

The ARRC is challenged by its physical isolation, being over 2000 km from the nearest large urban centre and its lack of social activities and satisfactory accommodation. Despite careful selection and the promotion of a six-month renewable contract, backed up with financial incentives from the company and Australian Tax Office, 'less than 50 per cent of new employees complete a six-month contract of employment' (Sims, 2000: 594-595). Sims' survey of employees at ARRC revealed a personal turnover average of 0.89 years for staff and a 'very unstable youthful workforce' where the average age was 23 years. Thredbo's workforce was older, with an average age of 34.6 years and a lower turnover rate of 2.0 years. Although neither location has a local labour market and must bring in its employees, especially for the high seasons, Sims felt that more could be done to reduce labour turnover if resorts examined and promoted their lifestyle factors.

To test out this idea Sims moved his focus to three isolated winter resorts in the Victorian Alps – Mt Hotham, Falls Creek and Mt Buller, and examined whether these resorts were building a culture that could be seen as a positive from the employees' perspective and if it would help to overcome the isolation effects of their locations. Specifically he examined whether lifestyle factors such as skiing, environment and climate, escape from the city, the development of friendships and less formal working conditions could be developed into employee satisfiers and thereby reduce turnover rates in these isolated resorts. Of these variables only working conditions showed any significant statistical relationship with intent to stay. Far more significant was the age of the employee. 'The younger the employee the more likely the employee is to voluntarily terminate his/her employment. General managers and supervisory staff were found to be the most stable cohort' (Sims, 2002: 681). This suggests that older and core staff are more committed to the employment and lifestyle opportunities of resort life, while the younger staff treat it more as a transient step in their general growing up and travel plans. The strategic implications being that management should treat their young and older staff as separate labour markets with different priorities, and should therefore emphasize different factors in their individual workplace agreements.

The Ritz-Carlton Company, USA

There is no better way to demonstrate the importance of human relations and the TQM process than to review the experience of the Ritz-Carlton Company. It was the first hotel group to win the Malcolm Baldrige National (US) Quality Award in 1992 and has now won it a second time (1999). 'While winning the award is nice, to paraphrase