

# How to Combat Turnover and Labor Market Shortages in the Hospitality Industry



# Today's Presenters



**Mary Anne McNulty**  
Director, Compensation-  
Americas  
Marriott



**Annamarie Rosales**  
Senior Compensation  
Manager  
Marriott



**Carrie Stevens**  
Senior Program Manager-  
Peer  
Payscale





# Today's Agenda



Hospitality Compensation Trends



Navigating Geo Complexities



Legislative Changes



Strategies for Combating Turnover

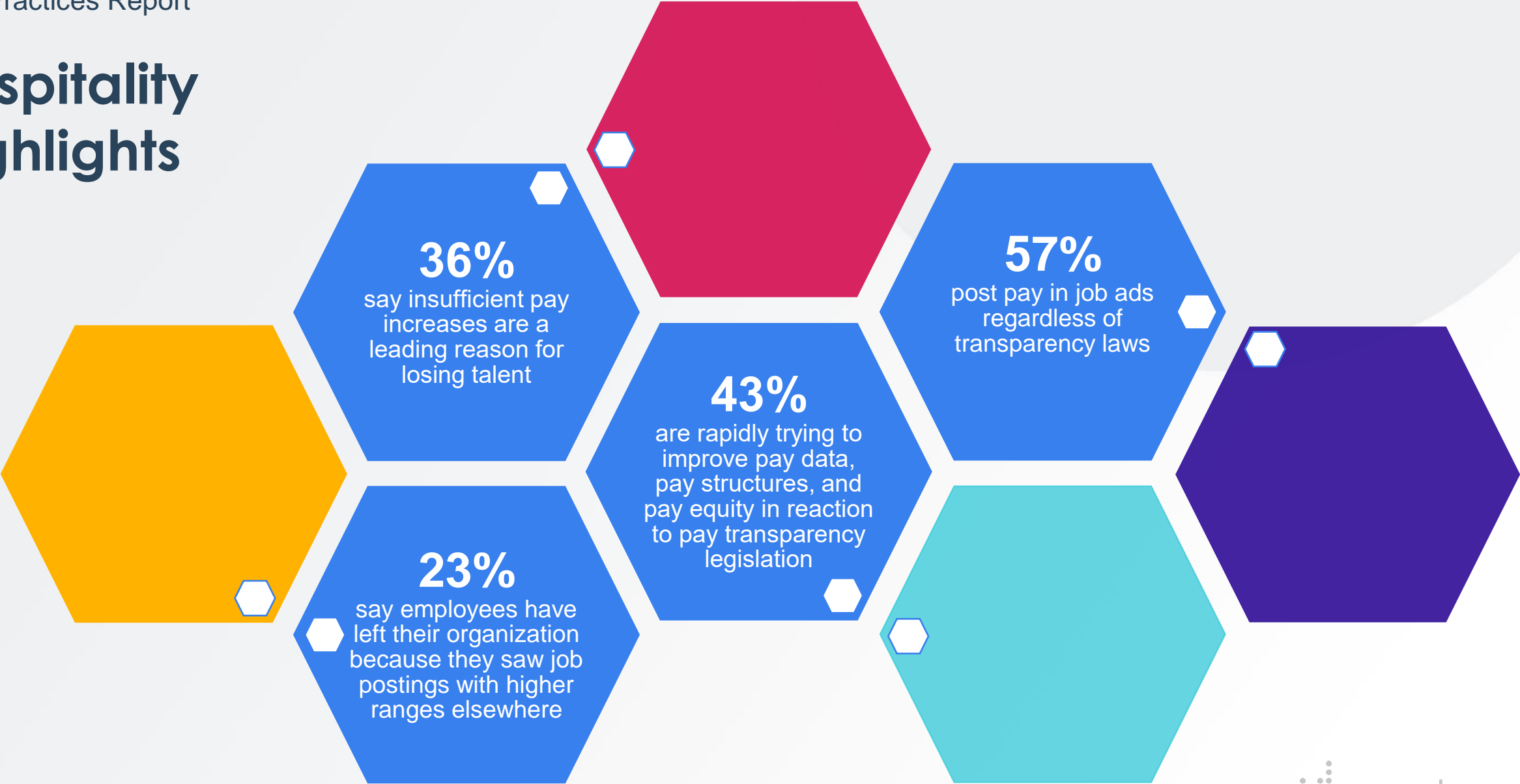


Planning for 2025



Q+A

# Hospitality Highlights



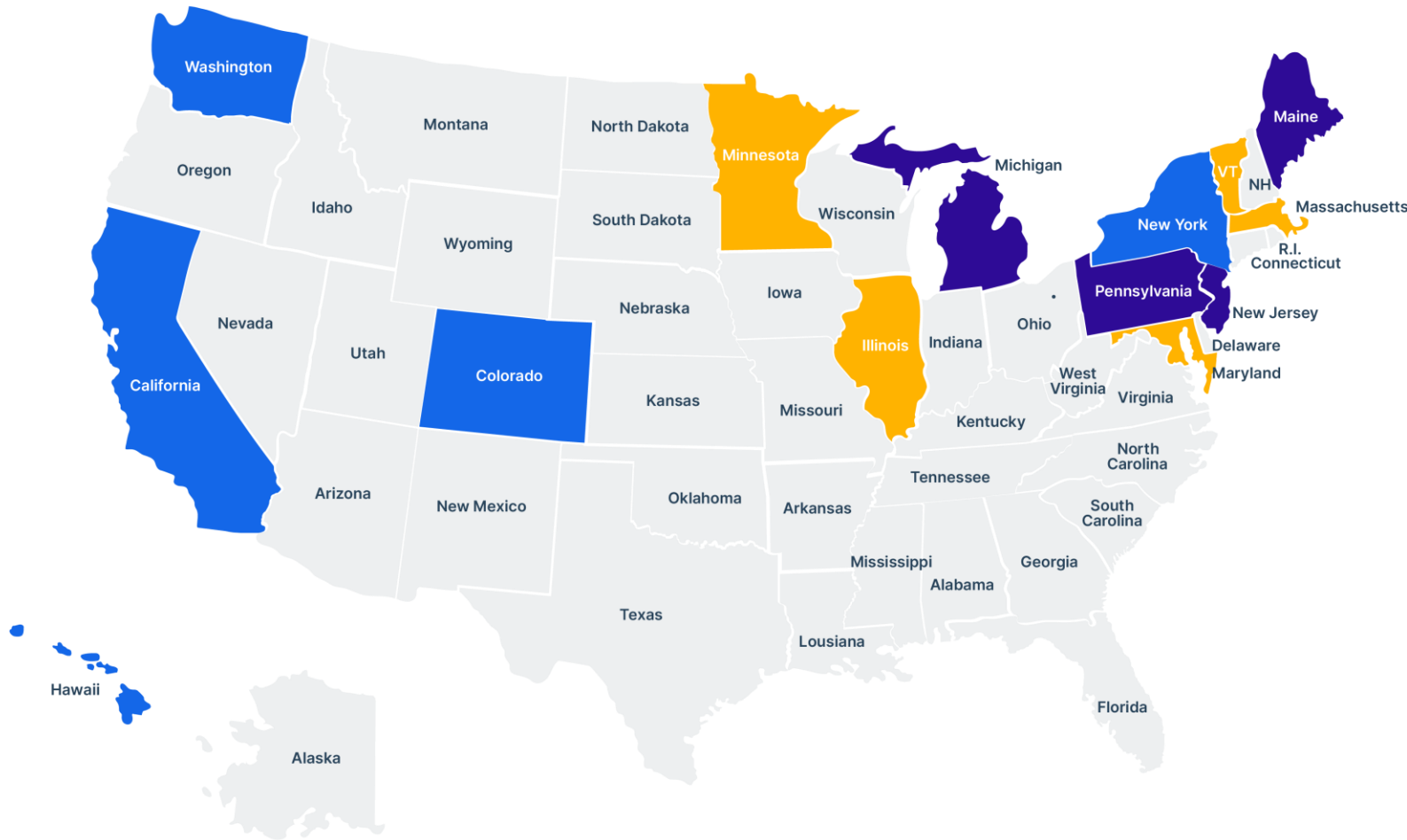




Tell us about your **compensation philosophy/strategy** at Marriott

# Navigating Geographic Complexities

# Pay Transparency US Legislative Landscape



Navigating  
Legislative  
Changes

- Active pay transparency laws currently on the books
- Passed pay transparency laws but not yet active
- Proposed pay transparency laws that are working their way through legislation

Washington D.C. became effective on June 30, 2024

The U.S Congress has proposed pay transparency laws that are working their way through legislation





# Upcoming Pay Transparency Laws

 **Maryland** 

Effective Date: October 1, 2024

 **Illinois** 

Effective Date: January 1, 2025

 **Minnesota** 

Effective Date: January 1, 2025

 **Vermont** 

Effective Date: July 1, 2025

 **Massachusetts** 

Effective Date: July 31, 2025



# Minimum wage increases effective 2024

46% say minimum wage increases have  
impacted their comp strategy (+19% from 2023)

**Twenty-five** U.S. states  
and 38 cities/counties raised  
or will **raise** their minimum  
wage by the end of 2024.

More than **9.9 million**  
workers received a **raise**  
on January 1, 2024.

# Navigating Legislative Changes



Pay  
Transparency  
Laws

The diagram consists of a large blue rectangle on the left containing the title 'Navigating Legislative Changes'. To its right are two arrows pointing towards each other. The left arrow is teal and contains the text 'Pay Transparency Laws'. The right arrow is dark purple and contains the text 'Minimum Wage Changes'. The arrows are positioned such that they appear to be converging or interacting. In the background, there are faint, light gray concentric circles on the right side of the image.

Minimum  
Wage  
Changes



A photograph of a hotel room with a bed, pillows, and a tray of amenities, overlaid with a blue gradient. The text is centered over the image.

What *mindset shifts* have you had to  
make around compensation  
in the last 12 months?



# Dynamic Planning

- **Educate** your leaders of the challenges, known and unknown
- **Flexibility** is important; expect the unexpected
  - Legislation
  - Competitive environment
- Must be an **ongoing conversation**, not just 1-2 times a year
- **Know your Stats**
  - Turnover rates, population, what's at risk?
  - Cost of replacing talent vs retaining
  - Workplace culture

# **New** Strategies for Combating Turnover

**"Creativity** is intelligence  
having fun."

— Albert Einstein



# Hybrid Jobs

**Front Desk Clerk + Food & Bev Server**

**Housekeeper + Laundry + Public Area**

**Server + House Aide**

## Considerations

- Combining similarly paid positions
- Size of organization
- Scope of jobs
- Branding

## Benefits

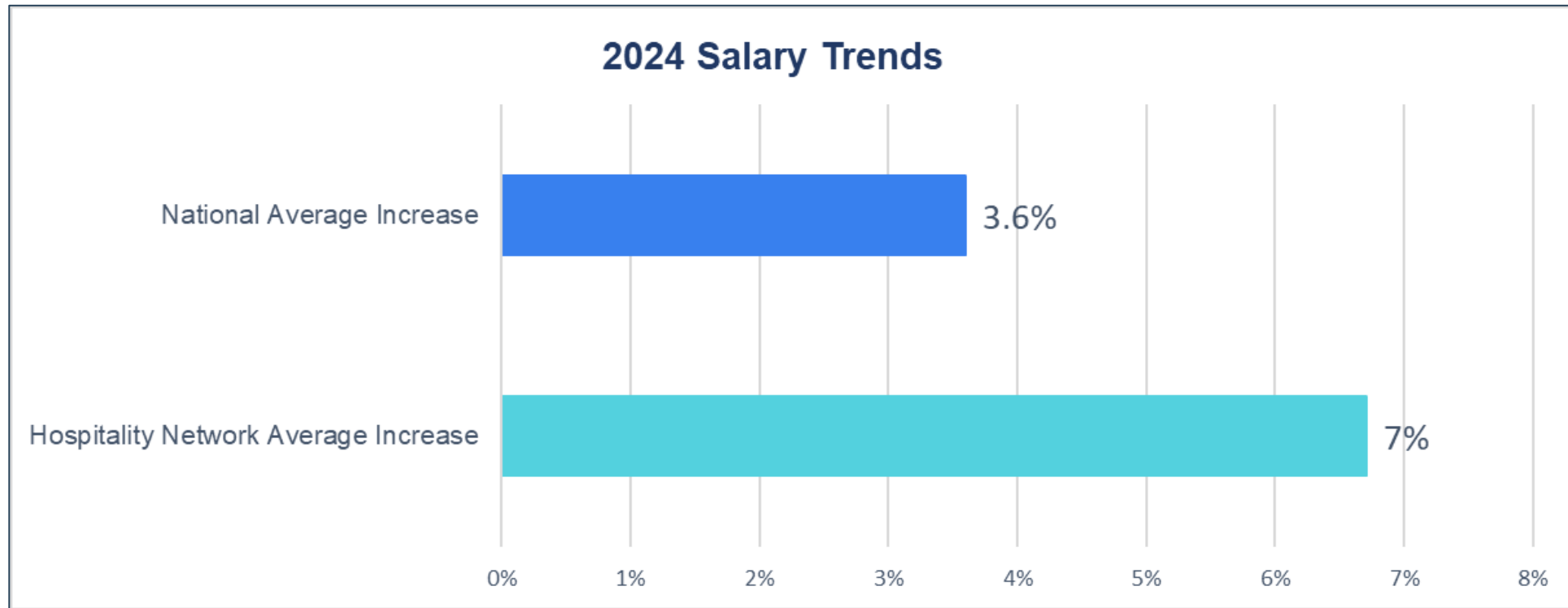
- Cross training
- Career development
- Scheduling
- Can guarantee more hours



# Poll: Has your organization created **Hybrid Jobs** that blend 2+ roles together?

- A. Yes
- B. No
- C. Thinking about it
- D. Unsure

# Hospitality vs. All Industry Salary trends



# Poll: How hot do you anticipate your market being in 2025?

A. Very hot 🔥 🔥 🔥

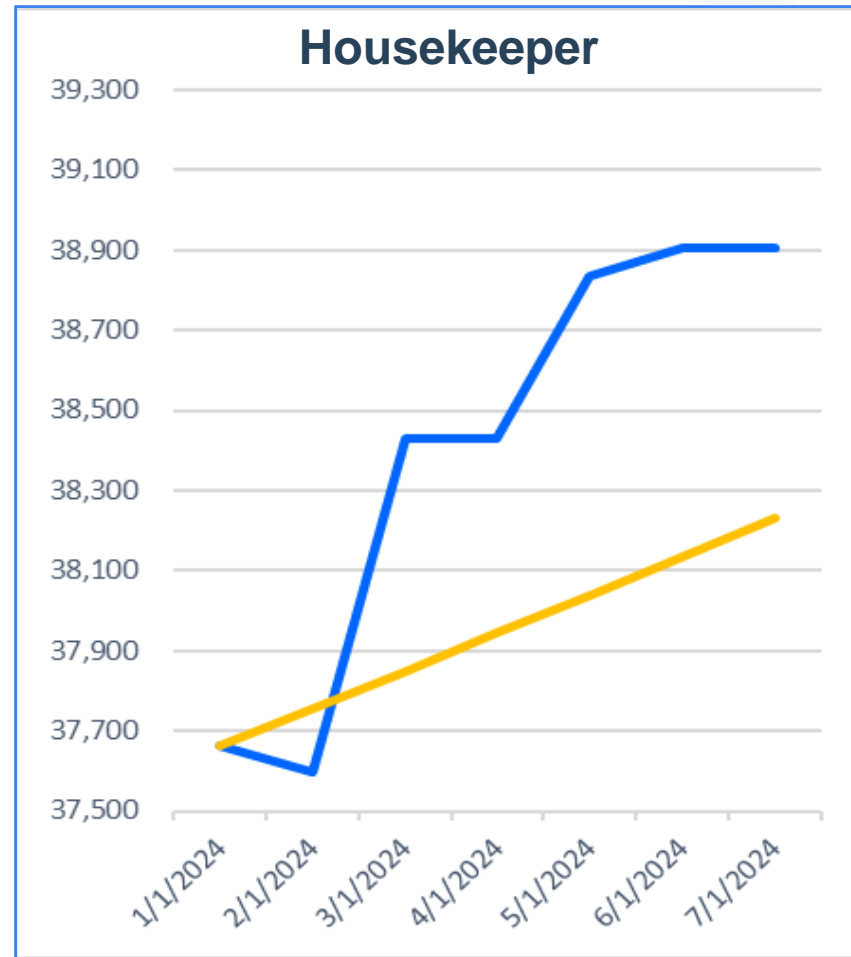
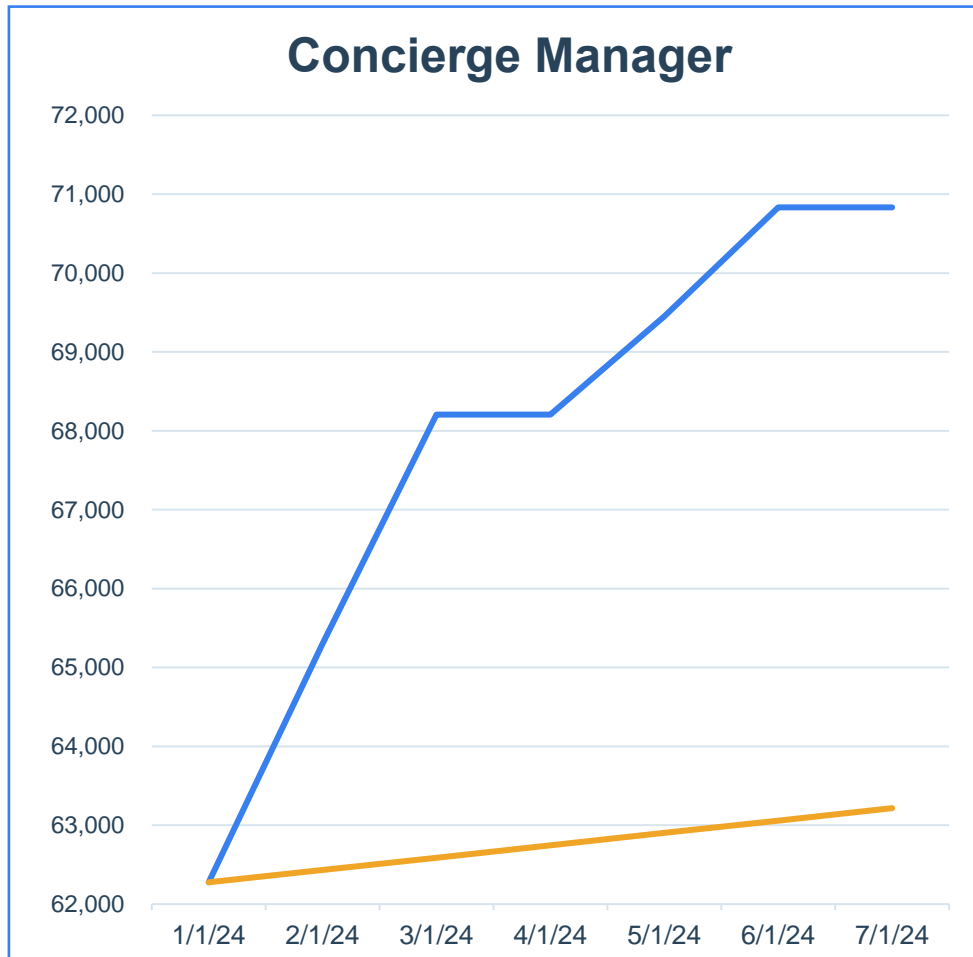
B. Slightly hot 🔥

C. Neutral/unsure ➡

D. Slightly cool ❄️

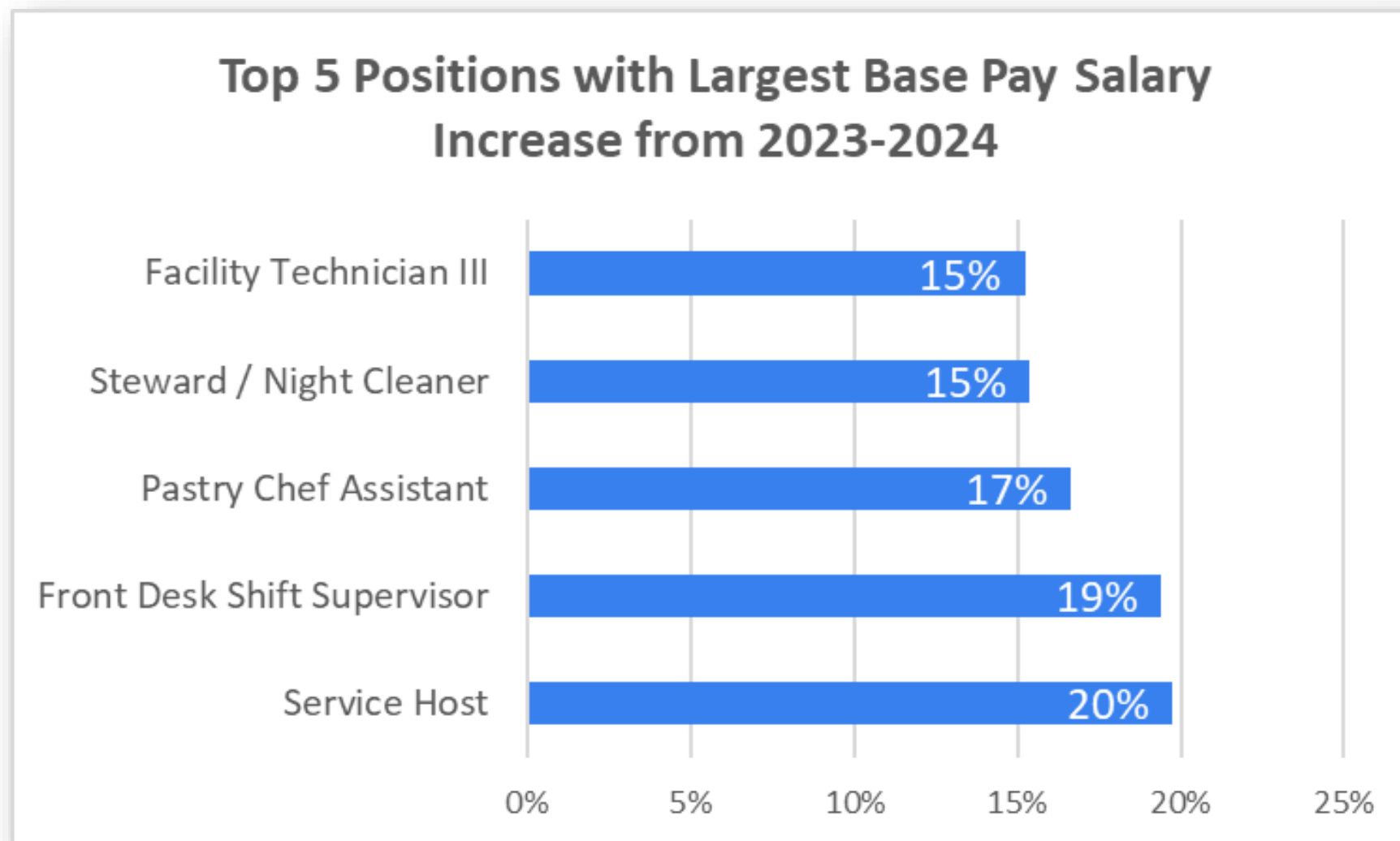
E. Very cool ❄️ ❄️ ❄️





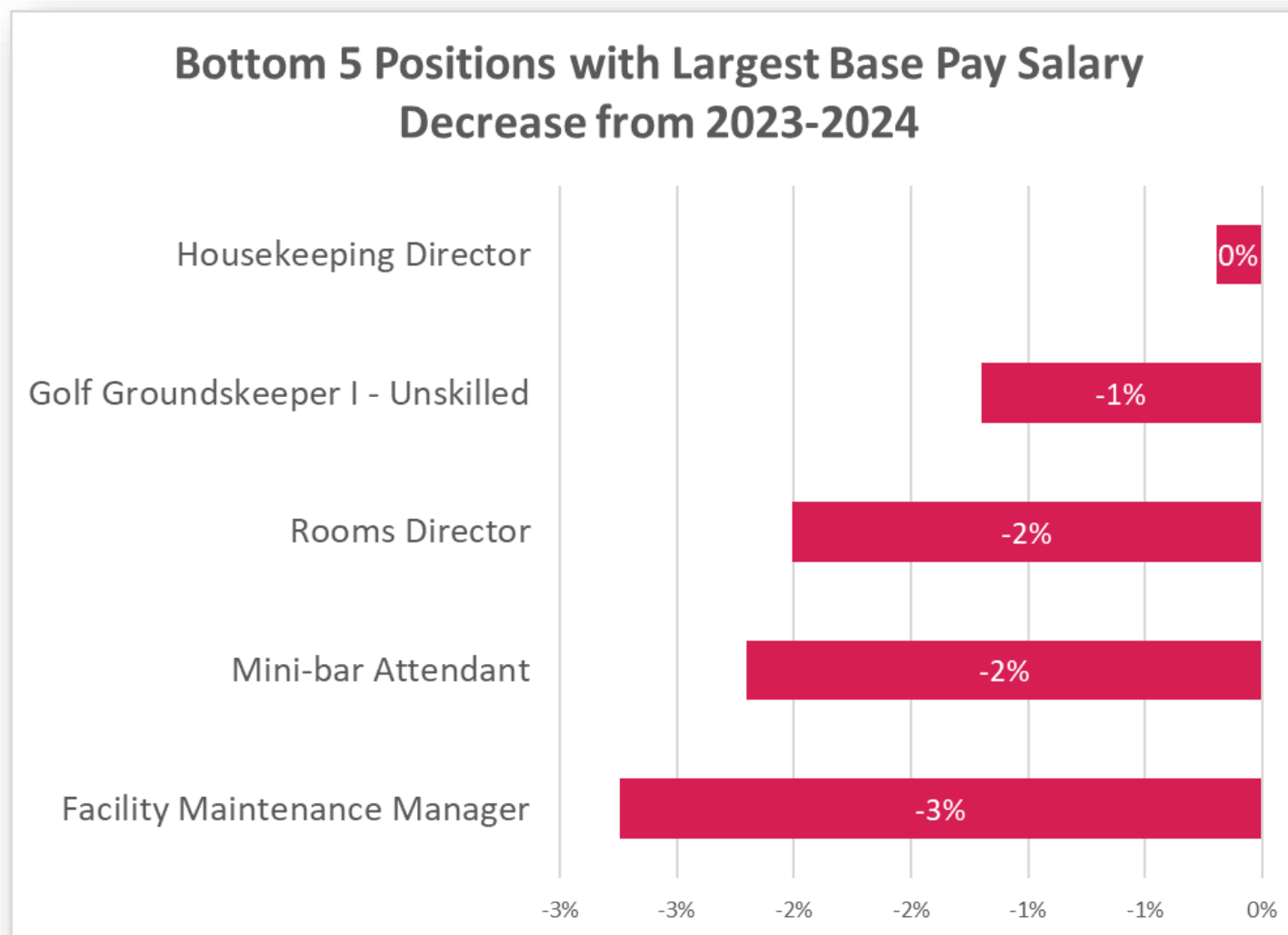
— Traditional Aging      — Peer data

# 2023 - 2024 Salary trends



\*YOY Change in Average Base Salary from 7/1/23 to 7/1/24

# 2023 - 2024 Salary trends



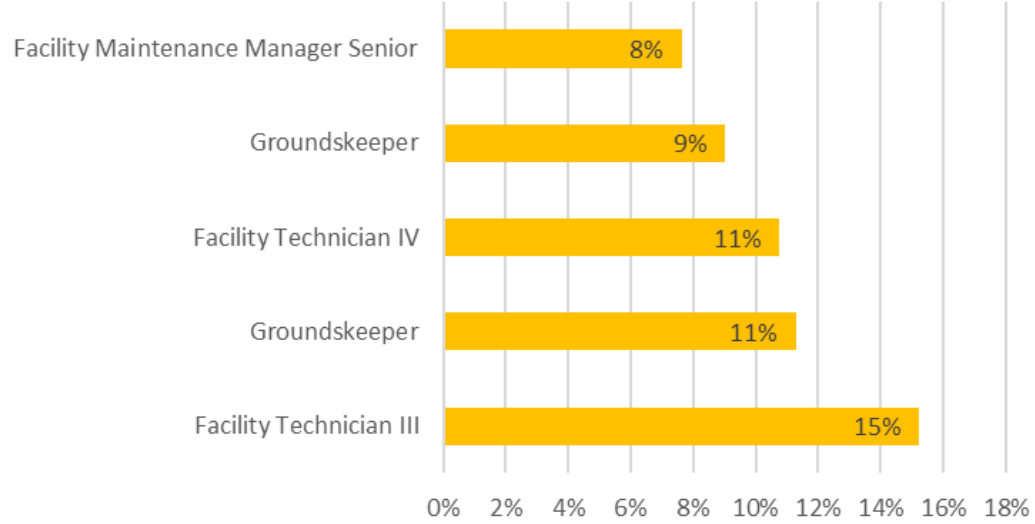
\*YOY Change in Average Base Salary from 7/1/23 to 7/1/24



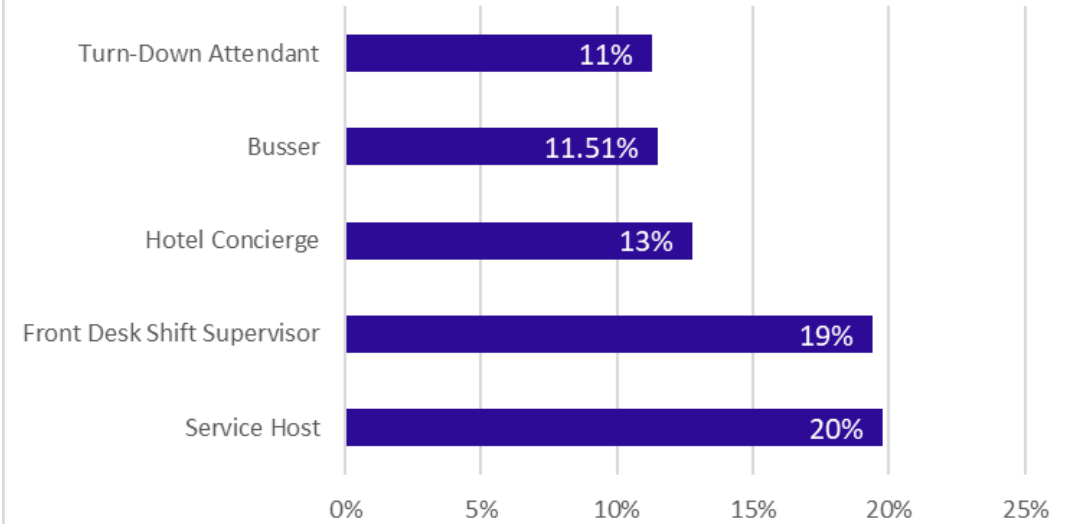
A photograph of a hotel room with a bed, pillows, and a breakfast tray, overlaid with a blue gradient. The text is centered over the image.

Discussion: What is the job family where you see the *highest level of turnover*?

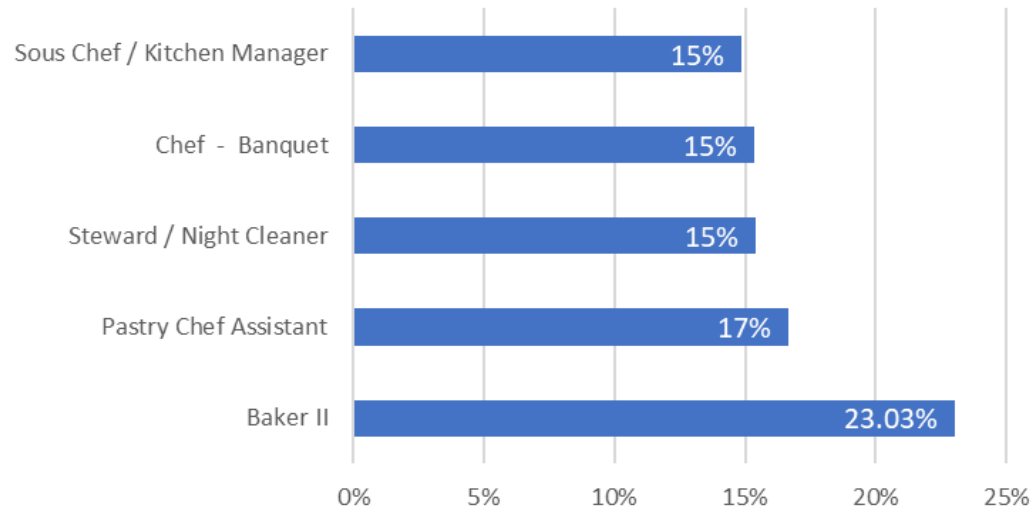
### Facility Maintenance Job Family



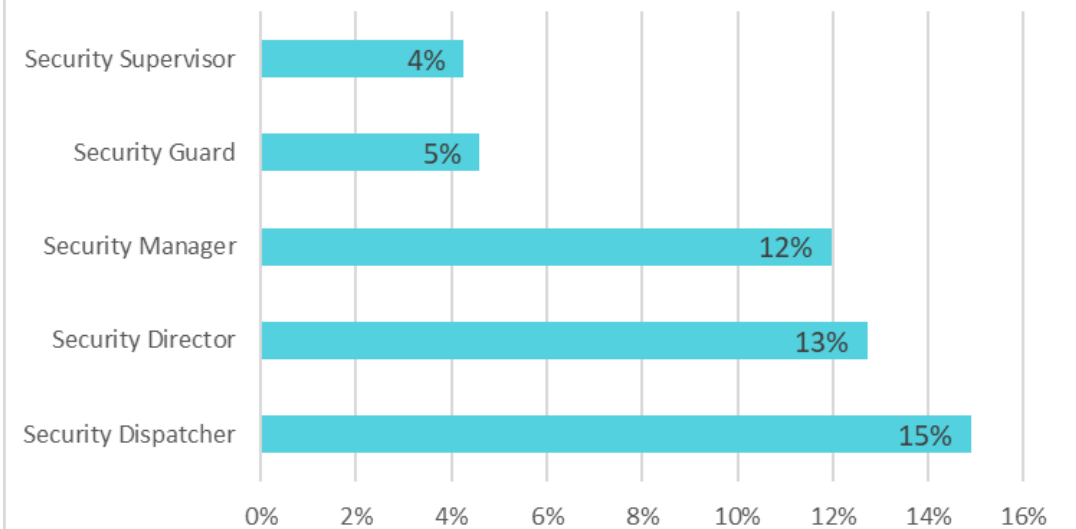
### Operations Job Family



### Culinary Job Family



### Security Job Family







How do you anticipate compensation  
will **evolve** in this industry?





What is your *top strategy* to combat turnover in 2025?



# Q&A

Feel free to ask any questions in the chat!

