



Measuring ROI: A Work-Life Balance Meeting ABC Hotel Co., Central Vietnam

Pham Le Hong Nhung¹, Bradley S. Brennan^{2*}

¹Ph.D. Candidate, College of Hotel and Tourism Management, Kyung Hee University, South Korea

²Assistant Professor Inha University School of Business, South Korea

***Corresponding Author:** Bradley S. Brennan, Assistant Professor Inha University School of Business, South Korea

Abstract: This case study elucidates the methodology for evaluating the full Return on Investment (ROI) evaluation from level 1 to level 5. A focus group, a pre-meeting survey, a post-meeting survey, and a follow up survey were conducted. Evaluation mix techniques were used to convert the tangible and intangible meeting benefits to a monetary value. The results of the ROI evaluation helped the company to improve and implement new work-life balance programs efficiently. The results also helped the work-life balance meeting planners create meetings that satisfy the needs and desires of stakeholders and attendees. This theoretical case study suggests the mix techniques could be applied in the future for measuring the full ROI of a work-life balance meetings. Other companies can also utilize the application of the ROI evaluation mix techniques for evaluating work-life balance programs in the future.

Keywords: Work-Life Balance; ROI; Work-Life Balance Meeting, Case Study

1. BACKGROUND

ABC Hotel Co. has developed and currently manages 20 hotels and resorts, 34 spas, and 17 gallery outlets in 15 countries (Annual report 2016). ABC Hotel Co. Property A won the ABC Hotel Work-Life Achiever Award in 2007 and the Best Work-Life Balance Award 2014. ABC Hotel Co. strongly believes that the balance of work and family life is vital to the well-being of its associates and results in the company's success; believed to be intrinsic to the award-winning ABC Hotel Co. service culture. Human capital is the key for delivering ABC Hotel Co. service experience to its guests.

ABC Hotel Co. brand has 20 hotels and resorts over the world as of 2016. ABC Hotel Co.'s property A in central Vietnam is one of the most famous hotels and resorts in that area. ABC Hotel Co. Property A organizes a work-life balance (WLB) meeting every year to evaluate the effectiveness of their work-life programs. The WLB meeting is usually only a one-day meeting and is organized by the human resource department of the hotel. The WLB meeting convened on 27th November 2015 at the hotel. The meeting's aims were:

- Evaluate current work-life balance programs.
- Communicate the company's work-life balance programs to employees.
- Modifying/designing work-life balance programs for ABC Hotel Co., Property A, in Vietnam.

2. EVALUATION METHODOLOGY

Mixed methods of qualitative and quantitative techniques, based on the Phillips ROI model, were conducted to evaluate ROI (from level 1 to level 5) (Phillips, Breining, and Phillips, 2016) during the WLB meeting at ABC Hotel Co. Property A. The objectives of ROI (figure 3) for each level were as follows:

- **Level 1.** Reaction objectives: the meeting meets the organization and employees' needs and desires.
- **Level 2.** Learning objectives: at least 35% of employees would change their awareness and perception of WLB programs and program benefits after the meeting.

- **Level 3.** Application objectives: six months after the meeting, at least 80% of employees would participate in WLB programs and at least 60% of employees would achieve an optimal work and life balance.
- **Level 4.** Business impact objectives: the turnover would be reduced to 11%, the productivity would be increased by 10%, and customer loyalty would be increased by 25%.
- **Level 5.** ROI objectives: ROI would be 50% or higher.

To measure levels 1, 2, and 3 of ROI, three steps of the evaluation methodology (table 4) were conducted. These steps included a focus group interview, pre-meeting survey, and post-meeting survey. For each step, the purpose of the survey was carefully explained to the respondents. Respondents were assured that the company was trying to improve the degree of employees' WLB, so they were comfortable in participating in the survey.

A focus group interview at Property A was conducted to identify the challenges surrounding work-life balance at ABC Hotel Co. Property A. Furthermore, the results of the focus group interview helped to determine the framework of measurement for the pre-meeting survey. The survey and the questionnaire for the pre-meeting were developed based primarily on the outcomes of the focus group interview. The pre-meeting survey had three sections.

The first section measured employees' awareness and perceptions of the current WLB programs and the benefits of using these programs. This section asked employees two main questions: "Do you know that our company has these programs?" (multiple response questions), and "Do you think these work-life balance programs have positive effects?" (Likert scale). Employees were asked to rate their level of agreement on each statement of the second question from 1 – strongly disagree to 5 – strongly agree. The questions were drawn from results of the focus group interview and the objectives of ABC Hotel Co. Property A's WLB programs.

The second section of the pre-meeting survey determined employees' needs and desires. This section estimated the importance of the meeting content and non-content attributes based on employees' opinions. Questions in the second section used a 5-point Likert scale from 1 – very unimportant to 5 – very important.

The third section of the pre-meeting survey measured employees' perception of their WLB challenges and job satisfaction. The properties being measured were developed based on the focus group's interview results and previous WLB research. The employees were asked to rate their perception for each statement from 1 – strongly disagree to 5 – strongly agree. This section also has an open-ended question to ask employees to identify the three most important factors that affect their personal level of WLB. At the end of the questionnaire, employees were asked to rate their overall job satisfaction level from 1 – strongly dissatisfied to 5 – strongly satisfied. The meeting planners can identify the challenges of WLB at ABC Hotel Co. Property A based on the results of the pre-meeting survey. It helps the planners to organize and create a meeting that focuses on the current challenges and employees' needs.

There were two post-meeting surveys. The first post-meeting survey examined employees' awareness and perception of the company's WLB programs and their benefits; comparing it with the pre-meeting survey's first-section results. Additionally, the post-meeting survey also measured the quality of the meeting based on employees' experience. The measured properties of meeting performance in the post-meeting survey are the same as the second section of the pre-meeting survey. However, questions from the second section, which measured the meeting performance, used a 5-point Likert scale from 1 – very bad to 5 – very good.

Six months after the meeting, the second post-meeting survey (follow-up survey) was conducted to evaluate the impact of the meeting and WLB programs on employees' perception of their WLB challenges and overall job satisfaction. It was completed by comparing with results in the third section from the pre-meeting survey. The questionnaire for the second post-meeting survey included two parts. The first part asked employees about which WLB programs they have used since the end of the meeting. The second part asked employees to rate their perception of their WLB challenges and overall job satisfaction (same with the third section of the pre-meeting survey). The purpose of this second post-meeting survey was to evaluate the influences of the meeting and the work-life programs on achieving optimal balance between work and life of employees.

The turnover and productivity records were monitored and a trend line analysis was conducted to measure customer loyalty according to level 4 of ROI. External databases were used to convert turnover reduction to monetary value to measure level 5 of ROI. Lero, Richardson, and Korabik (2009) suggested that an employee's potential replacement cost would be approximately 150% of an employee's salary who leaves the organization. The replacement cost of each senior manager could be 250-350% of the average annual salary. Estimates from the CEO of the company were also used to substantiate the possible employee replacement costs. The five-steps of converting data to monetary value (Phillips, Breining, & Phillips, 2016) were used to calculate the benefit-cost ratio (BCR) and the return on investment (ROI).

3. DATA COLLECTION

A focus group interview was conducted forty-five days before the meeting. Semi-structured interview questions were developed to investigate the WLB challenges at ABC Hotel Co. Property A. Two groups attended the focus group interview and discussion. The first group was composed of only department managers. The second group included a small number of employees; representing each department. It was divided into five sub-groups: five employees from the sales and guest relations departments, three employees from the food and beverage (F&B) department, three employees from the housekeeping department, three employees from the front service, and five employees from the resort recreation and spa service.

The pre-meeting survey was emailed to all staff thirty days before the meeting. The first post-meeting survey was emailed to all participants at the end of the meeting. Participants were asked to use the computers in the meeting room to answer the questionnaire before leaving the meeting. The second post-meeting survey (follow-up survey) was emailed to all staff six months after the meeting. An annual report, from the human resource department and the financial department, will be collected to measure level 4 and level 5 of ROI.

4. DATA ANALYSIS

The simple three-level coding (Saldaña, 2015; Sharif & Masoumi, 2005) was used by these researchers to analyze the data from focus group interviews. To examine the impacts of the meeting on awareness and perception of employees, a paired-samples t-test was used. The t-test examines significant differences in employees' awareness and perception before and after the meeting. To evaluate the quality of the meeting, an Importance-Performance Analysis (IPA) (Martilla & James, 1977) was used. Paired-samples t-tests determined the impacts of the meeting and WLB programs on achieving optimal balance between work and family life of employees. It evaluates the significant differences in employees' perception of their WLB challenges and job satisfaction before the meeting and six months after the meeting. The basic formula of Benefit Cost Ratio (BCR) and ROI was used to measure the ROI level 5.

5. EVALUATION RESULTS

5.1. Focus Group Interview

The focus group interview's results identified the current WLB challenges facing employees at ABC Hotel Co. Property A. There are three main issues. Employees in the hotel do not remember WLB practices of the hotel when they need it. They do not believe that they can achieve an optimal balance between work and personal life. The senior managers have greater difficulty balancing their work and life than employees. These results help meeting planners decide the topic of future meetings. The meeting content should focus on communicating the benefits of WLB practices, and help employees change their perception of the "balance" terminology so that they can achieve an optimal balance between work and family life. Meetings must also focus on the importance of reducing managers' work-life conflict. The focus group interview also identified their employees' needs and desires. The results showed that there are five critical dimensions for the work-life balance meeting: location, timing, information, speakers, and the importance of the content to employee's success.

5.2. Level1: Reaction/Quality of the Meeting

The results of the IPA model showed that the meeting content met the employees' needs. The meeting provided updated information; content which can help employees' success in achieving an optimal balance between work and family life. The speakers had good knowledge and communication ability.

The meeting finished within one day and was organized at a suitable time for all employees to attend. However, employees implied that the hotel should change the location of the meeting. The hotel usually arranges the WLB meeting at the hotel, but the employees want to attend the meeting away from their usual work environment.

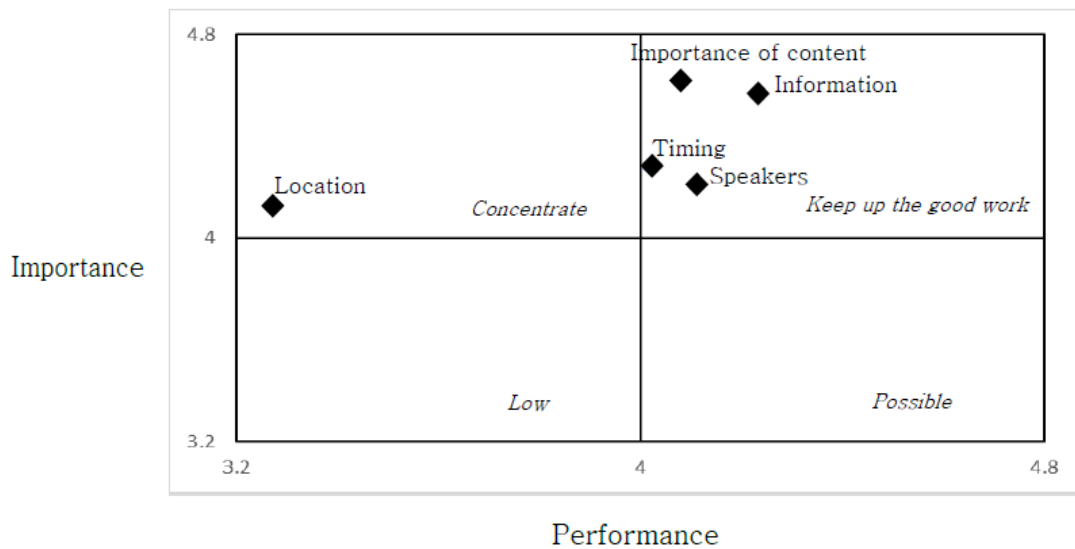


Figure1. Importance-Performance Analysis model

5.3. Level 2: Learning

Awareness and perception of the current work-life balance programs and program benefits

Before the meeting, there were only 35% of employees who knew about all of the work-life balance programs of the hotel. Most employees knew that the hotel has work-life balance programs but could not specify these programs (60%). Some of employees knew only one program among the hotel work-life balance programs. Almost all employees do not believe the benefits of work-life balance programs. Most employees, however, think that these programs can help them to improve their energy.

Table1. Pre-meeting and post-meeting survey results on perception of WLB program benefits

Program Benefits	Pre-Meeting			Post-Meeting		
	Mean ^a		% Strongly Disagree/ Disagree	Mean ^a		% Strongly Disagree/ Disagree
Improving the productivity	2.35	Disagree	76%	3.41*	Agree	31%
Reducing stress	2.12	Disagree	81%	3.60*	Agree	27%
Improving energy	3.52	Agree	37%	4.02*	Agree	19%
Achieving the balance of work and family life	1.27	Strongly disagree	90%	3.41*	Agree	34%

^a Five-point Likert scale (from 1-strongly disagree to 5-strongly agree)

* Result of paired-samples t-test indicated the significant difference of perception before and after the meeting at 5%

By the end of the meeting, employees’ awareness of the work-life balance programs increased and almost all employees could specify these programs (97%). The employees’ perception of WLB program benefits also changed. 45% of employees had changed their attitude regarding the benefits of improving productivity, 54% of employees changed their thoughts on reducing stress, 56% of employees changed opinions about potentially achieving an optimal WLB, but only 18% of employees changed their perception of improving energy benefits. Employees agreed that the hotel’s WLB programs could help improve the balance between work and family life

5.4. Level 3: Application and Implementation

Perception of the work-life balance issues and overall job satisfaction

Only 30% of employees used WLB programs last year. Before the meeting, employees agreed they did not have enough timeoff work, they did not feel very energetic after work, or did not feel their work-life was balanced. The results also indicated that managers felt they brought their work home.

Only 13% of employees agreed that they felt a balance between their work and family life. They also specified that the three most important factors which affect achieving an optimal work-life balance are: job burnout and exhaustion, financial pressure, and support from the family and workplace. Most employees, however, were satisfied with their job (87%). These results also help the meeting planners to decide the speaking content for future WLD seminars.

Table2. Perception of WLB issues and job satisfaction

	Pre-meeting			Six months Post-meeting		
	Mean		SD	Mean		SD
I have enough time-off from work	2.60	Disagree	1.17	3.64*	Agree	1.09
I feel very energetic after work	2.32	Disagree	1.00	3.42*	Agree	1.45
I do not bring work home	3.51	Agree	1.83	3.61	Agree	1.98
I find it easy to concentrate at work because of family support	3.97	Agree	0.99	4.00	Agree	0.76
I feel my work-life is balanced	2.55	Disagree	1.08	3.85*	Neutral	0.96
Overall job satisfaction	4.20	Satisfied	0.84	4.48*	Very satisfied	0.73

a Five-point Likert scale (from 1-strongly disagree to 5-strongly agree)

* Result of paired-samples t-test indicated the significant difference of perception before and after the meeting at 5%

Six months after the meeting, 70% of employees used WLB programs. The programs are flexible with work arrangements. Employees are empowered to schedule their team roster to maximize flexi-time while maintaining smooth operations of hotel services. 60% of employees felt their work-life was balanced and 94% of employees were satisfied with their job. The results showed the positive changes in employees’ work-life balance issues before and after the meeting. The results, however, did not indicate if work-life balance programs had a positive impact. The positive results might be affected by the changes in employee’s perception of “balance” terminology. There were no changes in managers’ perception of their WLB challenges.

5.5. Level 4: Business Impact

The meeting helped to increase the employees’ awareness and perception of work-life balance programs, and the programs’ benefits. The number of employees who participated in the work-life balance programs were increased by 40% six months after the meeting. The number of employees who achieved the balance of work and life was increased by 47% six months after the meeting. As a consequence, these results had a significant impact on reducing turnover and absenteeism, improving productivity, as well as increasing employees’ satisfaction and customers’ satisfaction. The ABC Hotel Co. Property A is also being more competitive in attracting employees.

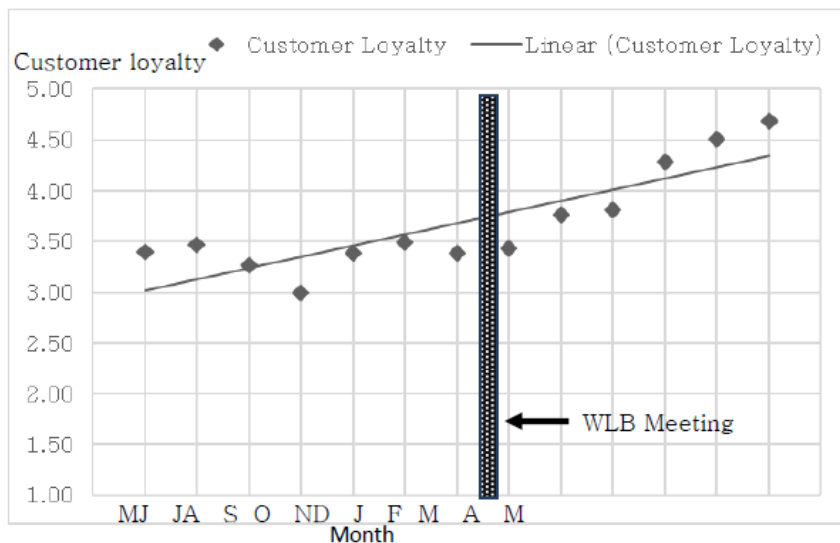


Figure2. Trend Line Analysis Customer loyalty

According to the human resource department’s annual report, the turnover decreased from 20% in 2015 to 9% in 2016. The absenteeism also decreased from 20% in 2015 to 13% in 2016. Employees’ satisfaction level increased from 4,20 to 4,48 (table 2). The result of trend line analysis showed that customers’ loyalty was higher than before the meeting (figure 2). The ABC Hotel Co. Property A

annual report in 2016 showed that customer loyalty increased by 20%.

5.6. Level 5: Return on Investment

To determine the event’s ROI, the meeting costs and benefits should be calculated while including tangible and intangible costs and benefits.

5.6.1. Meeting Costs

The meeting costs for 700 attendees of the conference were as below:

Table3. Meeting Costs for 700 Attendees

Item	USD
Speaker acquisition	\$30,000
Marketing and Promotion	\$20,000
Legal fees/insurance	\$8,000
Registration Expense	\$26,000
Salaries/benefits to temporarily staffs	\$20,000
Meeting materials	\$16,000
Travel	\$70,000
Lodging for staff and participants	\$60,000
Food and Beverages	\$70,000
Venue Rental	\$30,000
Audio visual	\$15,000
Evaluation and reporting	\$17,000
Total	\$382,000

5.6.2. Meeting Benefits

To calculate ROI, the company should have monetary value of meeting benefits. The impact data should be converted to monetary value for the calculation. The company adopted the five-steps of converting data to monetary value (Phillips et al., 2016) to deduct meeting benefits as below;

Step 1: Define the Unit of Measure

There are two kinds of output data which should be reverted to monetary value. The units of measure used to calculate ROI are ‘annual employee retention rate’ and ‘annual sales performance’. The replacement saving cost is the value that is saved by retaining employees and not having to replace employees. The change of loyalty and productivity can be evaluated and measured as sales revenue, so ‘annual sales revenue’ is defined as another unit of measure.

Step 2: Determine the Value of Each Unit

The value of annual employee retention rate can be converted to the replacement saving cost. The value is standard value developed internally, which is 150% of annual salary of each employee who leaves the organization, which includes costs of recruitment and training.

To calculate ROI, the sales revenue should be converted to profit margin. This value is already developed by the accounting staff, which is 30% of annual income.

Step 3 & 4: Calculate the Change in Performance Data and Determine an Annual Amount of the Change

One year after the meeting, total annual employee retention rate was increased by 11%. In 2016, the average salary of the organization was \$72,000. It represents that the value per employee was \$7,920 (\$72,000 x 11%). The CEO of the company estimated that 15% of this value is related to the meeting. Therefore, the adjusted total value of annual employee retention rate was \$1,188 (\$72,000 x 11% x 15%).

The annual sales revenue has been increased by 20% one year after the conference from \$65,000,000 in 2015. The increased dollar amount was \$13,000,000. The adjusted dollar amount was \$1,950,000 (\$13,000,000 x 15%).

As the data was already calculated in annual amount, it is not necessary to have an additional step to convert the data to annual data.

Step 5: Calculate the annual value of the improvement

The annual value for the annual employee retention is \$1,782 (\$1,188x 150%) and the value for the sales revenue was \$585,000 (\$1,950,000 x 30%). Total value of the meeting benefits was therefore \$586,782, the sum of both values.

The benefit-cost ratio was 1.536. It indicated that for every \$1 spent, the company received \$1.536 benefits from the WLB meeting, or a 53.6% return on investment. The equations calculating BCR and ROI for the event were as below:

$$BCR = \frac{\text{Meeting Benefits}}{\text{Meeting Costs}} = \frac{\$586,782}{\$382,000} = \$1.536$$

$$ROI (\%) = \frac{\text{Net Meeting Benefits}}{\text{Meeting Costs}} = \frac{\$586,782 - \$382,000}{\$382,000} \times 100 = 53.6\%$$

6. USE OF RESULTS

The ABC Hotel Co. Property A organizes a WLB meeting every year, but this was the first time the company evaluated the full ROI (from level 1 to level 5). The evaluation process and results help ABC Hotel Co. Property A in Vietnam continuously modify and improve their annual WLB meeting and WLB programs. Although some ROI objectives were not met (the number of employees participating in the WLB programs, the number of employees achieved the WLB, or the percent of customer loyalty), the ROI was higher than the goal. This result indicates a strong effect of WLB meetings. Also, the results help ABC Hotel Co. Property A’s WLB strategy makers evaluate the effectiveness of the current programs. They can also improve the communication strategies so that employees can have an awareness of the company WLB programs and their benefits. Based on the recognition, employees can, ideally, achieve balance between their work and family life and enhance job satisfaction. These results help the ABC Hotel Co. Property A accomplish its mission and vision of work-life balance programs. The results also help modify and design the WLB programs that combat ABC Hotel Co. Property A’s challenges. Moreover, the pre-meeting survey helps the meeting planners prepare and organize meetings which will match employees’ needs and desires.

The Importance-Performance Analysis method can help the planners improve the quality of the meetings by satisfying employees’ needs and desires for future meetings. The limitation of this measurement is that evaluation and reporting costs were not included in the fully loaded cost. The ABC Hotel Co. Property A should consider the impact of the costs of developing evaluation strategies, designing instruments, collecting data, analyzing data, preparing reports, and communicating the results of the ROI. In the future, the ABC Hotel Co. Property A can apply this evaluation process to measure the ROI of WLB programs.

This case study is conceptual and was written for educational training purposes. The company names, dates, information was modified or changed for confidentiality.

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APPENDICES

Table 4. Summary of the three-steps evaluation methodology

Stage	Time Frame	Section	Purpose
Focus group interview	Before meeting	45 days	Identify the work-life balance issues and determine framework of measurement for pre-survey meeting

Measuring ROI: A Work-Life Balance Meeting ABC Hotel Co., Central Vietnam

Pre-meeting survey	Before meeting days	30	1	Measure employees' awareness and perception of the company work-life balance programs and program benefits
			2	Investigate the important of the meeting content non-content attributes
			3	Measure employees' perception of their work-life balance issues and overall job satisfaction
Post-meeting surveys	At the end of the meeting			Measure employees' awareness and perception of the company work-life balance programs and program benefits
				Measure the meeting performance
	After the meeting months	3		Measure the using level of each work-life balance program
				Measure employees' perception of their work-life balance issues and overall job satisfaction

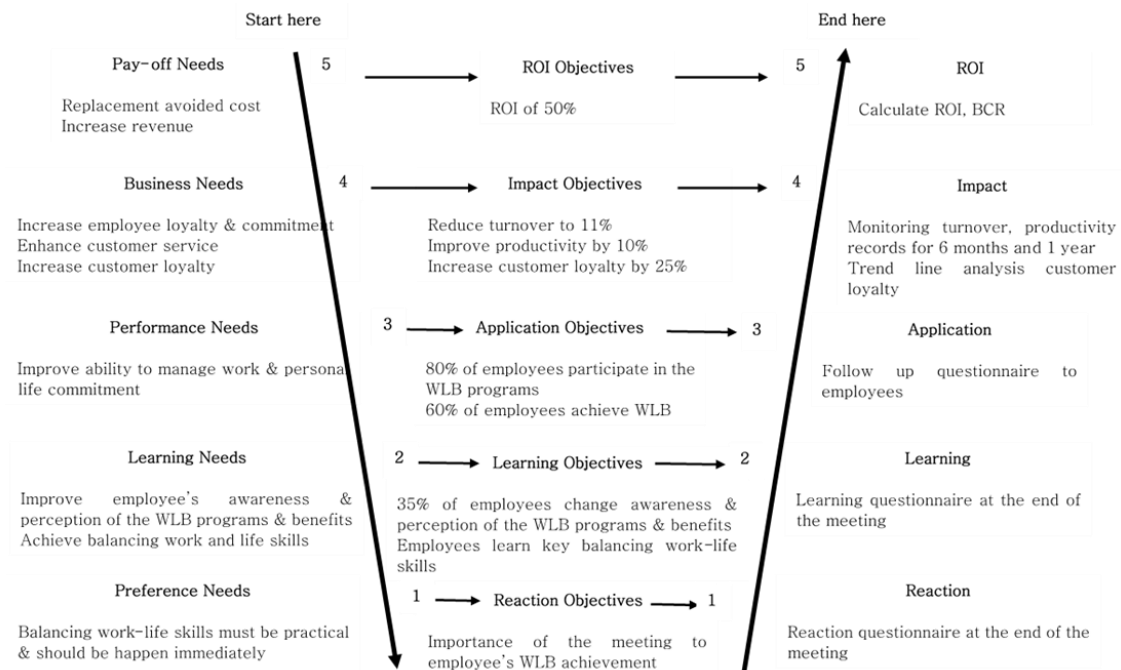


Figure 3. Summary of the ROI measurement in a WLB meeting

Citation: Pham Le Hong Nhung, Bradley S. Brennan. "Measuring ROI: A Work-Life Balance Meeting ABC Hotel Co., Central Vietnam". *International Journal of Research in Tourism and Hospitality (IJRTH)*, vol 4, no. 4, 2018, pp. 45-52. doi: <http://dx.doi.org/10.20431/2455-0043.0404005>.

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