

*Preliminary communication*

*Received: 2024-03-19*

*Accepted: 2024-08-15*

# TALENT MANAGEMENT AND RETENTION IN LUXURY HOTELS OF MONTENEGRO AND CROATIA

Jana Radonjić ([jr7009@rit.edu](mailto:jr7009@rit.edu))

Besim Agušaj ([besim.agusaj@croatia.rit.edu](mailto:besim.agusaj@croatia.rit.edu))

Milena Kužnin ([milena.kuznin@croatia.rit.edu](mailto:milena.kuznin@croatia.rit.edu))

## Abstract

In the evolving landscape of luxury hospitality in Montenegro and Croatia, effective talent management (TM) and retention strategies are crucial for maintaining organizational success. This qualitative research explores how talent management is conceptualized and implemented in this sector. Based on 14 semi-structured interviews with representatives from 12 luxury brands, the study highlights the subjective nature of talent identification, which is significantly shaped by leadership views and operational contexts. The research uncovers a mixed approach to talent management, combining exclusive and inclusive philosophies to address organizational requirements and contextual factors. This study enhances the understanding of talent management practices in luxury hospitality, stressing the need for contextual awareness, adaptability, and HR expertise in managing the complexities of talent retention. The results provide valuable insights for HR professionals to customize talent management strategies according to organizational demands and contextual conditions, ensuring continuous growth and competitiveness in the dynamic hospitality industry.

**Key words:** luxury hospitality, talent management, retention strategies, contextual dynamics

## 1. Introduction

The complexity of the hospitality industry is marked by diverse HR practices essential for managing and retaining talent. Luxury hospitality brands are becoming significant economic contributors (Marinakou & Giousmpasoglou, 2019). Key elements impacting employee retention include productivity, high turnover rates, and demanding working conditions. Factors like seasonality, limited development opportunities, inadequate compensation, and monotonous jobs also influence talent retention depending on the geographical context (Deery & Jago, 2015). Talent management (TM) remains under-defined due to insufficient academic and theoretical foundations (Scullion et al., 2016). Additionally, the concept of talent itself is not well-explained, raising questions about the

effective application of TM practices within organizations and their impact on retention strategies.

This research examines how talent is conceptualized and defined within the luxury hotel markets of South-eastern Europe, particularly in Croatia and Montenegro. It explores how the perception of talent affects the level of TM approaches and the variety of retention strategies employed. The study aims to assess the relationship between talent perception and retention strategies in luxury hotels. In other words, this study aims to explore the dynamics of talent management and retention strategies within luxury hotels in Croatia and Montenegro. To achieve this goal, the research addresses key questions about the variation in talent definitions, the influence of these definitions on retention strategies, and the impact of hotel characteristics and industry experience on these strategies. The following questions were addressed:

1. How do talent definitions vary across luxury hotels in Croatia and Montenegro?
2. How do these differing talent definitions influence the variety of implemented retention strategies?
3. How do variations in hotel characteristics (size, seasonality, HR structure, etc.) affect the diversity of talent retention strategies implemented within hotels?
4. How do implemented retention strategies differ with respect to the level of industry experience (i.e., number of years in business)?
5. How do variations in hotel characteristics impact the prioritization of retention strategies concerning the identified talent pool?

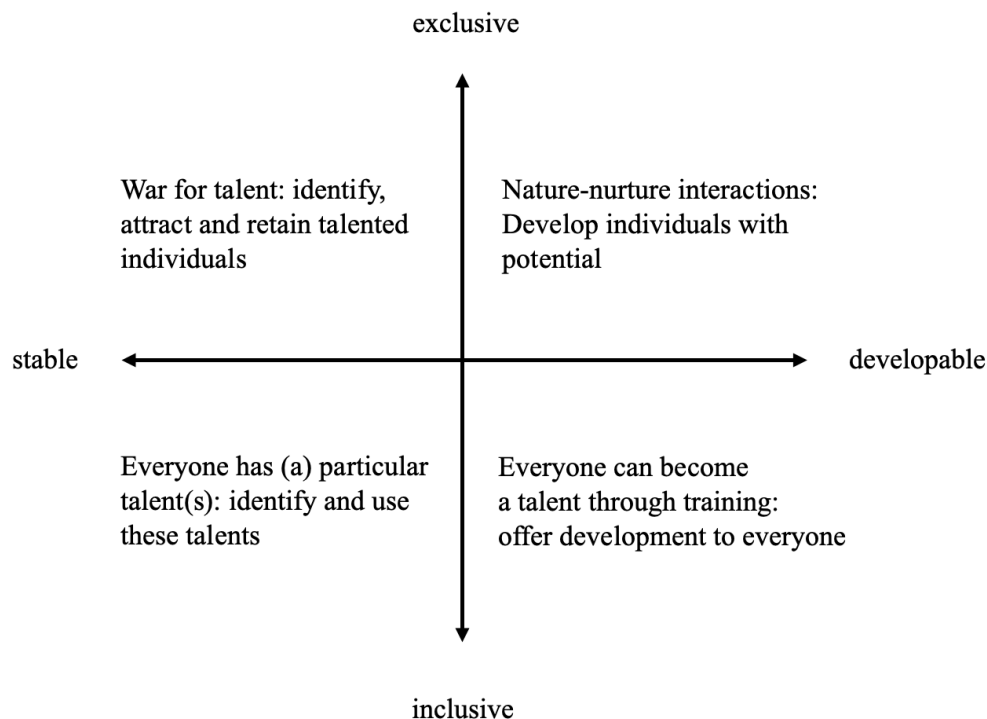
## **2. Defining and Conceptualizing Talent Management**

Several studies have examined the challenges of defining talent within organizations. Maxwell and MacLean (2008) describe talent as “High potential or ‘Hipos,’ earmarked for promotion,” while others define it as key to service quality, customer satisfaction, competitive advantage, and organizational performance (D’Annunzio-Green and Ramdhony, 2019). Just from these two studies it becomes clear that there is a lack of clear and straight forward definition of talent. Some authors discuss various talent philosophies within TM frameworks used in businesses and explores perspectives on successful retention strategies (Kravariti et al., 2022) while others highlight the complex relationship between identified talent, TM approaches, and retention strategies within organizations (Sorn et al., 2023). Kravariti et al. (2022) confirm the need for conceptual clarity in defining both talent and TM. Hughes and Rog (2008) view talent as a set of exceptional qualities.

Theoretical foundations of TM place it within Human Resource Management (HRM) literature, focusing on strategic investments in talent identification, selection, development, planning, and retention (Silzer & Church, 2010). Since the 1990s, HRM literature has discussed TM in the hospitality industry, often describing it as the “war for talent” (Chambers et al., 1998). Cappelli (2008) views TM as an approach to develop competence through managing talent flows within organizations. Effective TM requires a clear conceptualization of talent and evaluation of talent perceptions within business entities (Lewis and Heckman, 2006).

Research shows that talent philosophies significantly influence how senior HR managers define and manage talent to optimize performance (Meyers et al., 2020). These philosophies emerged from cognitive science and psychology (Craik, 1943 as cited in Meyers et al., 2020). Talent philosophies involve two dimensions: the exclusivity of skill (ranging from exclusive to inclusive) and the adaptability of skill (innate versus acquired) (Stahl et al., 2012; Howe et al., 1998). Understanding these dimensions is crucial for effective TM in luxury hospitality. When combining two factors, four distinct talent philosophies emerge, each impacting TM implications: exclusive/innate, exclusive/developable, inclusive/innate, and inclusive/developable (Meyers & Van Woerkom, 2014). As shown in Image 1, Meyers and Van Woerkom (2014) developed a conceptual framework with these four talent philosophies, based on the exclusive/inclusive and innate/developable axes. This framework suggests that a clear perception of talent guides various retention strategies and their implementation within an organization. Using this framework, this research paper examines TM approaches in selected luxury hotels.

Image 1: Conceptual Talent Management Framework



Source: Meyers & Van Woerkom, 2014

Studies confirm increased employee expectations and requirements for retention, particularly focusing on non-monetary benefits like work-life balance and inclusive company culture (Sorn et al., 2023). While monetary benefits initially boost satisfaction, their impact diminishes over time (Dogru et al., 2023). High turnover costs due to lost productivity, recruitment, and training expenses significantly affect the hospitality industry. These costs correlate directly with an organization's economic performance, as reduced work performance, increased stress, and job instability lead to resignations (Liu-Lastres et al., 2023). The recent Great Resignation has intensified staffing problems,

highlighting the need for effective talent retention to maintain productivity and competitiveness (Liu-Lastres et al., 2023).

When creating retention strategy portfolios, managers must consider their existing talent pool. Strategies include growing talent within the organization, cultivating emotional connections, managing alumni networks, conducting proper entry and exit interviews, and enhancing visibility and employee branding (Chung & D'Annunzio-Green, 2018). Factors like training and development, career progression opportunities, personal interest accommodations, and compensation are crucial for retention (Chung & D'Annunzio-Green, 2018). Effective recruitment, flexible schedules, coaching, mentoring, feedback, performance appraisal, and engagement levels are also important (Marinakou & Giousmpasoglou, 2019).

When we consider diversity of ethical, cultural, educational, and personal backgrounds, there is a consensus that the concept of "luxury" is subjective (Becker, 2009, as cited in Marinakou & Giousmpasoglou, 2019). Luxury is often seen as more of an experience than a product (Sharma, 2016). The luxury hotel sector significantly contributes to the hospitality industry and continues to grow (Sharma, 2016). The literature shows a growing interest in retention strategies within luxury hotels, facing challenges like high productivity, high turnover rates, and demanding working conditions (Marinakou & Giousmpasoglou, 2019).

Given the recent turnover crises, adaptability and strategic agility are essential. Traditional TM's rigid approach is insufficient, necessitating flexible strategies that emphasize dynamic work allocation (Jooss et al., 2024). This research uses proposed retention strategies to examine their application in selected luxury hotels. Luxury hotels often blend exclusive and inclusive approaches to talent (Marinakou & Giousmpasoglou, 2019), while successful retention strategies depend on the organizational context. Many firms use TM methods, yet their integration with other HR practices and strategic alignment is unclear. Practical inconsistencies exist between intended and actual retention techniques. SMEs, including many luxury hotels, struggle with strategic TM due to limited resources and HR experience (Chung & D'Annunzio-Green, 2018).

Lack of in-depth research on this topic has been improved with a study conducted by Marinakou & Giousmpasoglou (2019). The subject of their paper was cross-national comparative research for 4 different countries - USA, UK, Greece and Australia, exploring talent management conceptualization in above mentioned markets (Marinakou & Giousmpasoglou, 2019). Our research paper uses the geographical context of two markets aiming to position themselves as luxury destinations: Croatia and Montenegro. Current focus of Croatia and Montenegro on developing luxury tourism and bringing in numerous luxury hospitality brands - including One&Only, Aman, Hilton, Hyatt, Regent, Relais & Chateaux - highlights the importance of understanding proper talent management and retention strategies.

### 3. Method

#### 3.1. Approach and Data Collection

Quantitative TM research often overlooks the organizational context's role in determining retention strategies. Hence, this qualitative study addresses this gap by considering hotel characteristics like size, seasonality, HR structure, and industry experience when examining TM approaches (Nijs et al., 2014). The context influences who and what we consider talent, making it crucial to analyze these factors in luxury hospitality.

The qualitative research method is used to examine the phenomenon of talent being conceptualized and defined within Southeastern Europe luxury hotel market and thus to what extent the definition and perception of the talent impact the level of talent management approach and variety of retention strategies. The interview, as a qualitative research method of data collection, is considered an art of questioning and interpreting the answers (Qu et al., 2011).

Since the structured interview approach is characterized by limited room for flexibility and, thus, inability of interviewers to get involved and comprehend the complexities of the topic explored, this research paper uses semi-structured interviews (Ruslin et al., 2022). Qualitative interviews, unlike quantitative methods, cannot investigate a large or random sample of people due to the significant amount of time and effort required, as well as access limitations. Therefore, 14 interviews were conducted with Human Resource professionals, General Managers or Senior Executive professionals from 12 different luxury brands in Montenegro and Croatia, details shown in Table 1. Out of 14 interviews, 5 interviews were conducted in person, 8 interviews were conducted online via Zoom due to distance factors, while 1 interview was conducted in a written format with follow up email questions.

Semi-structured interviews use prepared questions guided by defined themes in a consistent and systematic manner, combined with follow up questions aimed to generate more comprehensive responses (Ruslin et al., 2022). Following that, this research used semi-structured interviews containing 4 different qualitative data segments: talent perception and definitions, questions related to identifying TM approach, questions related to strategies, initiatives, policies, and practices of talent retention, as well as general information about the hotel itself. The semi-structured interviewing approach has been proven to be the most effective when assessing the organizational culture or behavior closely related to this research paper's purpose (Qu et al., 2011).

Table 1. Hotels and Participants

Country	Size Of a Hotel	Hotel Category	Participants' coding	Position in The Hotel
Montenegro	big	5*	PM3	Resort Manager
	medium	5*	PM1	HR Director
	medium	5*	PM4	Talent Acquisition Manager
			PM6	HR Manager
	medium	5*	PM5	Talent Development & Acquisition Manager
	small	5*	PM2	Head of HR
Croatia	big	5*	PC11	General Manager
	big	5*	PC12	CEO
	big	5*	PC7	HR Specialist
	medium	5*	PC8	HR Manager
	medium	3*	PC6	Hotel Manager
	small	5*	PC9	Hotel Manager
	small	5*	PC13	HR Director
			PC10	HR Manager

Source: Authors

Therefore, a total of 14 interviews were conducted, with a Hotel Manager of a 3-star hotel included. Even though this particular participant falls outside the luxury category, the manager provided valuable insight from his previous 5-star luxury hotel experience within the same hotel chain. Moreover, to assess the impact of hotel size on the research variables mentioned previously, we categorized the sample hotels based on their existing size range. Since the room count of sample hotels ranged from 50 to 250, hotels with 50-120 rooms were classified as small, those with 120-200 rooms as medium, and those with 200-250 rooms as large.

## 4. Results

### 4.1. Talent Definitions across Luxury Hotels

*RQ1: To what extent do talent definitions differ across luxury hotels in Croatia and Montenegro?*

The primary research done emphasizes that talent definitions within luxury hotels in Montenegro and Croatia are heavily influenced by the mindset of leadership, particularly those participants that have been interviewed. When being asked to define talent as a concept, so-called school definitions such as 'right people in the right place and at the right time' surfaced a couple times. Most participants defined talent as an individual who does work well but has potential for more. For example, this is one of respond that PC8 gave:

*An individual who stands out, well integrated in the level of required job performance, does the job well as a prerequisite but consistently shows a tendency for more.*

Some participants highlighted diverse factors for defining talent such as possessing higher level of motivation, alignment with their authenticity, level of loyalty towards the organization – still all participants agreed that a talented individual fulfills a set of competencies, previously defined within an organization, as a prerequisite. Very few participants, however, could elaborate on the existing set of competencies and stated that those are directly influenced by each department separately. In addition, PM2 stated that competencies required will heavily depend upon the company's needs now:

*When we are talking about talent, we are talking about recognizing the entirety of a person, all their qualities that can be adequately used for what the company needs now.*

While many agreed on the fact that potential for more is something that defines talents within an organization, only a minority of participants highlighted the importance of understanding that talented individuals can simply represent those groups of employees that do their jobs extremely well already. As a clarification, PM5 stated:

*Talent can also be someone who does their job well and has no desire to progress, neither horizontally nor vertically, but is excellent for that certain skill-specific position.*

No specific pattern can be distinguished in the way talent is defined in Montenegro or Croatia. Yet, when talking about characteristics and competences that distinguish talented individuals, all participants highlighted the importance of proactive mindset, flexibility and communication skills. Some added a level of motivation and integrity, while others highlighted the importance of attitude over knowledge.

#### 4.2. Integration of Talent Philosophies into Talent Management Framework

As previously mentioned, this primary research suggests the subjective nature of talent identification across all participants.

Most participants were not explicitly familiar with existing talent philosophies, but they were able to intuitively integrate their practices within a conceptual talent management framework. When being asked to place their TM approach within talent dimensions of exclusive and inclusive, most participants agreed that they cannot either fully agree that few people are talented nor that everyone has 'a talent'. While some participants agreed that it is 50/50 (combination of proactive approach and development of existing talent pools), some stated a bit different portion (PM1):

*Whenever we can invest in someone, we believe has potential, we will offer opportunities to existing talent pools; thus 70% of our effort goes to promoting and nurturing existing talent within an organization. However, it is very important to mention that these 30% that goes to 'War for Talent' are also very significant because it is vital to bring in new energy and to recognize someone who has been exceptional elsewhere, especially in sectors where there is a perceived shortage of excellence.*

#### 4.3. Impact of Talent Definitions on Variety of Retention Strategies

*RQ2: To what extent do examined talent definitions impact the variety of implemented retention strategies?*

The study categorizes participants into three groups based on how they articulate and implement TM approaches and retention strategies within an organization:

- 1) **Reactive Implementers: a minority of participants** were not able to elaborate on their coherent talent management approach or further to their existing retention strategies. Participants agreed that, in such hotels, TM practices and retention strategies evolve reactively rather than being a product of deliberate planning and implementation. They agreed on the complexity of such implementation:

*Talent Management is predicted on the concept of placing talent within the dynamics of an organization. It is not enough to simply recognize talent; but one must understand how these talent factors function both on a personal and professional level and place them with what the company needs now – it is a complex process (PM2).*

These participants stated seasonality as a challenging factor resulting in their inability to efficiently and effectively develop structured talent management programs within an organization. When talking about this, PC6 stated:

*Noting the changes in the market (indications of new trends), neither this organization or any other in the region has yet adapted in a way that has a formalized solution, but it is inevitable that companies must adapt at some point.*

- 2) **Partially Engaged Implementers: most participants** acknowledged at least a partial engagement with TM, indicating some level of awareness and implementation of TM projects aimed at employee motivation and retention. This group, however, along with the former, typically lacked a fully developed HR department, signifying a gap in structured HR efforts specifically dedicated to TM.
- 3) **Strategic Executors: a minority of the hotels** showcased a well-defined HR department, with designated roles and departments focusing solely on talent development and acquisition. These establishments not only had clear TM and retention strategies but also demonstrated a wide array of practices tailored to effectively manage and retain talent. This indicates a more strategic and formalized approach to TM, potentially contributing to more effective and sustainable outcomes in talent retention. Such companies adopt the Agile Talent Management approach.

*Developing agile TM involves rotating talents, taking risks, and arranging them in such a way that it does not affect the operation flow but makes sense to further progress of an organization (PC8).*

These companies agreed on the significant role of HR as a moderator between identifying, retaining and evaluating talents within the organization. In accordance with that, the PM5 clearly states that:

*The initiative for talent development and retention is threefold: from the HR side, management side and employees themselves; but all three entities need to work together with the goal of gaining more insights and leading by example.*

#### 4.4. Variety of Implemented Retention Strategies

Regarding differences of retention strategies among luxury hotels in Montenegro and Croatia, the research revealed that, at its foundation, all participating hotels use a similar set of core strategies. These basics include a strong emphasis on compensation packages, monetary and non-monetary incentives, department-specific training programs, and feedback and review procedures. Despite this fundamental consistency, the complexity and creativity of retention strategies vary depending on the organizational structure and function of HR departments within these hotels.



Hotels with a well-defined HR structure, which indicates a strategic focus on TM, are more likely to implement creative and diverse retention strategies. These include cross-cultural experiences, personal development and evaluation plans, well-being initiatives, professional development opportunities, creatively developed rewards and recognition programs, and access to counseling services (whether psychological, legal, or financial). Furthermore, such hotels provide in-house experiences, educational platforms, leadership development programs, and team-building events, resulting in a more engaging and supportive work environment.

The research highlighted the necessity of flexibility in retention strategy methods, as expressed by one of the participants, who emphasized the need for personalization:

*One must always tailor their approach to the individual being offered a benefit because people view benefits differently (PM1).*

While some participants mentioned the effectiveness of promotions and monetary benefits as primary motivators (PC7), others pointed to changing preferences among newer generations, who may prioritize work-life balance and job satisfaction over financial incentives.

*Newer generations are more open to risks in terms of income instability compared to valuing free time, unlike the older generations (PC6).*

While all participants agreed on the increased demanding pattern of modern employees, some companies highlighted the fundamental role of hospitality in engaging with customers and fulfilling their needs first. PC12 explained their philosophy as following:

*Businesses must adapt to the latest customer needs and changes, not to trends in recruitment markets: customer first! Employees need to understand what made this business successful - fully adapting to everything the new generation is looking for should not be the solution.*

Additionally, participants unanimously agreed on the challenge of establishing and implementing effective retention strategies, highlighting the dynamic character of retention methods, which require ongoing engagement and customization to suit the changing demands of the workforce and corporate objectives.

*Instructions on how to retain talent, I believe, do not exist. It is something that is a living organism and requires the engagement of all aspects, all stakeholders, all those who are involved in the story of creation (PM2).*

#### 4.5. Influence of Hotel Characteristics on Talent Retention Strategies

*RQ3: How do variations in hotel characteristics (size, seasonal variations, HR structure, etc.) impact the diversity of talent retention strategies implemented within hotels?*

*RQ4: To what extent do implemented retention strategies vary concerning the level of industry experience (i.e., number of years in business)?*

*RQ5: To what extent do variations in hotel characteristics impact the prioritization of retention strategies regarding identified talent pool?*

When considering the diversity of talent retention strategies applied within an organization, hotel characteristics such as size, seasonality and industry experience does not suggest certain levels of complexity or creativity of TM strategies implementation, nor the structure

of the HR department. Smaller hotels (PM2, PC9 and PC11) stated retention strategies as dynamic and innovative as their larger counterparts.

Seasonality seems to influence the prioritization of retention strategies applied where monetary incentives and benefits are stated as more beneficial due to the financial insecurity employees are dealing with when faced with shorter employment contracts. Hotels in Croatia are practicing seasonal contracts, known as '*ugovor o stalnom sezoncu*', which gives more flexibility and financial security to those not working when the hotel is closed. Hotels in Montenegro, except for one hotel, still have not figured out such financial support for their seasonal employees. While seasonality influenced the prioritization of retention strategies, it did not necessarily limit the variety of strategies employed, with seasonal hotels often adopting more creative approaches to overcome the challenges of seasonal employment patterns.

A pivotal factor influencing diversity of retention strategies includes the background of a hotel – meaning whether the hotel is part of any bigger corporation or any hospitality chain. Out of all hotels interviewed, 5 luxury hotels were part of an existing corporation. These hotels agreed on having predefined TM programs and strategies to different extents. Such an approach provides a framework within which hotels operate, potentially offering a foundation for more structured TM practices

## 5. Conclusion

Subjectivity is considered a limitation of the interviews as a qualitative method. The subjective aspect of qualitative data analysis limits its generalizability and introduces biases. To overcome this, future study could use quantitative methodologies to enhance qualitative findings, resulting in a more complete understanding of talent retention strategies. It is challenging to avoid biases in both creating the leading questions, that are a huge foundation of semi-structured interviews, but also while interpreting the collected data. The research judgment is, therefore, a crucial ethical element taken into consideration when evaluating data analysis (Ruslin et al., 2022). Furthermore, performing longitudinal studies would allow for an evaluation of the actual implementation of these techniques over time, as well as their impact on employees' intentions to stay with the firm. This longitudinal method can provide useful insights into the success and sustainability of retention strategies in the rapidly changing hospitality industry.

Another valuable point of view might be obtained from future research focusing on stakeholder theory and examining the opinions of a representative sample of either the GMs of hotels or respective HR managers in the region.

The purpose of this study is to define talent and analyze talent management practices within luxury hotels in Montenegro and Croatia. This study aims at determining talent management patterns from the concept creation to strategy implementation in these luxury properties that distinguishes based on hotel characteristics such as size, seasonality, operating time and HR structure. The significance of these results can be used to better understand talent management patterns and practices in this region and evaluate gaps. In other words, HR professionals could utilize identified results to fully understand the importance of HR effort towards talent management and, more specifically, retention strategies applied.

### 5.1. Theoretical Implications

The primary research done underscored no significant variation in talent definitions in Montenegro and Croatia. Proposed definitions seem to be in line with dominant definitions proposed by literature review with key words such as ‘high performance’, and ‘set of exceptional qualities’ (Kravariti et al., 2022). These findings related to focus on attitude over knowledge align with suggested talent definition in hospitality from Marinakou & Giousmpasoglou (2019) that includes ‘personality, a drive or success, a service-orientation and willingness for personal development’. Additionally, these findings highlight the subjective nature of talent identification, depending primarily on leaders’ perspectives and operational context. This heavily confirms the literature’s conclusions that identified talent philosophies will depend upon individuals (senior managers) and their perception on whom they consider talented (Meyers et al., 2020).

As results suggested, while agreeing on the definition itself, many participants were not able to elaborate on the required set of competences they use when evaluating talents within their companies, relying heavily on current needs of a company and its operational context. This diversity in competencies indicates that TM strategies are not one-size-fits-all and TM approach must be adapted to the specific philosophy and operational context of each hotel. This confirms literature’s perspective on the context of an organization being a crucial element when evaluating TM approach or retention strategy implications (Nijs et al., 2014).

The lack of predetermined talent philosophies proposed indicates an inconsistency between theoretical frameworks and practical application in the industry, which most participants agreed on. Within the conceptual TM framework where four distinct talent philosophies are proposed with literature analysis: exclusive/innate, exclusive/developable, inclusive/innate, and inclusive/developable (Meyers & Van Woerkom, 2014); these companies define their TM approach as hybrid. These companies blend all these philosophies to a certain extent, with proportions heavily depending upon the company’s current needs and organizational contexts.

### 5.2. Practical Implications

An existing TM hybrid approach was shown to be more beneficial than a strict commitment to one, showing a pragmatic approach to talent management within luxury hotels in both Montenegro and Croatia. This pragmatism enables hotels to provide a wide range of retention strategies from complete development programs in hotels with a dominant inclusive talent perspective to tailored compensation and rewards in those with a dominant exclusive talent perspective.

Literature suggested the challenge of fitting TM methods into HR practices while having difficulties identifying strategic links of HR effort and retention strategies portfolio (Marinakou & Giousmpasoglou, 2019). An important research outcome is that HR departments’ maturity and structure have a considerable impact on the complexity of TM approach and retention strategies applied. While characteristics such as size and seasonality do not seem as crucial, research places significant attention to the existing structure of HR as a key determinant of its effort toward TM. Therefore, hotels with well-defined HR departments and specialized responsibilities in talent development and

acquisition utilize more structured and diverse TM strategies. In contrast, hotels with less developed HR departments lack a coherent TM strategy, with strategies appearing more spontaneously and without systematic evaluation in place.

When talking about retention strategies applied within these organizations, a set of these 'fundamental' strategies proposed include monetary benefits confirming the precision of Dogru's statement (2023) that such benefits are primarily utilized retention strategies. In terms of long-term developmental plans, especially for those hotels that operate full time, however, companies incorporate a good balance of both monetary and nonmonetary benefits. All participants have awareness of primarily working with their existing talent pools. Thus, retention strategies such as employee branding, rewards and recognitions, training and development, as well as opportunities for career progression seem to be equally implemented among luxury hotels in Montenegro and Croatia.

Contextual elements, such as organizational philosophy and operational dynamics, play an important influence in creating talent management strategies. Furthermore, the study emphasized the importance of hotel characteristics such as size and seasonality in the priority and execution of retention strategies. While smaller hotels display adaptability and creativity in their approaches, larger establishments and those linked with global hospitality chains benefit from preset frameworks, which allow for more structured TM processes.

The final analysis suggests that while all participants acknowledged the importance of HR and effective TM strategies, the sample hotels in both countries appear to be adopting a reactive rather than proactive approach to establishing talent retention strategies. One important underlying conclusion is the lack of strategic alignment between HR departments and talent management approaches. While most participants demonstrated a thorough awareness of the strategic importance of the HR departments, actual application revealed significant weaknesses. This emphasizes the critical need for a more strategic integration of HR strategies and talent management approaches to achieve long-term organizational success and competitiveness in the hospitality business.

## References

- Becker, E. J. (2009). *The proximity hotel: a case study on guest satisfaction of sustainable luxury environments* (Doctoral dissertation, The University of North Carolina at Greensboro).
- Cappelli, P. (2008). *Talent on demand: Managing talent in an uncertain age*. Harvard Business School Press, Boston.
- Chambers, E. G., Foulon, M., Handfield-Jones, H., Hankin, S. M., & Michaels III, E. G. (1998). The war for talent. *The McKinsey Quarterly*, (3), 44.
- Chung, K. L., & D'Annunzio-Green, N. (2018). Talent management practices in small-and medium-sized enterprises in the hospitality sector: An entrepreneurial owner-manager perspective. *Worldwide Hospitality and Tourism Themes*, 10(1), 101-116.
- D'Annunzio-Green, N., & Ramdhony, A. (2019). It's not what you do; it's the way that you do it: An exploratory study of talent management as an inherently motivational process

- in the hospitality sector. *International Journal of Contemporary Hospitality Management*, 31(10), 3992-4020.
- Deery, M. and Jago, L. (2015), "Revisiting talent management, work-life balance and retention strategies", *International Journal of Contemporary Hospitality Management*, Vol. 27 No. 3, pp. 453-472.
- Dogru, T., McGinley, S., Sharma, A., Isik, C., & Hanks, L. (2023). Employee turnover dynamics in the hospitality industry vs. the overall economy. *Tourism Management*, 99, 104783.
- Howe, M. J., Davidson, J. W., & Sloboda, J. A. (1998). Innate talents: Reality or myth?. *Behavioral and brain sciences*, 21(3), 399-407.
- Hughes, J. C., & Rog, E. (2008). Talent management: A strategy for improving employee recruitment, retention and engagement within hospitality organizations. *International journal of contemporary hospitality management*, 20(7), 743-757.
- Jooss, S., Collings, D. G., McMackin, J., & Dickmann, M. (2024). A skills-matching perspective on talent management: Developing strategic agility. *Human Resource Management*, 63(1), 141-157.
- Kravariti, F., Voutsina, K., Tasoulis, K., Dibia, C., & Johnston, K. (2022). Talent management in hospitality and tourism: a systematic literature review and research agenda. *International Journal of Contemporary Hospitality Management*, 34(1), 321-360.
- Lewis, R. E., & Heckman, R. J. (2006). Talent management: A critical review. *Human resource management review*, 16(2), 139-154.
- Liu-Lastres, B., Wen, H., & Huang, W. J. (2023). A reflection on the Great Resignation in the hospitality and tourism industry. *International Journal of Contemporary Hospitality Management*, 35(1), 235-249.
- Marinakou, E., & Giousmpasoglou, C. (2019). Talent management and retention strategies in luxury hotels: evidence from four countries. *International Journal of Contemporary Hospitality Management*, 31(10), 3855-3878.
- Meyers, M. C., & Van Woerkom, M. (2014). The influence of underlying philosophies on talent management: Theory, implications for practice, and research agenda. *Journal of World Business*, 49(2), 192-203.
- Meyers, M. C., van Woerkom, M., Paauwe, J., & Dries, N. (2020). HR managers' talent philosophies: prevalence and relationships with perceived talent management practices. *The International Journal of Human Resource Management*, 31(4), 562-588.
- Nijs, S., Gallardo-Gallardo, E., Dries, N., & Sels, L. (2014). A multidisciplinary review into the definition, operationalization, and measurement of talent. *Journal of World Business*, 49(2), 180-191.
- Qu, S. Q., & Dumay, J. (2011). The qualitative research interview. *Qualitative research in accounting & management*, 8(3), 238-264.
- Ruslin, R., Mashuri, S., Rasak, M. S. A., Alhabsyi, F., & Syam, H. (2022). Semi-structured Interview: A methodological reflection on the development of a qualitative research

instrument in educational studies. *IOSR Journal of Research & Method in Education (IOSR-JRME)*, 12(1), 22-29.

Scullion, H., Vaiman, V. and Collings, D.G. (2016), "Guest editorial: strategic talent management", *Employee Relations: The International Journal*, Vol. 38 No. 1, pp. 1-7.

Sharma, S. (2016). A study on the trend of luxury hotels. *International Journal of Advanced Research and Development*, 1(5), 118-121.

Silzer, R., & Church, A. H. (2010). Identifying and assessing high-potential talent. *Strategy-driven talent management: A leadership imperative*, 28, 213-280.

Stahl, G., Björkman, I., Farndale, E., Morris, S. S., Paauwe, J., Stiles, P. & Wright, P. (2012). Six principles of effective global talent management. *Sloan Management Review*, 53(2), 25-42.