



# Kronos for **Lodging**

Transform your workforce into your strongest competitive differentiator



*"Getting visibility into the workforce is probably the most powerful thing that we can get [with Kronos]. The 24/7 access managers have to employee data really gives them the greatest opportunity to make sure they have the right people doing the right job at the right time."*

**Diane Gonzales**  
**Vice President, Finance Shared Services**  
MGM Resorts



# The lodging industry challenge

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**In today's crowded lodging market, where guests can easily compare rates online, how can you differentiate your business from the competition to achieve sustained success?**

The best way to stand out and drive repeat business is to deliver an exceptional guest experience. But in an industry where skill shortages persist, labor costs account for more than a quarter of operating expenses,<sup>1</sup> and employee turnover topped 70 percent in recent years,<sup>2</sup> providing superior guest service without breaking the budget is one of your greatest challenges.

Managers need to focus on making sure that the right staff is in place to meet guests' expectations and earn their loyalty. At the same time, they are tasked with managing labor budgets, processing accurate payroll, creating effective schedules, and ensuring compliance with labor laws and regulations — all while keeping their staff engaged and productive.

An excellent guest experience starts with best-fit employees — from front-desk, uniformed, and housekeeping workers to restaurant, maintenance, and back-office staff. Kronos® for Lodging helps you manage, engage, and retain your entire workforce — salaried and hourly, full-time and part-time — to establish competitive service standards. Our industry-specific workforce solutions provide the automated tools and real-time visibility you need to control labor costs, improve staff productivity, and minimize compliance risk for better business outcomes.

The annualized employee  
**TURNOVER RATE** is  
**73.8 percent**  
in the hotel industry.

<sup>1</sup> Robert Mandelbaum, *Examining Hotel Labor Costs*, Lodging (October 23, 2014), found at <http://lodgingmagazine.com/examining-hotel-labor-costs/>.

<sup>2</sup> *Hospitality Employee Turnover Rate Edged Higher in 2016*, Hospitality Trends (March 20, 2017), found at <https://www.htrends.com/trends-detail-sid-93679.html>.

<sup>3</sup> Glenn Haussman, *4 Truths about Hotel Employee Retention*, Hotel Management (October 25, 2016), found at <https://www.hotelmanagement.net/4-truths-about-hotel-worker-employee-retention>.

# Delivering a comprehensive solution

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Kronos for Lodging provides innovative solutions that address critical workforce management challenges, helping you deliver superior service that strengthens your brand and motivates guests to return.

## Better control your labor costs

Your workforce is your largest controllable expense, so managing your staff effectively can make a big impact on your bottom line. Kronos forecasting and scheduling tools take into account historical data on occupancy rates and guest traffic so you can create schedules that accurately align staffing with demand. Automated time and attendance processes — complete with real-time alerts — help eliminate payroll errors, reduce unnecessary overtime, and curb time theft that can send labor costs soaring.

## Drive employee engagement and productivity

In the service-oriented lodging industry, companies need to make employee engagement a top priority. After all, organizations with high levels of engagement report 17 percent higher productivity than those with low engagement.<sup>5</sup> Kronos self-service and mobile tools empower your staff with greater flexibility and control, enabling them to view schedules, request time off, and swap and pick up shifts at their convenience. When your employees feel their preferences are being considered, they are more likely to engage in their work and stick around for the long term.

## Attract and retain best-fit staff

Business success starts with finding and keeping great people, but hotels continue to face record high turnover rates. In this revolving-door environment, managers are constantly spending time hiring and training replacement staff — at a significant cost. Kronos solutions help you screen, track, hire, and complete eligibility, employment, and background checks on best-fit employees. A seamless sourcing and application process attracts top talent and keeps candidates engaged — from recruiting to interviewing to onboarding — helping you build a more committed and productive workforce.

## Minimize compliance risk

Managing compliance with complex and ever-changing labor laws, government regulations, and union rules is a daunting responsibility. Some cities and states even require that large lodging companies give employees advance notice of schedules, the right to rest between shifts, and compensation for schedule changes. Kronos for Lodging helps streamline compliance with automated enforcement of federal, state, and local labor laws, including FLSA, FMLA, and ACA. Our solutions let you track staff hours, confirm attestation to meal and rest breaks, and accurately forecast demand to support more predictable scheduling.

Labor costs accounted for **90 percent** of the **1.6 percent rise in total operating expenses** in the hotel industry from 2015 to 2016.<sup>4</sup>

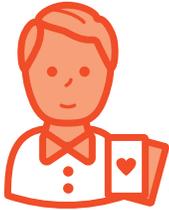
<sup>4</sup> Robert Mandelbaum, *The Components of Payroll Costs in Hospitality*, Hotel Online (August 15, 2017), found at [https://www.hotel-online.com/press\\_releases/release/the-components-of-payroll](https://www.hotel-online.com/press_releases/release/the-components-of-payroll).

<sup>5</sup> Gallup, Inc., *State of the American Workforce* (2017), at 68.

# Managing your entire workforce

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Kronos workforce solutions are designed for employees at all levels of your organization — from front-desk and housekeeping staff who interact directly with guests to managers and administrators who oversee business operations.



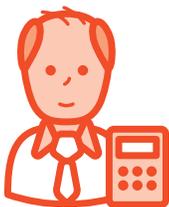
## Hourly employees

Effective communication fosters productive employee-manager relationships and boosts workforce retention. Kronos self-service and mobile tools speed and simplify communication. Employees can request time off and check their schedules, hours worked, and accrual balances — anywhere, anytime. Managers can use forecasting tools to create schedules that support great guest service while taking into account employee preferences.



## General managers and assistant managers

Kronos for Lodging gives managers the centralized data and intuitive tools they need to track time and attendance and manage compliance with industry and government regulations. Visibility into employee absenteeism helps them identify trends and take action to control costs and maintain quality service. These streamlined processes enable managers to spend less time on administrative work and more time ensuring a positive guest experience.



## HR and payroll administrators

With Kronos solutions, HR staff are well-equipped to attract and retain best-fit employees. Instant access to information — all in a single employee record — helps them reduce errors, consistently enforce policies, and maintain a complete reporting and audit trail. Plus, automated time and attendance tracking, with continuous calculation of hours worked, helps payroll staff deliver perfect paychecks every time.



## Hotel managers

In a competitive industry where labor represents a significant operating expense, real-time visibility into the workforce helps hotel managers better understand operational performance across peak and off seasons. Kronos solutions, including powerful analytics, provide actionable insight into how staff performance affects guest satisfaction and overall business outcomes. That way, hotel managers can make data-driven workforce decisions that yield bottom-line results.

Organizations with **high levels of engagement** report

**21%** **higher profitability.**<sup>6</sup>

<sup>6</sup> Gallup, Inc., *State of the American Workforce* (2017), at 68.



Kronos is a leading provider of workforce management and human capital management cloud solutions. Kronos industry-centric workforce applications are purpose-built for businesses, healthcare providers, educational institutions, and government agencies of all sizes. Tens of thousands of organizations — including half of the Fortune 1000® — and more than 40 million people in over 100 countries use Kronos every day. Visit [www.kronos.com](http://www.kronos.com). **Kronos: Workforce Innovation That Works™**.

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