

Duff on Hospitality Law

Conference Follow-up: HR in Hospitality Conference

By Diana Shukis on 4.12.11 | Posted in Conference Notes, Employment Law, Hotels

I am just back from the 5th Annual [HR in Hospitality Conference](#), held in Washington DC last week. The Conference was an information-packed two and one-half days. There were terrific presentations, interesting panel discussions, great audience questions, and many opportunities to informally connect with others in the hospitality industry who focus on human resource issues. I have already marked my calendar for next year's Conference to be held February 27-29 in San Francisco.

I left with so many great insights it was difficult to narrow it down to my top 3 take-away topics: (1) wage and hour compliance; (2) unions; and (3) retaining talent after the downturn. If I had to summarize this year's HR in Hospitality Conference in 10 words or less, I would borrow a well-know phrase: the more things change, the more things stay the same. I think you will see what I mean based on my highlights below.

(1) Remain vigilant regarding wage and hour compliance. This is not a new or earth-shattering directive. Administrative agencies and plaintiffs' employment attorneys have long been on the hunt for employers in the hospitality industry who are violating wage and hour laws and regulations, including regarding rest and meal breaks and overtime. And, as we know, wage and hour class actions are plentiful and show no signs of going away.

The new twist is that the US Department of Labor recently announced the intent to target the hospitality industry for wage and hour audits because it has labeled the industry "high risk." And, once on site for an audit, the DOL can scrutinize any area under its jurisdiction.

What should you do? *Run for the hills.* Just checking to see if you are still reading even after learning the DOL is out to get you and the entire industry. If you are still reading, you should confirm how long it has been since your organization conducted an internal audit of wage and hour compliance – including looking at your policies, HR practices, and very importantly, your managers' day-to-day practices. The best policies will not protect your organization if your managers do not understand what they need to be doing to ensure compliance. Speaking of your organization's managers, make sure they are classified properly. Some organizations had managers take on more and more "line" duties during tough economic times, which could be an issue on the classification front. Get external help with a wage and hour audit if you need it because this is absolutely an area where a relatively small investment in prevention can help

your organization avoid very expensive audits and lawsuits.

(2) The hospitality industry remains a focus for unions. Let's start with the good news. As confirmed by three individuals who are paid to know these things (DC-based governmental affairs experts from the [American Hotel & Lodging Association](#), [U.S. Travel Association](#), and the [Society for Human Resource Management](#)), the proposed [Employee Free Choice Act](#) is dead (at least for the foreseeable future). You may have heard the collective sigh of relief when these experts confirmed in-person what we have all been hearing.

However, unions are not giving up and are looking for new ways to increase membership. [UNITE HERE](#) is focusing on pressuring the large brands to require neutrality and card checks in franchise agreements. While there was much discussion questioning whether such an agreement would even be legally enforceable, such efforts underscore the need for coordinated efforts by industry members.

What should you do? Treat employees fairly and with respect so they are not eager to have the “help” of a third party to improve their wages, benefits or work environment if approached by organizers. Be alert for signs of union organizing efforts in your workplaces and be prepared to appropriately and lawfully respond to them. Get active in local, state and national industry organizations and reach out to others in the industry to help influence issues that impact the industry.

(3) Be proactive to retain top talent as we emerge from the Great Recession. All conference speakers and attendees seemed to agree that it is crucial for hospitality employers to have engaged employees. Engaged employees are more productive, take better care of guests, and are an important key to higher profitability. There was also agreement that if employers had not already made adjustments focused on retaining top talent now that the economy is showing positive signs, they should act fast and may already be too late. There was hardy laughter when one speaker mentioned he had instructed conference attendees from his organization to leave their business cards at home because he did not want to make recruitment too easy for his competitors.

What should you do? Make sure your compensation packages are at least competitive and perhaps generous for top talent. Compensation is the easy part. Bad managers cause great employees to leave, thus you must invest in your managers. Ensure your “keeper” employees have adequate opportunities to learn and grow. Seek input and insights from your top employees. Give your top employees a reason to be loyal and committed – connect them with the larger purpose.

If you would like more information about the conference or any of the topics covered, please [let me know](#).

Tags: Act, American, American Hotel & Lodging Association, Association, Choice, Conference, Department, employee, Employee Free Choice Act, for, Free, HERE, Hospitality, hotel, HR, HR

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in Hospitality Conference, human, in, Labor, Lodging, Management, Resource, Society, Society
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