

MANAGING A CULTURALLY DIVERSE WORKFORCE IN THE HOSPITALITY INDUSTRY

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Abstract:

Organizations are facing the issue of managing employees belonging to a variety of cultural backgrounds. The responsibility to solve this issue is on the shoulders of managers and leaders. Diversity in a workforce includes employees with a variety of backgrounds in terms of race, gender, education, sexual orientation among others. Social norms create differences, values and attitudes about similar circumstances also vary from country to country. Managing diversity is a reality that all Multinationals and International companies are facing. Nowadays the majority of organizations are adapting programs to manage a culturally diverse workforce in order to fulfill their objectives and to gain a place in the global competitive marketplace, making potential the most of its employees.

Keywords: *managing employees, cultural backgrounds, culturally diverse workforce, cultural intelligence, employee motivation*

JEL Classification: *M12*

I. INTRODUCTION

Organizations are facing the issue of managing employees belonging to a variety of *cultural backgrounds*. The responsibility to solve this issue is on the shoulders of managers and leaders.

Diversity in a workforce includes employees with a variety of backgrounds in terms of race, gender, education, sexual orientation among others. Social norms create differences, values and attitudes about similar circumstances also vary from one country to another.

New workforce will include diverse and different people in terms of race, culture, age, gender, and language and that the increasing diversity of workforce and social life in the U.S. will dramatically affect organizational life in the twenty-first century. Individuals who engage in international business exchanges would have reasons such as the creation of joint ventures and mergers, the exchange of know-how, and the advantage of the resulting synergy. In order to survive in a foreign country, business people need not only to acquire a feeling of greater autonomy and increased personal stability, but also verbal expression abilities and comprehensions in either the national language or in a common foreign language.

Managing diversity is a reality that all Multinationals and International companies are facing. Most organizations nowadays are adapting programs to *manage a culturally diverse workforce* in order to fulfill their objectives and gain place in the global competitive marketplace, making the most of its employees potential.

Managers must have the required skills to manage a multicultural workforce, this includes, having the ability to recognize and accept cultural differences between their workers as well as coordination, cooperation and communications.

Nowadays managing culturally diverse workforce is a challenge for international managers. On one hand, diversity represents both differences and

similarities that exists on individuals and which make them be unique from one to another.

Cultural diversity is a variety of cultural differences that requires awareness, understanding and acceptance of those differences by managers, making the most of them in order to gain positive outcomes.

Cultural differences might have some influences in the way managers lead and motivate their culturally diverse team, and those ways or styles that are carried out in one culture are difficult to be implemented in another way because of the different traditions, of the ways of doing things and values of that specific culture.

Organizations are facing the issue of managing employees that are belonging to a variety of cultural backgrounds. The responsibility to solve this issue falls on the shoulders of managers and leaders.

Managerial leadership is crucial for successfully implementing change in organisations, especially during times of turbulence, dramatic and sudden changes in the external environment. Unless the leaders create market-oriented organizational cultures, any required transformation and adaptation to a market economy may be seriously undermined.

II. MOTIVATION IN THE WORKPLACE

Employee motivation has become the most important factor in order to succeed in any business. It generally helps any organization grow in a very healthy manner.

If the employees are satisfied with their jobs, they definitely show a very positive attitude towards their work and thus flourish the plant of the organization.

2.1 Herzberg's Theory

Frederick Herzberg is well known as the pioneer of motivation theory. He performed a research in the late 1950s. A group of employees were interviewed to find out the factors that brought in them the feelings of satisfaction and dissatisfaction on the job. He asked two simple but *essential questions* from them:

1. When you feel especially good about your job, think of that time. Can you explain why did you feel especially good?
2. When you feel especially bad about your job, think of that time. Can you explain why did you feel especially bad?

These two simple questions led him develop his theory. He postulated that motivation and hygiene are two dimensions that lead to job satisfaction.

Herzberg also explained that *employees can be satisfied only when their needs for personal growth and meaning are fulfilled and motivators are responsible to do so*. Motivating issues include recognition, responsibility, achievement, the work itself and advancement. Herzberg concluded that if the hygiene areas are completely addressed, the motivators will lead to the promotion of job satisfaction and encouragement of production (Herzberg 1966).

Herzberg's theory can be applied to real-life practices. Hygiene issues are not considered as factors essential for employees' satisfaction but an organization must deal first with hygiene issues for the creation of environment that is helpful in employees' motivation and satisfaction. So, hygiene issues are discussed first for the creation of such environment.

Company policies should be made in such a manner that they are applicable on all the employees. The policies should be very clear and only necessary point should be included in the policies in order to avoid employees' frustration.

The selection of supervisor should be based on wise decisions in order to reduce dissatisfaction.

All the employees should be paid fairly in order to eliminate the feelings of dissatisfaction that they are not paid fairly. Salary is not a motivator but it can reduce dissatisfaction and thus unhappy working will be reduced.

Interpersonal relations are very important to reduce the feeling of dissatisfactions. Employees feel happy when they are given the necessary time to socialize over lunch for example.

Working conditions bring pride for employees and their work. So, it is necessary to update all equipments and facilities.

It is very important to ensure all the employees that they and their work are very important for the organization. Unnecessary tasks should be eliminated to ensure an increase in satisfaction and efficiency.

It is natural that all the employees want to perform a great job. So it is necessary that all the employees to be placed in positions that are suitable for their talents so that the chances of failure can be reduced.

It is the psychology of everybody that they want recognition of the work they do. In the same way, all the employees of an organization also need recognition of the work they do for their organization. So it is necessary to praise the efforts of the employees.

The sense of ownership brings drastic changes in the performance of employees. They feel motivated when they are given responsibilities. Necessary freedom and power should be provided to employees that may be helpful in the performance of their tasks.

Employees should be promoted to a new position when they become successful in their tasks and their work progress report appears satisfactory. If there is not any position available to promote them on, a new title should be given to them in order to show the achievements of that employee.

Employees should be encouraged to gain further education so that they become a valuable asset for the organization (Herzberg 1966).

III. MANAGING A MULTICULTURAL WORKFORCE

3.1. Multicultural workforce and management styles

The task of managing a diversified and dispersed workforce at home and internationally is one the of the major tests of leadership. *Good communication and building trust* have always been two most important issues in leadership, but learning how to do so among a culturally diverse staff is a whole new challenge. The most pressing issues executives identify are *to understand diverse customers, manage diverse teams, recruit and develop cross-cultural talent, adapt leadership style and demonstrate respect and empathy to the local culture.*

Cultural intelligence is needed to achieve the right blend of flexibility and rigidity, which means to embrace the local culture, but not to make any retreats on your values. These five reasons for cultural intelligence — understanding customers, managing personnel, recruiting talent, adapting leadership style, and communicating respect — are the most consistent reasons identified by leading executives across the world.

Intercultural sensitivity also refers to the affective capacity to recognize, acknowledge, and respect cultural differences. People's willingness to engage in different cultures is due to their flexibility and open-mindedness. The development of this ability demands new awareness and attitudes. One of the ways of measuring intercultural sensitivity is to determine people's knowledge about and the willingness to change behaviors related to the individualistic or collectivistic background of others.

Education and training are known to play important roles in the development of an individual's intercultural sensitivity.

Culture is the complete whole which includes knowledge, belief, art, morals, laws, customs, and any other capabilities or habits acquired by man as a member of society; suggest that culture manipulates human behavior; hence it's impacts on people's way of thinking, way of doing things and includes values and pattern that influence their manners and actions.

People are taught the *values* of their culture since their childhood and that represent the way they behave which is taken for granted and that influences their social behavior. This is important in the way that whatever the situation could be, people stick to their values and behave in a different way, because this is how they grew up.

It is important to highlight that *culture diversity* provide competitive advantage to global organizations, since it offers tangible benefits such as the improvement of effectiveness and productivity, expansion on the size of the market and increase the awareness of the communication patterns within the organization. On the contrary, it can also bring disadvantages which generate conflicts and misunderstanding.

Multicultural workforce or groups can be understood as the demonstration of culture including languages, beliefs, values, etc. by the behavior of individuals of a particular culture through groups of individuals working together. It can be seen that culture is a very dominant factor in this kind of groups and as time goes by, workforces are culturally more diverse, where it can be found people still adapting to the host culture as well as the ones that have a familiar multicultural background.

Multicultural workforce was seen before only as equal rights legislation and affirmative/positive action programs, where the former means that it is against the law to discriminate people and the latter means that organizations have to guarantee equal opportunities by taking positive steps.

Working with multicultural groups affects not only communication (language barriers) in the way of *understanding meanings but also integration because having differences in behavior and preferences*, people might not work in the same way and this brings ambiguity and confusion, leading to conflicts and disappointment between employees.

In today's diverse markets and consumers, a culturally workforce diversity provides an understanding of customer's needs by creativity and innovation, hence throw out new products or services that appeal to the different taste of customers which lead to increase market share, hence corporate.

In addition, in multicultural workgroups the process of decision-making and problem solving which leads to good performance of the organization is obtained by a wider and richer range of diverse ideas, life experiences and perspectives which are valued as an opportunity for learning.

IV. THE FIVE CULTURAL DIMENSIONS

Professor Geert Hofstede researched the differences in values among IBM employees in over 40 countries and came to the conclusion that each nation could be described by where it positions itself on a scale from 1 to 100 in terms of:

- Perception of power and authority, the relation to authority and social inequality.
- The relationship between the individual and the group.
- The social and emotional implications of having been born as a boy or a girl.
- Ways of dealing with uncertainty and ambiguity control of aggression and expression of emotions.

- Orientation towards the future vs. orientation towards the past and the present.

The five *cultural dimensions* were labeled:

1. PDI (Power Distance Index)
2. IDV (Individualism)
3. MAS (Masculinity)
4. UAI (Uncertainty Avoidance Index), and
5. LTO (Long Term Orientation).

Hofstede's model is the one that is probably the most used in reference to cultural differences and managing diversity. One explanation could be the applicability and simplicity of the terms and the ease to which one could transfer the consequences of certain cultural characteristics to one's situation.

The relative position of a country on the scale from 1 (low) to 100 (high) in terms of the five indexes is relevant to explaining social norms, family and school norms, behavior in the workplace, state organization, and politics and ideas.

Romania, along other Balkan countries (Bulgaria, Greece, Serbia, Macedonia, Albania), are at the opposite pole from the Anglo-Saxon countries, from which we are currently importing all management and human resources practices.

4.1. Organization and Management Practices

Power Distance and Uncertainty Avoidance Index in particular affect thinking about organizations. The questions that organization analysis need to answer to are: Who has the power to decide what? -a result of PDI- and What rules or procedures will be followed to attain the objective? – a result of the UAI.

a. Strategy

a) Prepare for difficulties in planning

You will find zero inclination towards strategic planning because of high PDI, and a tendency towards detailed action and short-term feedback. They will tend to leave the planning to specialists and have a more limited view on what information is relevant. No Romanian entrepreneur I know has financial projections for one year ahead.

Management by Objectives (MBO) is not the best option in its literal implementation because managers and employees will find it difficult to dissociate between themselves as people and the results.

b) Unstable business cycle

Expect high growth quickly and then potential successive going backs because the market changes and your company will find it difficult to adapt quickly.

c) Innovation may not be the best strategy

Innovation here is in the sense of implementing the creative ideas of others to the market. This conclusion is mostly for the American companies who thought it was trendy enough to declare their Romanian based company innovative.

b) Difficulties with cross-departmental projects and project management

Another US-generated theory and practice, the business process reengineering with cross departmental projects and project managers may not be the best idea to implement in a Romanian company. Cooperation and stability is the word of the day, not efficiency, and the multiple subordination and accountability that such projects involve require a too low anxiety avoidance that our culture does not possess.

b. Leadership

a) The authority complex and leadership style

Romanian employees have an authority complex/ problem.

The two types of leadership are likely to be found in the Romanian organizations:

1. the Family Entrepreneur for which it is important: family interest, personal wealth, power, this year's profits, game and gambling spirit and growth of the business as the last part;
2. in the regions (where there is German influence) we will find the Founder = responsibility towards employees and society, creating something new, game and gambling spirit, continuity of the business and honor, face and reputation.

Both styles need to be coupled with a close supervision and do not expect the entrepreneurs to plan strategically.

V. MANAGING A MULTICULTURAL WORKFORCE AT MARRIOTT

Marriott International operates and franchises hotels under the Marriott, The Ritz Carlton, JW Marriott, Bulgari, EDITION, Renaissance, Autograph Collection, AC Hotels by Marriott, Courtyard, Fairfield Inn & Suites, SpringHill Suites, Residence Inn, TownePlace Suites, ExecuStay, and Marriott Executive Apartments brand names.

Marriott has built a highly regarded culture that emphasizes the importance of Marriott's people and recognizes the value they bring to the organization. Today, there are approximately 300,000 employees at the company's headquarters and other offices, and at managed and franchised property locations.

Marriott International is also well known as a great place to work and for its commitment to diversity, social responsibility and community engagement. It has consistently been named to *Fortune's* lists of most admired companies, best places to work and top companies for minorities.

Social norms create differences across national boundaries that influence how people interact, read personal cues, and otherwise interrelate socially. *Values* and *attitudes* about similar circumstances also vary from one country to another. *Religion* is yet another source of cultural differences. Holidays, practices, and belief structures differ in many fundamental ways that must be taken into account as one attempts to shape organizational culture in a global setting. Finally, *education*, or ways people are accustomed to learning, differ across national borders.

Multicultural workforce or groups can be understood as the demonstration of culture including languages, beliefs, values, etc. through the behaviour of individuals of a particular culture through groups of individuals working together.

A multicultural workforce would bring new ways of groups working together in an effective way, leading to increase morale between workers as well as profit and productivity.

Working with *multicultural groups* affects not only communication (language barriers) in the way of understanding meanings but also integration because having differences in behaviour and preferences, people might not work in the same way and this brings ambiguity and confusion, leading to conflicts and disappointment between employees.

In multicultural workgroups the process of decision-making and problem solving which leads to good performance of the organisation is obtained by a wider and richer range of diverse ideas, life experiences and perspectives which are valued as an opportunity for learning.

Style is a personal quality, so it differs from one manager to another but it might be influenced by the culture of the organisation they work for, so in order to accomplish the optimum performance at Marriott, managers have to find the compatibility between the organisation's approach and the styles they want to adopt. The factors are

influencing manager's styles are the organisation's context and their personal beliefs and preferences.

Managers at Marriott play a vital role and they must have cultural sensitivity and develop it into their workforce, otherwise the lack of understanding and acceptance to a cultural diversity in today's business environment can lead to misunderstandings between managers and their group work.

Abilities for managing a multicultural workforce at Marriott are recognition, understanding, respect and response to different cultures simultaneously, understanding of interdependencies, demonstration of cognitive complexity, adoption of a "*cultural-general*" approach, acquirement of multicultural competencies and acquirement of communication skills.

At Marriott, managers know that it is essential for their leaders to truly embrace and understand different cultures.

Evolving our diversity and inclusion goals to support global growth is a business imperative for Marriott. Approximately 36 percent of our room's pipeline and two-thirds of our 42,000 rooms under construction are outside the United States.

To support this rapid growth, the company has opened new development offices in Africa, Brazil, and India which are all staffed by *local professionals who fully understand the cultural norms and practices* of their respective markets.

Marriott has launched a portfolio of tools and resources that will enable us to build cultural competence throughout the company worldwide. An essential component of this learning focuses on enabling associates to understand their own backgrounds and beliefs and how they influence their interaction with others.

The company has also ramped up its *language skills* and *cultural awareness tools* offerings, making Rosetta Stone®, Sed de Saber™ and the Cultural Wizard available for no or low cost to all associates. More than 10,000 associates have now enrolled in language programs.

Cultural intelligence at Marriott managers is being skilled and flexible about understanding a culture, learning more about it from your ongoing interactions with it, and gradually reshaping your thinking to be more sympathetic to the culture and your behaviour to be more skilled and appropriate when interacting with others from the culture.

VI. CONCLUSIONS

- *The people are the most important asset* that any organisation in any part of the world has.
- *The quality of managers running hotels and leading functions* at Marriott is central to the company's profitability and brand reputation.
- Cultural diversity is a variety of cultural differences that requires awareness, *understanding and acceptance of those differences by managers*, making the most of them in order to gain positive outcomes.
- Marriott uses training programmes for cultural awareness either to *raise consciousness about difference in beliefs and attitudes related to behaviour and communication*, so it permits to avoid, for example, stereotyping.
- For Marriott it is vital for managers not only to develop strategies and skills *to cope in an effective way with those cultural differences, but also to provide the training needed*, so the members of the group can work together
- Managers from Marriott should *adopt basic managerial philosophy and style of behaviour in order to be successful in the managerial performance*, the way they apply their responsibilities and the ability to deal with people.

- Abilities for managing a multicultural workforce at Marriott are *recognition, understanding, respect and response to different cultures simultaneously, understanding interdependencies, demonstration of a cognitive complexity, and adaptation of a “cultural-general” approach, the acquiring of multicultural competencies and also the acquiring of communication skills.*
- *Cultural intelligence* at Marriott managers is being skilled and flexible about understanding a culture, learning more about it from your ongoing interactions with it, and gradually reshaping your perspective to be more sympathetic to the culture and to your behaviour to be more skilled and appropriate when interacting with people from other cultures.

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