

**CRITICAL EVALUATION OF CULTURAL DIVERSITY AND SATISFACTION OF EMPLOYEES.  
CASE STUDY OF DELUX HOTELS IN CENTRAL MACEDONIA REGION**

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**Abstract**

The rapidly increasing globalization of the tourism phenomenon had an impact in Greek Tourism development in terms of multiethnic and multicultural level. This fact has conducted many hotel enterprises to integrate in their human resources potential employees who could be in position to satisfy the needs of their multiethnic and multicultural clients.

The diversity, in the framework of the current paper, is probationary to be defined such as the presence of differences between the members of a social group (Jackson, Whitney, 1995). Likewise the diversity could be studied by the perspective of visible and invisible differences and is founded in the admission that reclaiming the aforesaid differences, a new productive environment should be issued where all the involved people shall feel notable, their talents could be reclaimed fully where the organic targets should satisfied ( Kandola, Fullerton, 1994).

In contrast, D' Netto and Sohal ( 1999) had assert that the management of a cultural diversity manpower should be moderated because of poor management practices of the diversity during the process of selection of employees and business executives, their progress and training as well.

Consequently, it is go without saying that management of multicultural human resources needs high level skills and appropriate notions so that to strengthen the sustainable development of Hotel enterprises.

The interest of diversity's management has been increased last years because of the expansion of globalization phenomenon. Many authors have expressed their interest to manage the diversity and the organization and her impacts and benefits for Hotel and Tourism enterprises.

The focus of this paper is to highlight the cultural diversity within the Greek Hotel enterprises. According to Lee- Ross (2004), Hotels sector in all over the world employs people of variety cultural and ethnic backgrounds. Because of the current global environment, the heterogeneity of manpower shall increase this millennium. Hotel enterprises and their Directors must be deeply informed in terms of diversity and being in position to understand the restrictions of many theories and techniques related to the organizational development.

## Introduction

We could define the cultural diversity as the extension of the differences in relation to the rules, values and behaviors that exists in every culture. This leads us to the hotel management of the diversity or in other words to the understanding and to the manipulation of the different rules, values, actions, characteristics and individualities of the working force inside a multicultural business.

We understand that the right management of cultural diversity is a very import success factor for the hotels because:

- The hospitality industry around the world are increasingly employing people from diverse cultural and ethical backgrounds
- The hotels and their managers should be culturally aware and understand the limitations of many theories and techniques related to Human Resource Management
- Knowledge of values, attitudes and perceptions of "different" groups leads to personalized strategic HR and increased satisfaction and retention of minority groups, and recommendations of the unit to the countries of origin
- Increased satisfaction and retention of the working force leads to higher levels of satisfaction and loyalty from the guests.

So, it is very important to see how the national culture is in a relation with the corporate culture. Many authors have given definitions for the national culture. For example, according Solomon (1996 cited Weirmair 2000, p.398) culture is the shared meanings, rituals norms and traditions among the people of a society or an organization.

On the other hand, Hofstede considered culture as the collective programming of the mind that can segregate one person from another inside a team (1984 cited Di Cesare and Sadri 2003,p.30) .Hofstede made a research to 160.000 employees in 40 countries and defined the four dimensions of the civilization that related with the needs of the working force and their performance to their work.These dimensions are:

- power distance, i.e. how the misdistribution of power inside an organization has been accepted from the members of a culture
- avoidance of uncertainty, meaning why people rejecting the adjustment by supporting the beliefs and values of their culture because they feel uncertain
- Individualism / Collectivism, which means that members of other cultures could identify themselves as individuals or as fellowship of a specific team
- Masculinity / Femininity, meaning the variety between cultures as reference to their materialism, aggressiveness and competition.

We apprehend from the above that the management of multi culture diversity could have impacts on innovation management and organizational success (Canen and Canen, 2002,p.24 / Shane et al. 1995 cited Testa 2004 p.402 ) ,the quality of service (Maxwell 2002, p.366) and financial performance of the company (Lee Ross 2005, p.254) and not making the right decisions (Cox 1991).

So in order to achieve the organizational goal must be created an encouraging environment in which employees can use their full potential. Only through effective planning and implementation of organizational systems and practices can maximize the benefits of diversity and minimize the disadvantages.

As for the corporate culture some definitions are:

- The stable values, beliefs and attitudes that exist inside a corporation (Williams 1993 cited Mwaura 1998,p.213)
- A common intellectual model within a company which includes common rites, symbols and language (Saji 2004,p.51)
- ‘‘The way things are done here’’

As we can see the interaction between the national and corporate culture can affect the performance of the companies.

Many researchers suggested that the corporate culture should include ways of management and organization of the company, should be shaped from the national culture of the host country. Others proposed also to change the practice of the company in order to management with more appropriate ways the employees’ values. Some researchers claimed that a powerful corporation culture has direct effect on the controversy inside the company by minimize the argument between the multi cultural team.

#### **Historical references**

Many authors such as Bartz (1990 / Maxwell et al. 2000, p.368), have tried to define the meaning of diversity management. The definition that Maxwell ‘et al. has given is that if the differences between people within an organization can be understand and if these differences can be properly managed then can be an advantage for the work to be more efficiently and effectively. Some examples of diversity factors are race, culture, nationality, gender, age, disability and working experience. According to Thomas (1991/ Miller and Rowney 1999, p.307), diversity management are the efforts of organizations for active recruitment, retention and creation of the proper working environment among people from different backgrounds.

It has been already mentioned that the focus of this study was cultural diversity. The Trompenaars and Hampden-Turner researchers (1997/Kippenberger 2000, p. 28), reported that there is a variety of standards and values inside every culture. They had the persuasion that each civilization is different from others because of the solutions that have been chosen to solve specific problems such as relationships with people, the ability of managing time and aging and the cross-fertilization with the external environment. On the other hand, researchers Cox et al. (1991/ Saji 2004, p.47), stand out that as people from different backgrounds have different stands, rules and values so and the multi cultured teams have differences on the collaboration and competitiveness to their working environment.

#### **Research Methodology**

The methodology followed in the current research contains some characteristics of the exploratory research such as the literature analysis and interviews with hotels executives. Finally this research can be considered as mixed due to the fact that uses quantitative (questionnaire) and qualitative (interviews) methods.

The questionnaire has 17 questions. 3 of them are demographic ( nationality – age – time living in Greece), one open question and 13 closed type questions which the 11 are related for the apprehensions and feelings and the other 2 closed type were asking for possible cause for their feelings or another reason.

The interviews were conducted to six hotels directors and contained 11 questions (the same for everyone). The average length of the interview was 35 minutes and all the questions had to do with the 3 basic targets of the research.

The three basic questions of this research are:

- In which ways multi culture diversity can affect to the operation system of a hotel
- In which ways the hotels of Central Macedonia manage the multi culture diversity
- Guaranty of effective management and creation of a strong corporation culture through indentifying concepts and management practices.

### **Cultural diversity in regard to organization or company culture**

In recent years the organizational culture has drawn attention because it is a complicated meaning with a variety of definitions and explanations.

While Williams et al. (1993/ Maura et al. 1998, p.213) defined organizational culture as the constant values, convictions and comprehensions within an organization, Saji (2004, p. 51) described it as a common intelligent model which includes rituals, symbols and language. Also some researchers (Hall 1995, Randlesome and Brierly 1990 /Mwaura et al. 1998, p.213) used more simply definitions in regard to organizational culture such as “the way we do things here” and the ways that an organization process the decisions, deals with the problems and negotiate. Although this kind of definitions look like more simpleminded they still hold up with Williams et al. (1993) and Saji (2004).

From the bibliography it has been accepted that the cross-fertilization of national and company culture can influence the organizations performance. According to Morosini et al. (1998 / Kessapidou and Varaskelis 2002, p.269) the company culture includes the ways of management and organization of a business and is modulated by the national culture of the host country. Kessapidou and Varaskelis (2002,p.269) sustained that even though national culture has great importance in shaping the company culture; the organizations don't count only on nationality but they can be influenced also from the technology of the company, the size and the aims that has.

We consider that it's extremely important to emphasize that the generalizations which are derived from any classifications and typologies must be treated with extreme caution in order to avoid the promotion of racist attitudes. Each customer and employee/ colleague is first and foremost, an individual who may or may not fit into the general attributes identified for his or her culture, national or ethnic group. The management of the aforesaid dimensions of diversity in the tourism and hospitality economy must at all times be sensitive to individual behavior and needs as well as to the norms of a group (2010, Douvas- Marantou, p. 8)

### **Exploratory approximation and strategies**

The methodology that has been used for the present research can called as phenomenological because it has been analyzed a particular phenomenon in regard to the human attitudes and experiences. The phenomenon has been inquired under the apprehensions and the experiences of the participants. This research examined the phenomenon of cultural diversity in the hospitality industry of Central Macedonia and its implications to the total operation, throughout the comprehension of people who experience the phenomenon.

This research can be considered as mixed due to the fact that uses quantitative (questionnaire) and qualitative (interviews) methods. Though a research is usually generalizes its results, to the present research wasn't possible because it used a convenience sample rather than a random sample.

Moreover, this research contains some characteristics of the exploratory research. An exploratory research deals with what happens, evaluating phenomena and making questions and it is useful when the researcher tries to illuminate the comprehension of a specific problem. The present research used two of the three basic characteristics for the development of the exploratory research such as the bibliography analysis (secondary data) and interviews with hotels executives (primary data).

### **Results of research**

The results from the research for the ways that culture diversity can affect to the operational system of the company showed that the participants confront many problems to their working environment because of their nationality or their culture. Also language was a problem by making the communication very difficult and preventing the adjustment to the working environment. Furthermore the foreign employees considered that they cannot understand and provide Greek hospitality with the way the managers want. The cultural and language differences created many arguments and misunderstandings and as a result had low satisfactions levels from the work and low quality of service.

As for the second basic question of the research, the results showed that the majority of the ‘‘minority teams’’ believed that managers don't appreciate their work and that they don't have opportunities for promotion. They also felt uncertain about the justice and equality between the working stuff. Additional an important number of participants don't feel free to express new ideas that are related to their country of origin and that leads to the absence of innovation.

From the other hand, the administrators don't manage effectively the differences between the multi culture teams and afraid of that the foreign employees cannot offer the Greek hospitality in the way they want to be offered. However, the majority of the managers are positive about administrate a multi culture working force.

For the third basic question of the research, the results showed that the participants had problems because of their nationality and civilization. They were anxious and felt insecure with the approach of their supervisor for their professional development, the team communication and the fairness in the team. Also many employees didn't answer questions that were ‘‘sensitive’’.

The managers acknowledged that a culture diversity working force can affect the operation system of the hotel and that required appropriate approach and methods.

Finally the most important challenge is the creation of a team work trough good communication.

### **Evaluating the results**

- Effective management of cultural diversity could increase customer satisfaction and quality of service since the company employs people who understand the language and culture of the customers.

- Difficult for workers to understand the Greek culture.
- Cultural diversity is nevertheless extremely important for the hospitality industry

The multicultural diversity can lead to:

- Limitation of the rate of withdrawal of burnout and absenteeism among specific groups.
- Development of innovation and quality service.

The research indicated that the hotels of Pieria Providence don't have programs and strategies about the culture diversity. The management of cultural diversity is focused on creating the organizational environment that encourages employees to reach their full potential to achieve the goal of the company.

The management of these companies does not encourage the development of their employees. This is happening because managers do not know the motives of these groups. Managers should be aware of and constantly trained on how to manage culturally diverse team members.

A manager should always ensure adequate communication with the culturally diverse group to avoid conflicts and create a strong team.

The combination of the concepts of diversity management with other techniques, such as equal opportunities (EO) and recruitment may be the best way to create and maintain the cultural diversity of the workforce.

Appropriate educational practices and training programs are of great importance to effective management of a culturally diverse team and a strong organizational culture. This can be achieved by continuous practical training and the right communication channels.

### **Research limitations**

This research examines and analyzes cultural diversity at Central Macedonia and especially at Pieria Providence. For this reason the sample was small and circumstantial instead of random. There are plenty of queries that can be explored as the wage differentials between Greek and foreign working stuff or if the problems relate to male or female population. Therefore it is difficult this research to represent the population.

### **Conclusion- Discussion**

The results from the questionnaires are presented and developed as regard on the aims of this research. Also the results from the semi structure interviews have been presented and developed in order to achieve the aims of the research. Finally, there was a comprehensive analysis of both the questionnaire and the results of interviews to discuss the results as regard on the research aims and theoretical context. The conclusions of the research are:

- ✓ To develop special programs to assist employees to deal with cultural barriers and to ensure organizational effectiveness.
- ✓ To formulate appropriate policies and procedures for recruitment, to create and develop an effective multi-cultural group.

- ✓ To develop specific HR policies to the fair and equitable development workers, in order to increase the satisfaction of these groups.
- ✓ To develop appropriate training programs for both minority groups and for executives so they can develop communication skills and effective leadership

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