	People I	Schedule	Work	# of
Departments	Market	Work		Career	Hilton	W. Customers	Work With	Flexibility	Force	Employees
Housekeeping	2.91%	3.61%	6.16%	9.57%	42.70%	6.86%	16.20%	11.98%	24.28%	31,258
Food & Beverage	4.26%	3.28%	6.05%	9.81%	32.92%	9.48%	15.33%	18.89%	23.05%	29,674
Kitchen	3.96%	5.32%	6.49%	15.99%	37.46%	2.42%	16.02%	12.34%	11.67%	15,027
Front Office Opeations	8.30%	3.65%	7.73%	18.33%	22.31%	7.80%	20.46%	11.42%	6.96%	8,956
Property Operations/Engineering	4.31%	11.74%	8.38%	12.49%	30.53%	3.34%	20.06%	9.14%	4.90%	6,311
Guest Services	5.68%	3.85%	5.31%	6.74%	28.52%	14.98%	21.07%	13.84%	3.95%	5,087
Security	9.12%	8.04%	9.43%	10.25%	29.65%	5.62%	15.17%	12.73%	3.02%	3,882
Sales/Marketing	3.48%	9.96%	8.71%	15.30%	22.07%	6.69%	24.07%	9.73%	3.00%	3,856
Laundry	2.39%	4.53%	4.36%	9.69%	48.08%	3.75%	14.53%	12.67%	2.80%	3,600
Finance	8.17%	8.63%	5.18%	15.72%	27.49%	2.02%	15.29%	17.49%	2.73%	3,511
Departments	4.06%	4.15%	7.90%	17.49%	35.72%	7.21%	14.30%	9.16%	1.80%	2,315
Meetings & Conventions	5.14%	6.89%	3.34%	15.58%	34.94%	4.21%	23.67%	6.23%	1.42%	1,829
Catering	2.25%	7.50%	4.74%	17.64%	24.80%	4.28%	27.79%	10.99%	1.38%	1,774
Spa/Health Club	3.00%	4.64%	6.40%	9.62%	25.47%	13.98%	18.39%	18.51%	1.37%	1,767
Executive Office	1.54%	8.62%	7.50%	16.68%	32.24%	2.45%	22.21%	8.76%	1.11%	1,427
Casino	2.61%	6.07%	1.98%	14.90%	27.97%	6.64%	15.96%	23.87%	1.10%	1,416
Telecommunications/PBX	4.04%	1.94%	6.63%	7.92%	41.63%	1.37%	22.96%	13.50%	0.96%	1,237
Purchasing	4.01%	6.51%	6.87%	15.34%	28.99%	4.46%	21.32%	12.49%	0.87%	1,121
Human Resources	0.56%	6.24%	11.18%	19.29%	25.44%	1.96%	27.12%	8.20%	0.83%	1,073
Room Reservations	3.00%	4.94%	4.55%	14.92%	26.55%	2.91%	26.45%	16.67%	0.80%	1,032
Golf	2.50%	5.27%	13.04%	20.16%	18.58%	10.41%	15.28%	14.76%	0.59%	759
Guest Activities	6.52%	5.84%	9.10%	11.96%	18.48%	9.24%	22.83%	16.03%	0.57%	736
General Administration/IT	3.41%	6.64%	8.18%	13.63%	28.28%	5.96%	22.32%	11.58%	0.46%	587
Cashiers	3.44%	5.87%	5.67%	16.40%	29.15%	7.69%	18.62%	13.16%	0.38%	494
% of Total Responses	4.28%	4.92%	6.50%	12.13%	34.18%	6.77%	17.47%	13.74%	100.00%	128,729

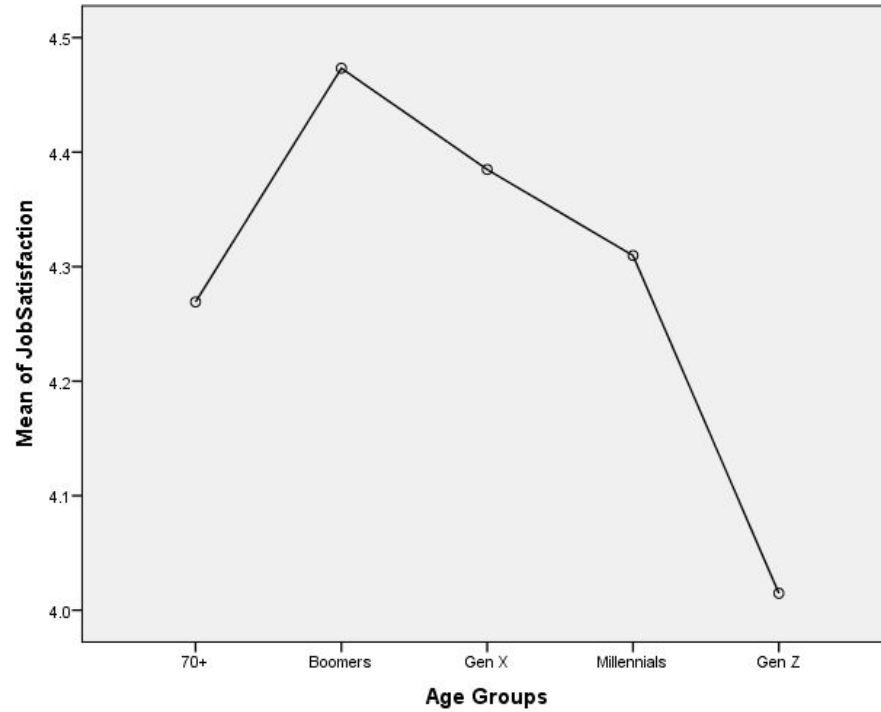
Heat map of job sentiment with varying departments



Mean plot of hotel managements levels and job satisfaction



Mean plot of full time/part time employment and job satisfaction

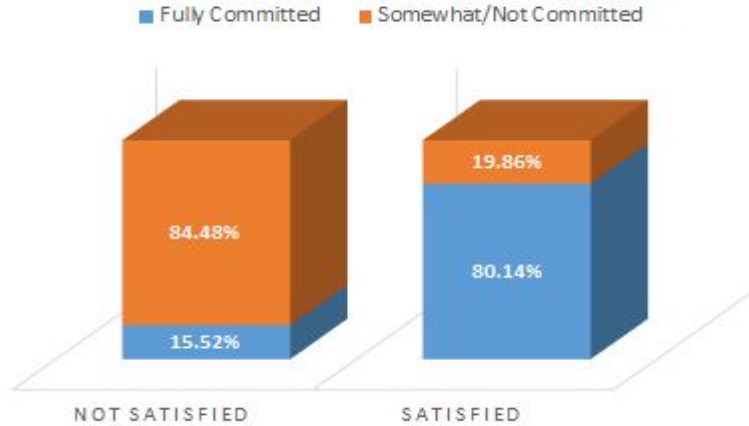


Mean plot of age groups and job satisfaction

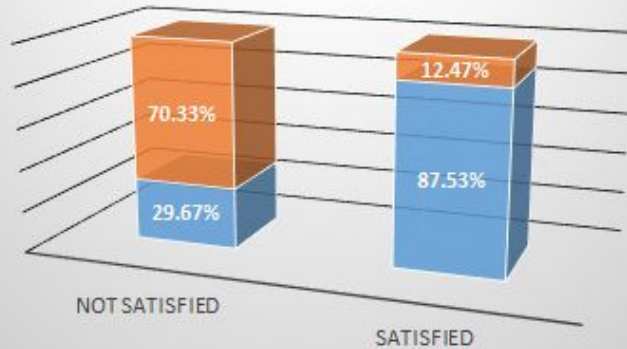
JOB SATISFACTION

Commitment based on:

- Job Satisfaction
- Learning Development
- Engagement

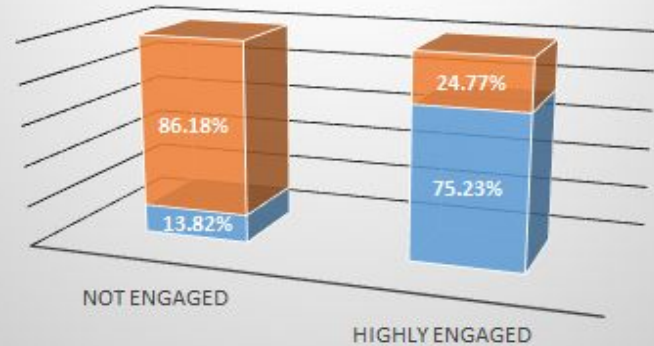


Learning Development



■ Fully Committed ■ Somewhat/Not Committed

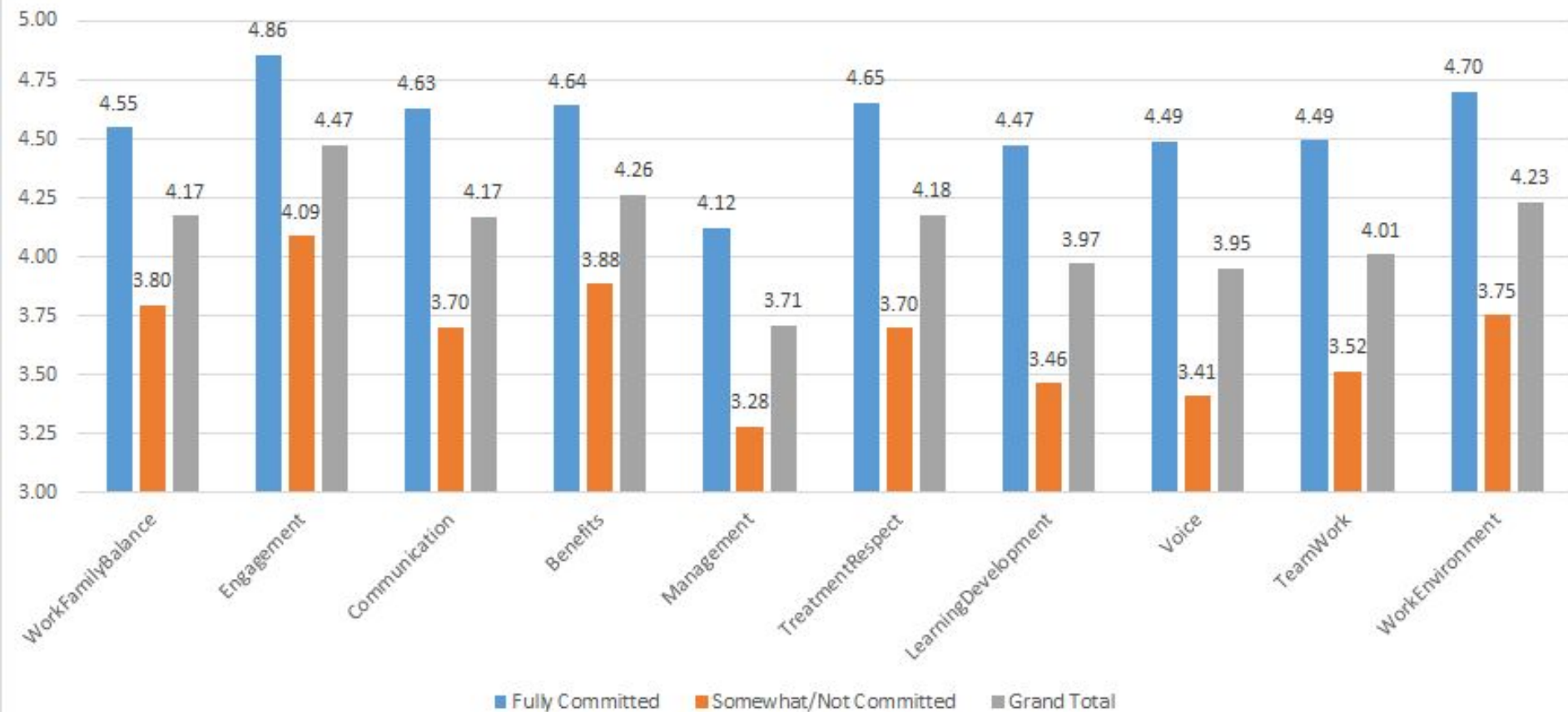
Engagement



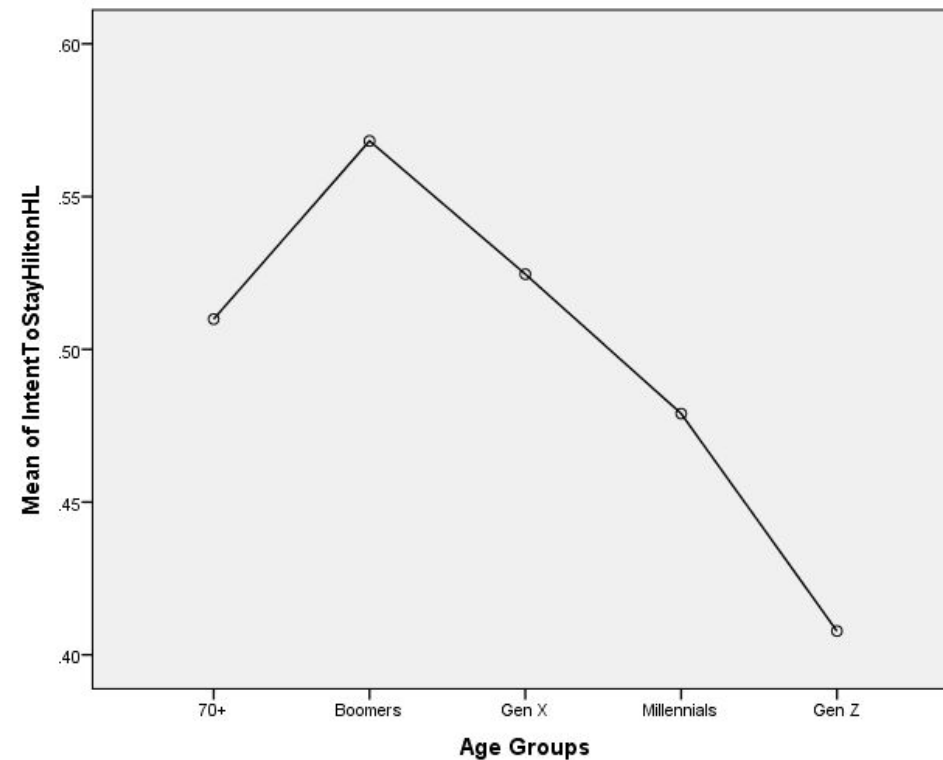
■ Fully Committed ■ Somewhat/Not Committed

Key Metrics Scores based on level of commitment

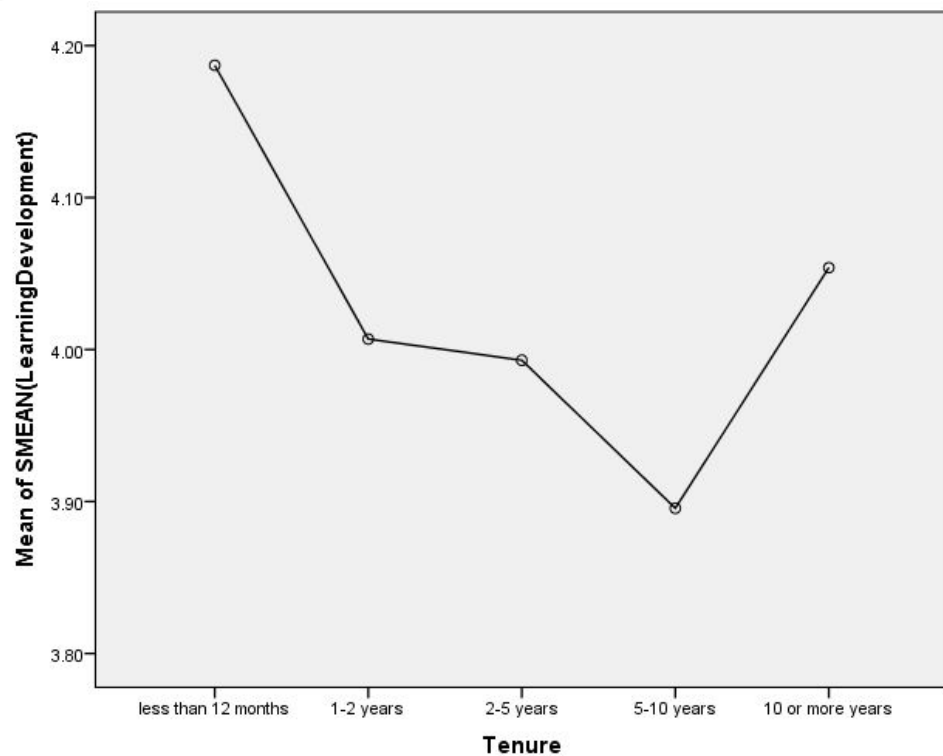
Employee Scores by Intent to Stay



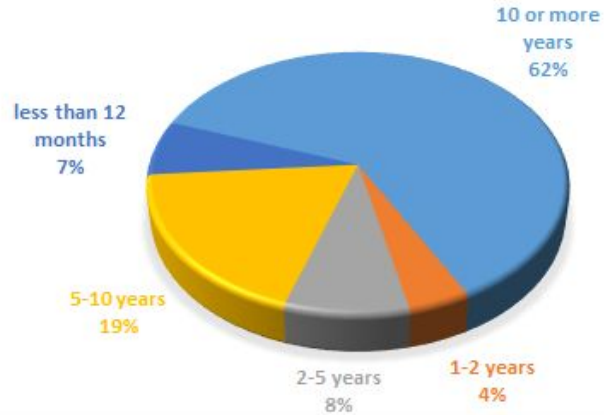
Intent to stay by age group



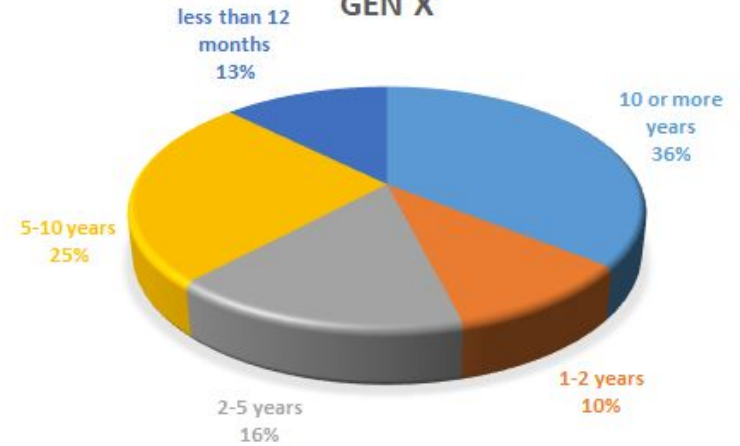
Learning Development by Tenure



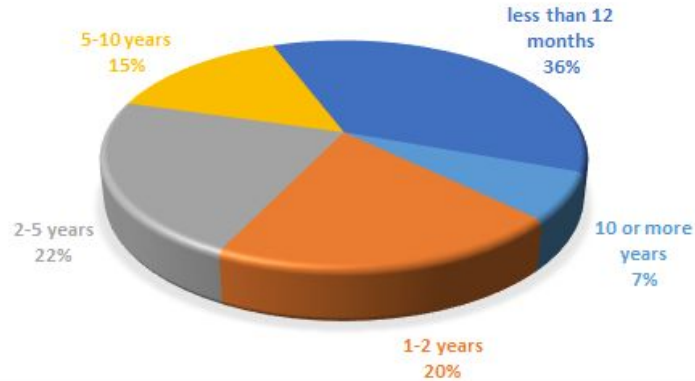
BOOMERS



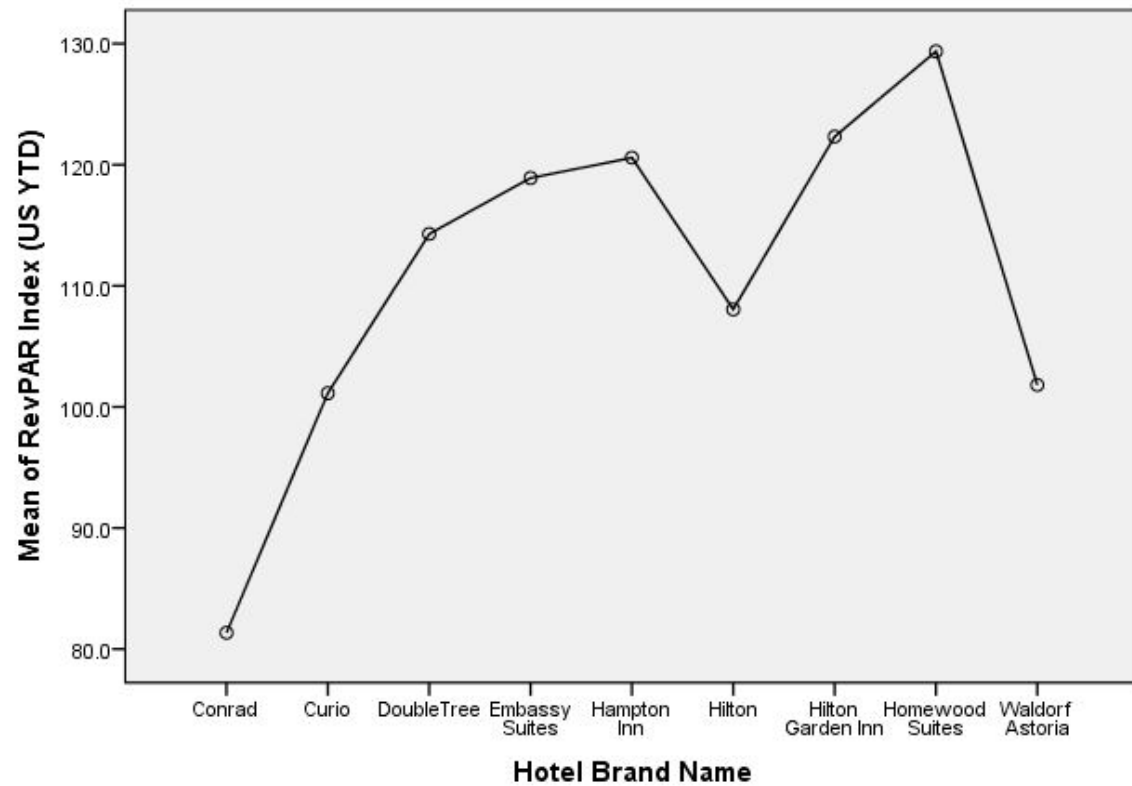
GEN X



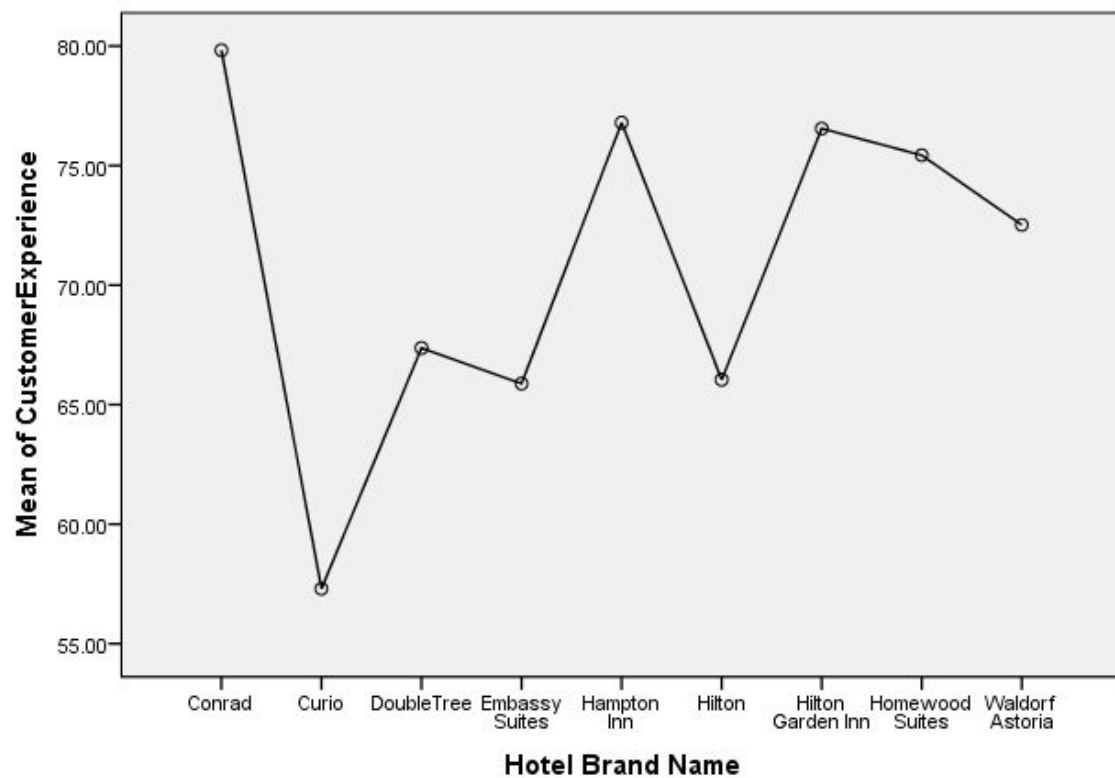
MILLENNIALS



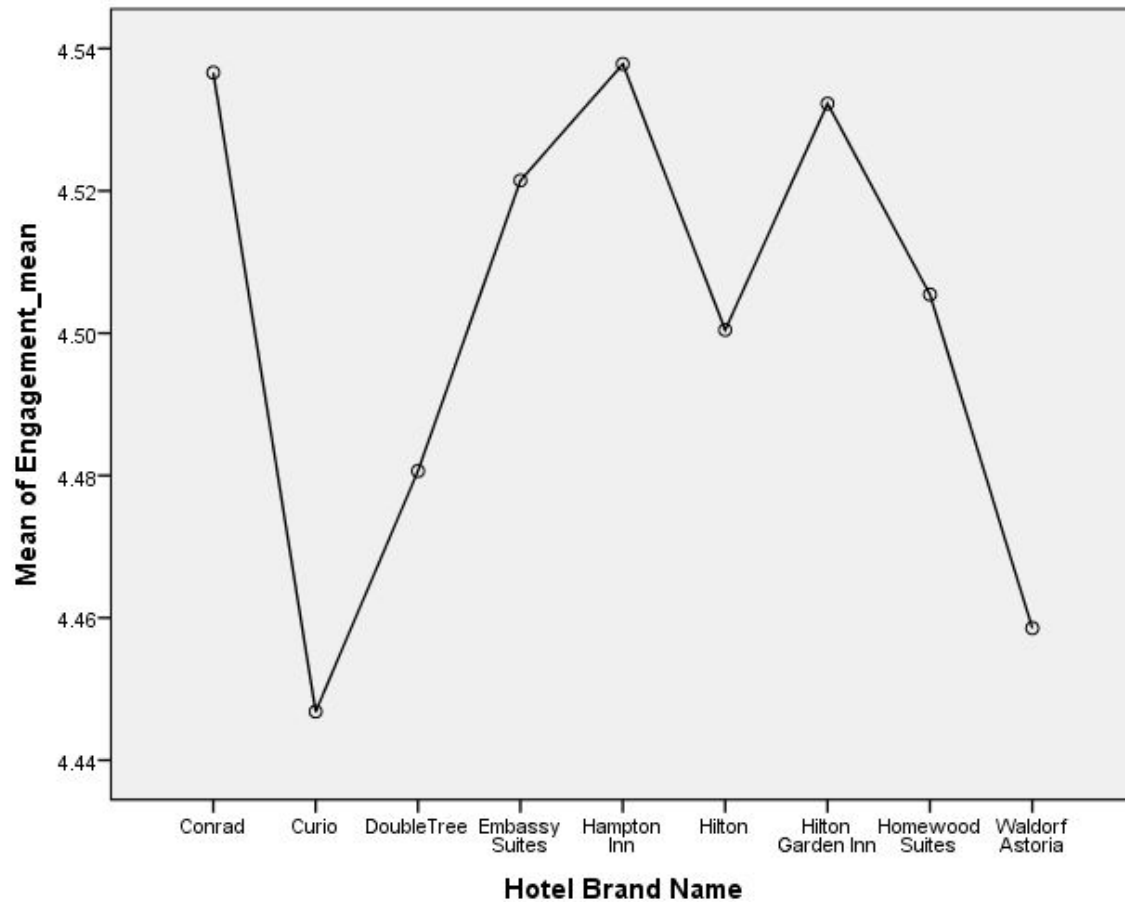
Pie charts that illustrate the distribution of different generations length of employment



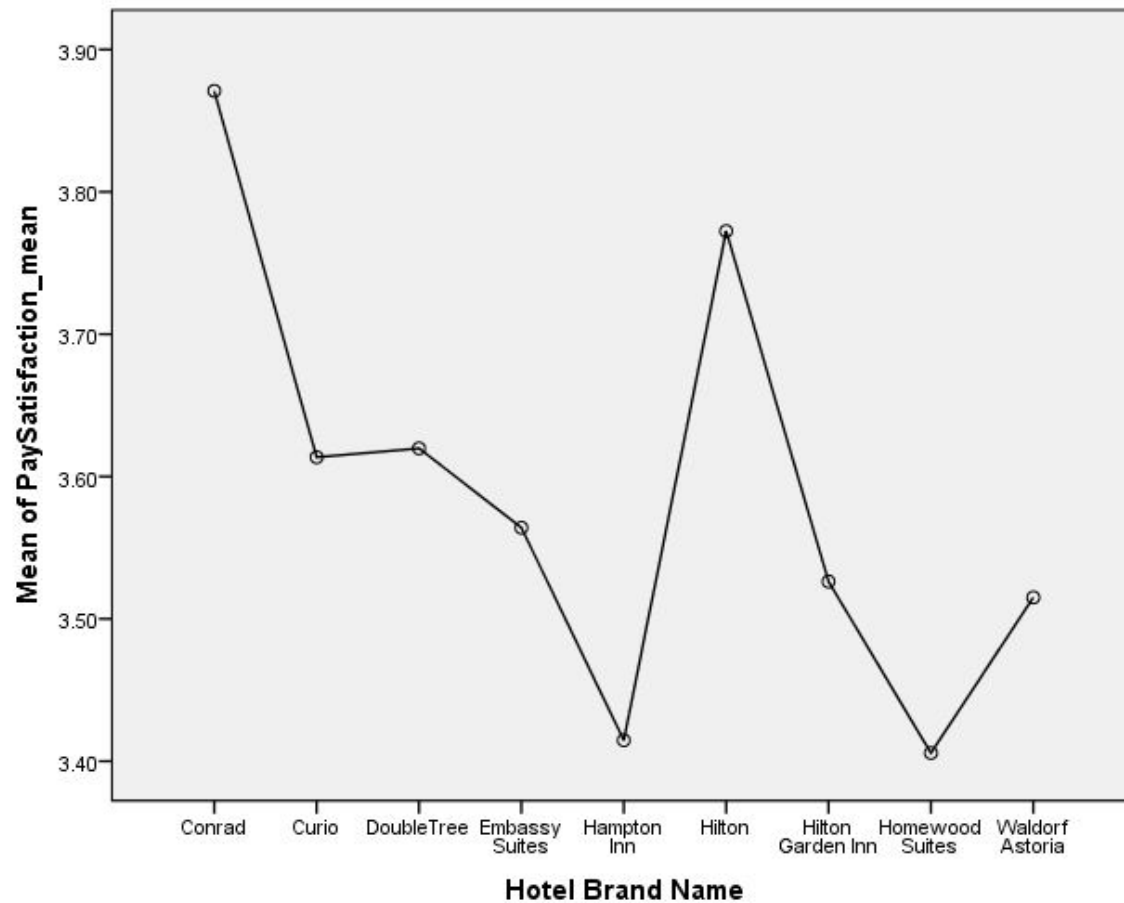
Mean plot of RevPAR Index across Hotel Brands



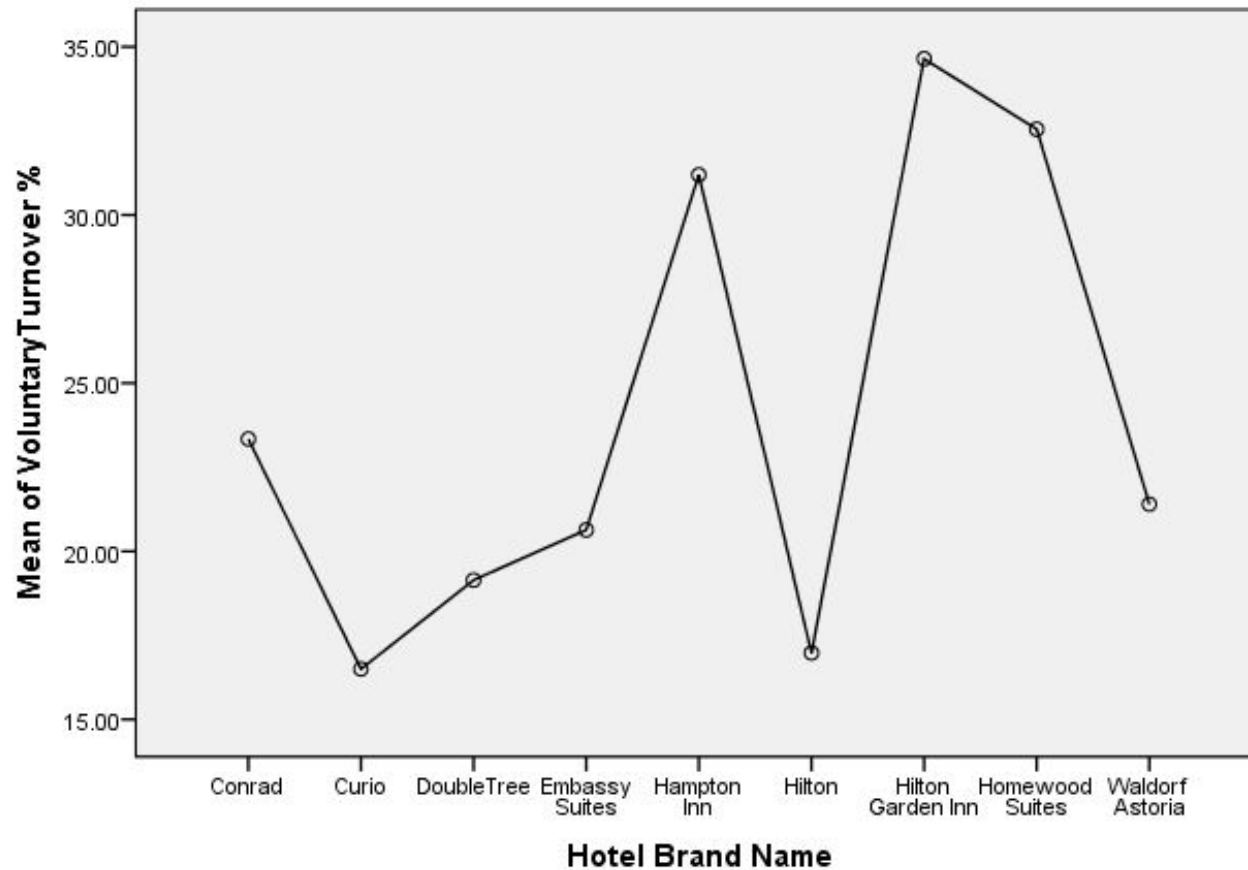
Mean plot of Customer Experience across Hotel Brands



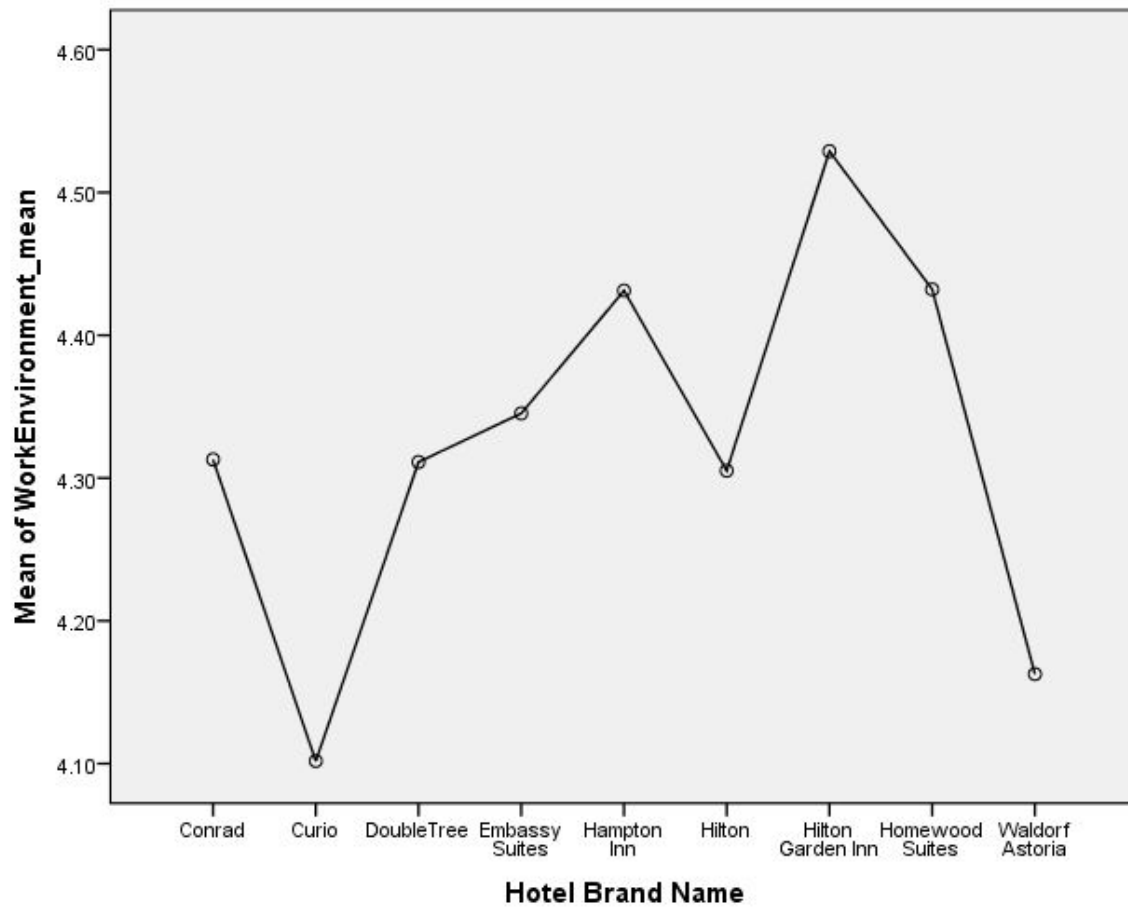
Mean plot of Engagement across Hotel Brands



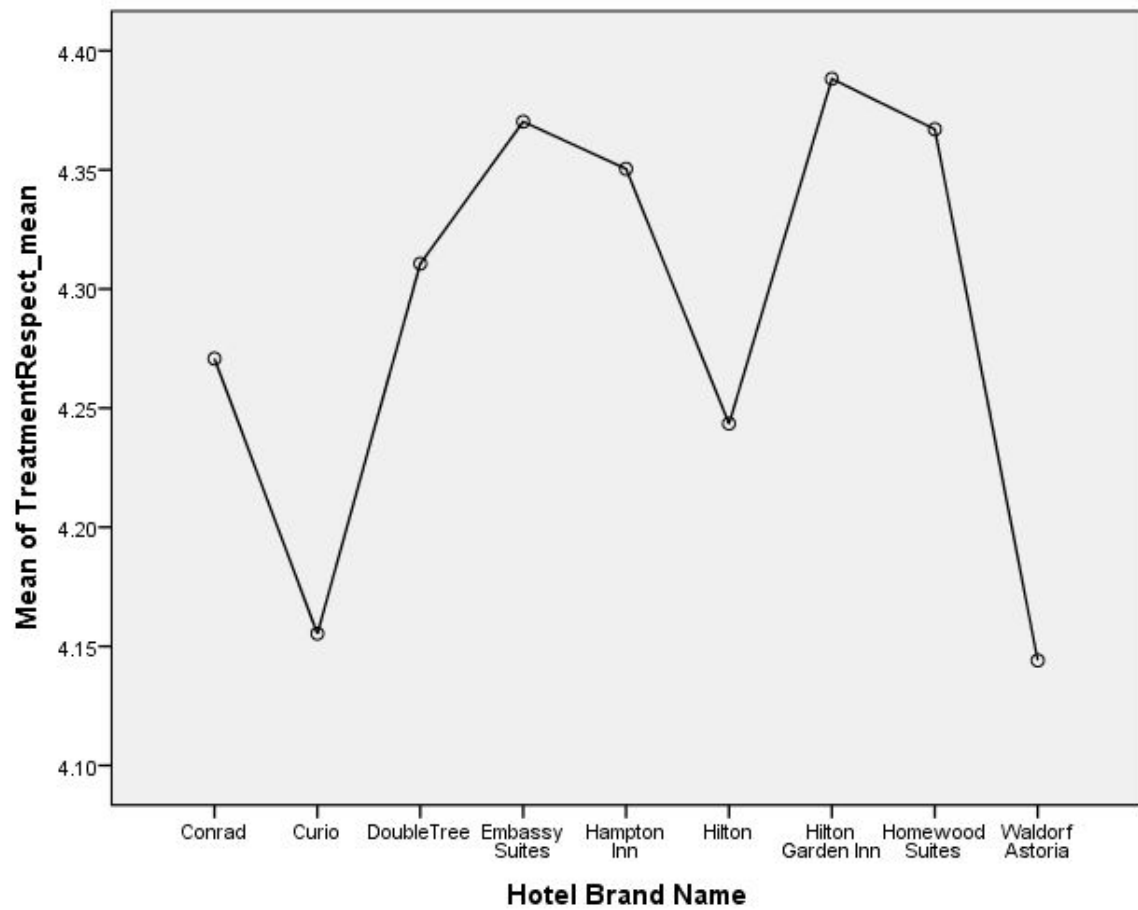
Mean plot of Pay Satisfaction across Hotel Brands



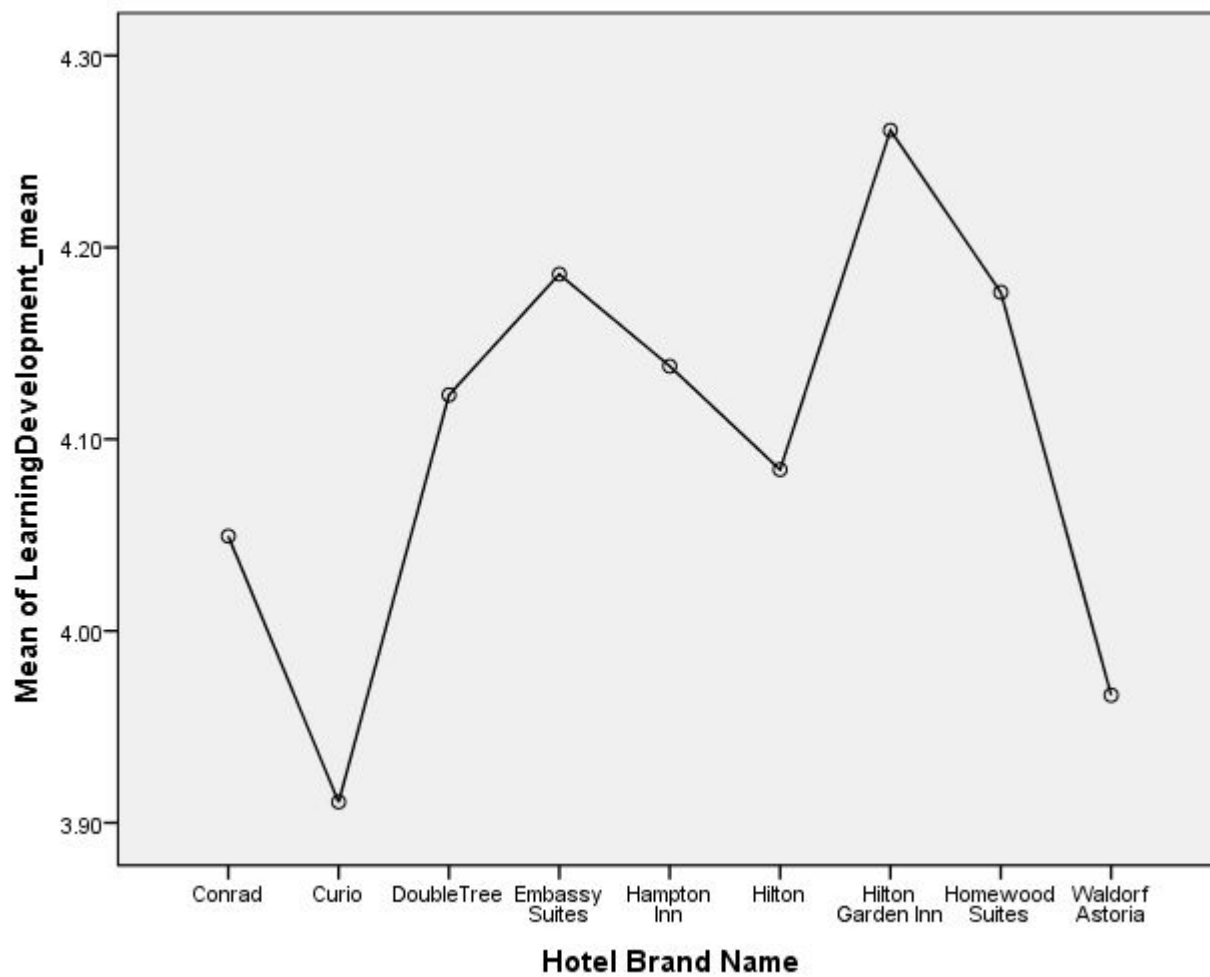
Mean plot of Voluntary Turnover across Hotel Brands



Mean plot of Work Environment across Hotel Brands



Mean plot of Treatment Respect across Hotel Brands



Mean plot of Learning Development across Hotel Brands

Employees Cluster

Final Cluster Centers

