

## **Abstract**

The purpose of this study is to explore the concept of diversity management in the workplace, with particular emphasis on the hospitality sector in Ireland today. The principal objective of this study was to examine how organisations in the hospitality sector can efficiently perform in a diverse work environment and to formulate a conceptualised view of diversity initiatives as being an important contributor to their competitive advantage in today's economic environment. This dissertation consists of five chapters. The first chapter is the introduction which contains the background and overview, the aim, objectives, question and an outline of the methodology. The second chapter is the literature review and addresses, through academic research, the aim, objectives and question. The literature review is followed by the methodology chapter which then leads to the analysis and discussion in chapter four. The final chapter is the conclusion. The methodological framework of this research consisted of a combination of both primary and secondary research. The secondary research examined the literature through journal articles, books and the internet, while the primary research adopted a qualitative method based on semi-structured interviews.

Results from the analysis of the research data indicated certain trends in relation to diversity management initiatives in the Irish hospitality sector, namely flexible working practices and equality. Also, the findings established that legislation and demographic changes are primary driving forces behind diversity management in hotels in Ireland followed by diversity management initiatives taken by major USA hotel groups such as the Hilton Hotel. Other findings indicated challenges, which included language barriers, flexibility issues, different humour of foreign staff. Findings in relation to organisational benefits indicated employee morale, a sense of pride and inclusion, different sets of skills and creativity from staff. However the findings in relation to the financial benefits to organisations were difficult to establish, this might be due to the fact that there is very little research in the area of cultural diversity in the Irish hospitality sector, which will be an area for future research.

## **Authorship Declaration**

I hereby certify that the material I now submit for the assessment of the academic programme of study leading to the award of an MA in Human Resource Management is entirely my own work, it has not been taken from the work of another individual and it has been cited and acknowledged correctly within the text of my work.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Student Number: 12117315

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# **Chapter 1- Introduction**

## **1.1 Scope / Rationale / Background**

Cultural diversity in the workplace is becoming increasingly popular in a complex and fast moving world. According to Brislin (2008) individuals from different cultural backgrounds come into extensive contact with each other for reasons such as travel, study, work business etc. Due to modern globalisation many organisations have a diverse work force. Cultural diversity in the work place is an important area of study as it can influence the overall performance of the organisation. Ignoring cultural diversity in a culturally diverse workforce can hinder success and further development of an organisation (Witherspoon & Wohlert, 1996).

Employees within organisations have to work together to achieve the missions and goals of the organisation, therefore managing work place diversity effectively is essential for the efficient functioning of any organisation. Since the expansion of the European Union (EU) in 2004, a rise in the number of refugees seeking asylum and the increase of foreign direct investment has meant that Ireland has seen people of different nationalities from different parts of the world wanting to work and settle. The census figure in 2012 shows that there is a 143% increase in the number of non-national people living in the Republic of Ireland between 2002-2011 despite the economic downturn (Kenny, 2012). Also, the June 2011 census figure report from the Central Statistics Office states an increase of 25% to 766,770 of population in the period between 2006 and 2011 despite the decline of the economy. This increase has led to a multi-cultural environment and a cross-cultural workforce and explains the culturally diverse environment in Ireland, thus, ensuring this research into effectively managing a diverse workforce in Ireland is contextually relevant.

Ireland has changed dramatically in recent years, from almost a homogeneous nation before the Celtic Tiger, to a multi-cultural society after the Celtic Tiger. The report from the Irish immigration authority published a number of work permit applications between 1999 and 2003 from 6,250 to approximately 47,551. In 2004, 23,000 foreign nationals arrived in Ireland in the first three months following the EU enlargement. A report by Failte Ireland (2008) suggests that by the end of 2004 up to 50,000 people arrived in Ireland from the EU accession countries.

The Irish workforce, specifically the hospitality industry which employs the majority of foreign nationals is facing new challenges that require structured planning to maintain its unique competitive advantage. The introduction of new equality legislation has also identified the necessity for equality in the workplace; protecting the dignity of all individuals in the workplace, by valuing their differences and taking into account their individual needs. Yet, at the same time, managers are faced with the issue of how to effectively utilise immigrants' skills and attributes and how to deal with language barriers and culture differences. Owing to these and other issues, a need to raise awareness of such challenges and identify ways of coping with them is necessary.

The selected topic of study is not only an area of personal interest, but also an area that has not been addressed in depth by the Irish employers in the hospitality industry who employ a large number of foreign workers. Leading by example, the Hilton Hotel Cooperation (2013) has demonstrated huge initiatives in promoting diversity, and it is the first major hotel corporation to put together an effective program monitored by the Diversity Council with 33 on-going diversity initiatives. There has been a small amount of research conducted into the area of diversity, for example Rodgers & Hunters (2003), who studied the effective way to manage diversity in organisations. They suggested ways such as the development of an adaptive management style. This may help in understanding which behaviour works with each employee, and put emphasis on individual management rather than a group in order to improve manager/employee relationship. Rodgers & Hunters (2003) also conducted research which saw 70 to 80% of employees leaving employment, not because they disliked their jobs, but because of their poor relationship with their managers. They highlighted ways of focusing on relationships by handling employee interactions individually and emphasised communication and feedback. However, they failed to highlight the root of the problem of communication which is a language barrier. They also failed to specify other initiatives such as applying diversity imperatives and interfaces.

A qualitative and quantitative research by Finnerty (2004) on diversity management

in today's Irish workplace also saw legislation as a key driving force for promoting diversity in the workplace and that no tangible evidence had seen a positive impact on an organisation's performance. Two issues were revealed by the above literature; one issue is how effective is diversity management within organisations. The second being, is it worth the effort? In other words, the question can be asked, are current diversity management measures sufficient and are they applied efficiently and correctly within the Irish hospitality sector? Is the effort made only as a result of legislative reasons? If not, why would the Hilton Hotel make so much effort? Therefore, the aim of this dissertation is to examine diversity in the workplace with reference to managing a culturally diverse workforce in the Irish hospitality sector with particular reference to the initiatives taken by the US Hotel Group (The Hilton Hotel) in promoting diversity in the workplace. Diversity has been hypothesised in many different ways, since the term diversity is so broad and also due to the large increase of foreign nationalities in today's Irish work environment, specifically the hotel sector, the researcher felt it necessary to choose cultural diversity to conduct this research.

## **1.2 Research Question, Aim and Objectives**

### **1.2.1 Aim**

The aim of this dissertation is to examine diversity in the workplace with reference to managing a culturally diverse workforce in the Irish hospitality sector with particular reference to the initiatives taken by the US Hotel Group (The Hilton Hotel) in promoting diversity in the workplace.

### **1.2.2 Objectives**

1.2.2.1 To develop a conceptualised view of the diversity initiatives in the Irish hospitality working environment.

1.2.2.2 To establish what have been the driving forces behind the diversity management initiatives in the Irish hospitality workforce.

1.2.2.3 To investigate whether organisations in the hospitality industry perceive diversity management initiatives as being an important contributor to their competitive advantage in the market place.

1.2.2.4 To critically appraise the literature of the Hilton Hotel's diversity and inclusion initiatives.

### **1.2.3 Key question**

Are current diversity management measures sufficient and are they applied efficiently and correctly within the Irish hospitality sector?

### **1.3 Structure of the Dissertation**

This dissertation consists of five chapters. Chapter 1 examines the concept of diversity and diversity management; it then explores the emergence of cultural diversity management in the workplace in the hospitality industry and diversity implications in Ireland. This chapter also appraises the emphasis put forth by the Irish Equality Legislation – the Employment Equality Act 1998 and the Equal Status Act 2000, which requires employers to promote equal opportunities and value diversity in the workplace.

Chapter 2 is the literature review which explores what research and opinions exist in relation to diversity management in the Irish hospitality work environment. It also looks at the Hilton Hotel's framework for managing diversity. This chapter seeks to examine the impact that diversity has to organisations' competitive advantage in the market place by looking at challenges and opportunities of managing a cross-cultural team. This section of the research also examines what are the main driving forces behind diversity management within organisations in the hospitality sector in Ireland. The focus is put upon the management of cultural diversity, challenges, opportunities and the implications on organisational competitiveness.

Chapter 3 introduces the research methodology section which outlines the research aims and objectives.

The researcher has identified numerous options for conducting this study and will justify the reasons for each chosen method of research and why it was deemed appropriate for this study. This chapter will also outline the details of how the data analysis was conducted. This will form the basis of the discussion and findings of the study which will be outlined in the last chapter. The researcher also attempts to relate and compare these findings with the findings from the literature review.

#### **1.4 What is Workplace Diversity Management**

Before examining what workplace diversity management is, it is necessary to understand what perceptions organisations have on the term 'diversity'. Mor-Barak (2011, cited in Githens, 2011) pointed out three common views of diversity which receive the most attention by scholars and workplace practitioners, these were referred to as: narrow category-based definitions, broad category-based definitions and conceptual definitions/articulations of diversity.

According to Mor-Barak (2011), narrow category-based articulations of diversity are based on discrimination laws i.e. discrimination against gender, racial and ethnic groups, national origin, disability and age. For example, the United Nations hypothesises diversity in terms of religion, physical ability, age, race, sexual orientation, gender, language and differences.

The second definition is broad category-based articulations, according to Mor-Barak (2011, cited in Githens, 2011) this definition is included in the US federal legislation and it consists of cultural background, marital status, education, social class, length of service in the organisation and skills of the individual.

The last category is the broad conceptual articulations of diversity. According to Githens (2011) these articulations have become increasingly common in the past 15 years; this is due to the fact that many organisations are becoming more interested in viewing diversity in general terms that transcend categorisations. This category has been popularised by many authors such as Roosevelt Thomas (1991) who analysed a fundamental causal factor behind the reality of diversity or increasingly urgent managerial need to address its challenges and opportunities.

Now, individuals are encouraged to be comfortable with being different and others are even inclined to celebrate being different. The approach in the third category allows all individuals in the organisation to personally identify with the concept of diversity and understand its relevance to all individuals. For example, the *Irish Business and Employers Confederation (IBEC)* conceptualises diversity as a mix of individuals with different experiences, backgrounds and attitudes which brings different perspectives and ideas to the organisation. The Irish Hospitality Institute (2008) defines diversity as a mosaic of individuals who bring a variety of backgrounds, styles, perspectives, values and beliefs as assets to the groups and organisations with which they interact. Therefore, workplace diversity management is referred to as, the systematic and planned commitment on the part of organisations to recruit and retain employees from diverse demographic backgrounds. This also implies an active recognition and appreciation of the increasingly multi-cultural nature of contemporary organisations (Prasad, Mills, Elms & Prasad, 2002).

### **1.5 The Emergence of Cultural Diversity Management in the Hospitality Sector**

According to Hughes (1992), a culturally diverse workforce has, for a long time, been an important reliance for the hospitality industry. Hadson (2008) suggested that globalisation is one of the main driving forces behind corporate strategic planning of most international hotels as more migrants and minority workers enter the hospitality industry. Due to the current growth of globalisation, organisations are led to realise that they are not only competing for the domestic market, but also for the global market. According to Lim & Noriega (2007) more than half of the world's assets are controlled by multi-national organisations. With rapid economic growth, Asian-pacific countries are becoming increasingly popular for multi-national corporations to acquire market shares (Gong, 2008). For example, Macao, Hong Kong, and mainland China have turned out to be ideal locations to open new properties for the US international hotel brands like the Hilton Hotel group and Marriott Hotels. Stanley (2008) reported that over the next decade Hilton Hotel Corp. decided to add 300 hotels to the 47 hotels it already managed in Asia.

During the 2008 Beijing Olympic Games almost every international hotel brand had opened a new property in the mainland China. This meant that companies must now compete to acquire the best talents, especially competent global managers, as well as a diverse workforce who can cooperate successfully with people from different cultures in order to serve a diverse group of guests from all over the world.

The continued globalisation of the hospitality sector, in the domestic market of the US has meant that more immigrants and minority workers get into the workforce. According to Elmuti (2001, cited in Gong, 2008) the first decade of the 21<sup>st</sup> century saw the increase in the percentage of minorities in the US by 29% while the 2010 statistics from the Department of Labour in the USA reported a 44.1% increase of minority workers in the US workforce and the minority groups are expected to occupy almost half of the nation's population by 2050. Due to the fast growth rate of globalisation and labour structure change, the industry is now facing multi-cultural challenges and is looking for ways to increase fairness for all employees regardless of their cultural differences. It is also seeking for ways to maximise the talent and the potential of every member in a diverse team and a harmonious place to work. It is the organisations' aim to achieve common goals and objectives, which requires managers to come up with a strategic plan and a design of an effective program to help them to rise to the challenge (Gong, 2008).

On the other hand, a report on a holistic approach to diversity management by Fernandez (2013) suggests that the hotel industry was forced to react to National Association for the Advancement of Coloured People (NAACP) - the organisation in the United States formed in 1909 with the mission to ensure the political, educational, social and economic equality of rights of all people and to discourage racial hatred and discrimination. In this report Fernandez (1998) suggested that a publicised hotel survey which was conducted by NAACP in 1997 was viewed as a challenge to the industry's commitment to the minority groups in the United States. Although the hotel industry has long been a good place for minorities to find work, not enough effort has been put in to help them advance to

higher level of management and leadership. By not having a clear strategy for managing diverse talent, the hotel industry was open to observation by minority special interest groups (Fernandez, 1998). This report, along with the issue of globalisation, explains the effort taken by major hotel groups who have developed cultural diversity management training. These are designed specifically for the hospitality management to increase workers' awareness of cultural differences and attempt to effectively manage diversity to maximise corporation and productivity.

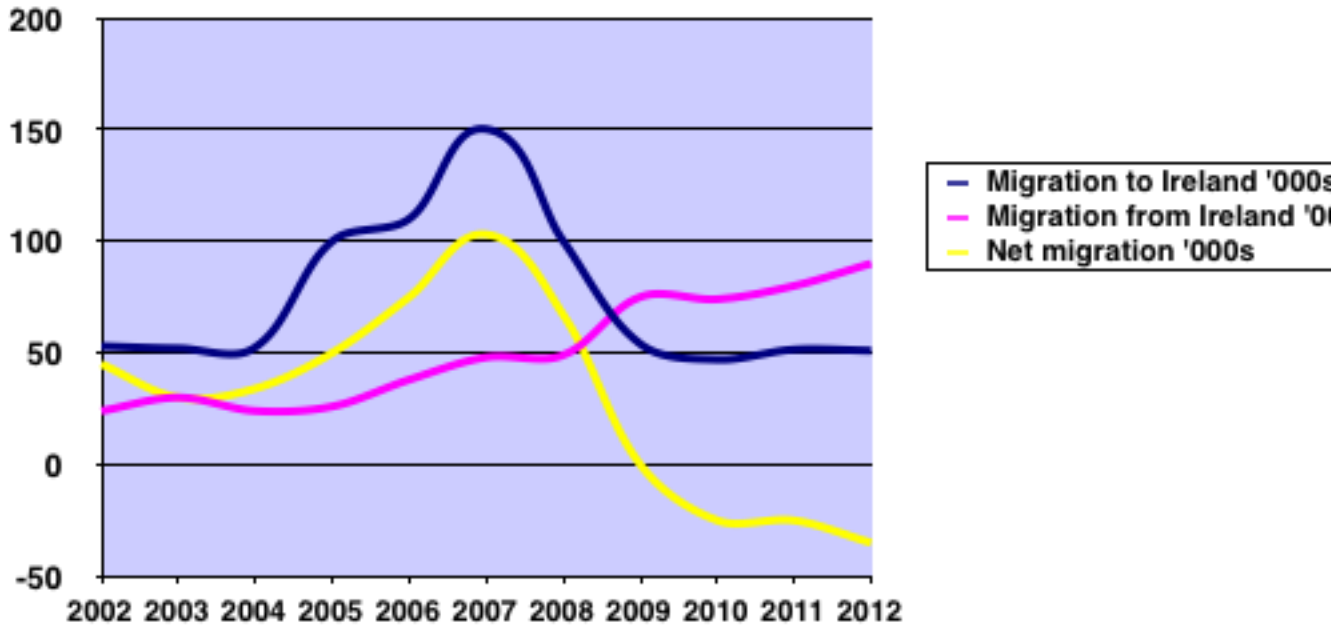
### **1.6 Demographic Changes in Ireland (Diversity Implications on Hospitality Workforce)**

Demographic changes have a major impact on the labour market in the hotel industry, without people, operations and business development departments will not function effectively. The demographic refers to the size and characteristics of a population of a country. In his article on the top ten issues in the hospitality industry, Raleigh (2007) stated that the population growth has been slowing in Europe and the number of workers leaving the workforce exceeds those entering. According to O'Brien (2005), migration is seen as the main reason for the decline of the population in Ireland. Other reasons, such as fewer children being born was also identified by Kew & Stewardick (2010), the ageing force moving into retirement age is creating a number of problems. For example, the statutory retirement age in Ireland is currently 65 years old, but recent appointed judges have their statutory retirement age increased to 70 years. A report by ILO (2011) listed the ageing of baby boomers, better health, longevity and lower birth rates as reasons to why there is an increase in older people in work places today. HR practitioners will have no option but to adjust to this shift by bringing more of the younger people into the workforce, but how can this be achieved if migration is seen as the main reasons for the demographic shifts?

The current economic situation in Ireland sees a lot of people emigrating to search for work abroad, but at the same time it has seen a large increase in the number of foreign nationals migrating to the country (*See fig.1- Migration to and from Ireland, 2002-2012*).



The number of non-Irish nationals living in the Republic of Ireland has risen to 143 % to more than half a million between 2002 and 2011 (Kenny, 2012). The number of work permits issued for migrant workers in Ireland has also risen (*See fig. 2- Work Permits Issued*). There was also an enlargement of the EU in 2003, a further 74 million people, which helped to fill job vacancies that were suffering skills shortages. **Fig. 1: Migration to and from Ireland, 2002-2012**



**Fig. 2: Work Permit issued in Ireland- from 1999-2003**

Work Permits Issued between 1999- 2003	
1999	6,250
2000	18,006
2001	36,436
2002	40,321
2003	47,551
2004	34,067
2005	27,136
2006	24,854

**This figure shows the increase of work permit issued between 1999 and 2003 and the decrease of work permit issued in 2004 onwards - this was due to the EU enlargement in 2004 where work permits were no longer required for new EU members.**

*(Source: Data from Department of Enterprise, Trade and Employment)*

In his article on the top ten issues in the hospitality industry, Raleigh (2007) reported that many people do not prefer hospitality work and do not consider it to be glamorous. Along with its reputation for having unsocial hours of work, low pay and rigid contracts, it has failed to attract local workers who would rather migrate than begin working in this sector, which leaves immigrants to be the main source of labour. The 2007 Labour Market Commentary saw non-Irish nationals accounted for 11% of the Irish workforce, for the labour-related picture of migrant workers in the Irish hospitality workforce to be examined, it is necessary to look at the distribution of immigrants across other sectors in the Country, i.e. Construction, Retail, Hospitality, Cleaning and Care Work (*See table 1. - Employment Classified by Economic Sector and Nationality*).

This information was obtained from the CSO, it provides an estimation of the labour force classified by nationality and economic sectors through the Quarterly National Household Survey (QNHS). The first three sectors (Construction, Retail and Hospitality) are regarded by the CSO as broad economic sectors which show that the highest numbers of migrants are employed in construction. However, it highlights that the largest concentration of migrant workers are in hotels and restaurants where they accounted for 28.13 of people employed in this sector.

According to Cornell & Burgess (2009), HR professionals are now faced with an issue of how to effectively manage a diverse workforce and they must also come up with a strategy which will allow them to deal with the demographic changes.

Quillien & Olila (1992) suggest that if organisations seek to retain their employees, they must: analyse the local culture, listen, share ideas, question, observe skills and be curious of talented employees.

They must also be flexible in their working practices and provide a work-life balance, as it can help retain workers (Reynar & Smith, 2009). Kirkman (1984) defines the work-life balance as a quality of working life while at work, which means leisure and family are included in one's working life.

**Table 1: Employment Classified by Economic Sector and Nationality**

SECTOR	Quarter 3 of 2004				Quarter 4 of 2006			
	Number of Irish	% of Irish	Number of Migrants	% of Migrants	Number of Irish	% of Irish	Number of Migrants	% of Migrant
<b>Hotels &amp; Restaurants</b>	98,200	84.66%	17,000	15.34%	83,800	71.87%	32,800	28.13%
<b>Wholesale &amp; Retail</b>	255,200	94.45%	15,000	5.55%	260,700	90.43%	27,600	9.57%
<b>Construction</b>	209,500	94.50%	12,200	5.50%	243,900	86.61%	37,700	13.39%
<b>All Sectors</b>	1,779,100	93.95%	114,500	6.05%	1,850,600	89.57%	215,500	10.43%

*(Source: Data from the Central Statistics Office, Ireland.)*

### **1.7 Legislation /Emergence of Diversity Initiatives in the Irish Hospitality Sector**

According to Pilbeam & Corbridge (2006) diversity management is about valuing everyone as individuals; this includes age, race, gender, disability etc. Hilton Hotels worldwide have developed a corporate responsibility and created a culture where team members feel appreciated. It recognises and views international cultures as valuable, and make sure people of all ages, nationalities and gender are seen, heard and respected.

They have invested in programs that promote diversity i.e. the inclusion training and celebrations of international traditions and culture awareness week. This strategy allows them to tackle the issue of retention, because employees feel valued, respected and therefore, remain loyal and committed to the organisation.

When the emergence of diversity management in organisations in the Irish hospitality sector is examined, it is possible to see that managing diversity and promoting a diverse workforce culture has stemmed from the initiatives made by major US international hotel groups, such as the Marriot, the Hilton Hotel etc. who see diversity as a key component to growth and competitiveness (Hilton Hotel, 2012). The legislation requirements in Europe and Ireland also act as a primary driving force behind diversity management in organisations in Ireland. The introduction of the new equality legislation – The Employment Equality Act 1998 and the Equal Status Act 2002 have an impact on how diversity is managed. The Employment Equality Act outlaws harassment and discrimination in employment on the following grounds -gender, sexual orientation, disability, marital status, religious beliefs, race, family status, age, and membership of the travelling community (*See Table 2- Employment Equality Acts 1998 and 2004*). Discrimination on these grounds is unlawful and prohibits employers to deny individuals access to employment, conditions of employment, training or experience for or in relation to employment, promotion or re-grading and classification of posts. Article of the Treaty of Amsterdam - *The EU Directive- Implementing the Principle of Equal Treatment between Persons irrespective of Racial or Ethnic Origin 2000* requires member states to take appropriate action to combat discrimination.

A directive on equal treatment irrespective of race and ethnic background has been adopted by EU member states. It covers goods and services, health, education, sport and employment. It also makes provision for positive action on the race ground in relation to employment and training within organisations.

**Table.2 Employment Equality Act 1998 and 2004**

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<b>Gender</b>	<b>Defined as a biological &amp; physiological characteristics that define masculine &amp; feminine or men &amp; women</b>
<b>Family Status</b>	An employee who has parental responsibilities, i.e. a parent or a primary carer for someone with a disability who requires a high degree of attention.
<b>Age</b>	This covers employees between the age of 18 and 65- where the retirement age is 65 years.
<b>Disability</b>	A disadvantaged <b>person</b> ; someone with a physical or mental condition that limits his/her movements, senses etc.
<b>Race</b>	Includes nationality, <b>ethnicity</b> , colour and national origins/background.
<b>Sexual Orientation</b>	Includes <b>heterosexual</b> , bisexual, homosexual etc.
<b>Religious belief</b>	Different religious backgrounds or outlook, Muslims, Christians etc.
<b>Membership of the traveller community</b>	A community of people called the travellers and are identified by others or by themselves as people with a shared history, culture and traditions that includes a nomadic way of life on the island of <b>Ireland</b> .

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(Source: Data from the Irish Statute Book, also from [www.equality.ie](http://www.equality.ie) )

## **1.8 Summary**

From having examined the origins of diversity management in the hospitality sector, the shift of demographics in Ireland and the emergence of legal requirements of equal status at work, it is possible to see the development from the quota approach to understanding the differences of individual groups in the workplace, to managing these differences. The above literature suggests that due to an increase in globalisation, a more diverse workforce would become apparent in the hotel industry. From examining the Irish context, the enlargement of the EU and the change of the Irish economy during the Celtic Tiger, has seen the workforce in organisations in Ireland becoming more diverse, which recognised the need to manage diversity effectively. The increased presence of migrant labourers is relatively new to the Irish economy, the 2002 FAS Irish Labour Market Review suggested that the Irish economy will have an ongoing need for migrant workers; this means that cultural diversity will remain a permanent feature of the Irish workforce. However, legislation alone is not sufficient enough to address diversity issues in today's Irish hospitality workplace, neither are shifts in demographics and globalisation. This is because, diversity management in the workplace requires companies to go beyond meeting the legal requirements and take a proactive approach in achieving both individual and organisational benefits through effective management systems of diversity. The following chapter will review the literature on the Hilton Hotel group's framework for managing diversity and will investigate whether organisations perceive diversity management initiatives as being an important contributor to their competitive advantage in the market place.

## **Chapter 2- Literature Review**

In this section, the researcher seeks to identify what research, concepts and opinions relating to diversity, specifically cultural diversity and diversity management, exist thus far. From having briefly outlined in chapter one the Hilton Hotel group diversity and inclusion initiatives this chapter will look further and appraise the literature of the Hilton Hotel's diversity management initiatives. It will also identify what appears to have been the driving forces behind diversity management initiatives in the Irish hospitality work force and what literature exists in relation to the implications for organisational competitiveness in the hospitality industry. This chapter will also address challenges of managing a cross-cultural team and outline effective ways to manage diversity. The research will concentrate on literature that relates to the management of cultural diversity with implications for competitive advantage in the Irish hospitality workforce. Finally, this chapter will discuss materials from the Irish government and employer bodies and examine what initiatives have been taken to address the area of diversity and equality in Ireland over the recent years.

Theories relating to diversity management have emerged since 1940 in the US when diversity was viewed as a problem. Conant (1945, as cited in Finnerty, 2004) established a report which was concerned with maintaining social stability of higher social class levels from lower class levels. This report did not consider diversity in terms of race, gender, ethnicity etc. but rather considered it in terms of class and status. Tatli (2006) wrote an article for CIPD on Diversity Management Measuring Success which pointed out that diversity management that involves race, gender, ethnicity etc. only developed as a philosophy in the late 1980s in North America. In the 1990s, the concept became a new management approach in the UK because of the prevailing social and economic climate. It then became a requirement for any successful organisation. This was because of the competitive pressures to sustain economic performance, as well as the changing expectations of the society. As a result, the workforce of 21<sup>st</sup> century was more diverse in terms of culture, gender, age, sexual orientation etc.

For the purpose of this study the focus is put upon cultural diversity. A report by Failte Ireland (2013) outlined that *'A positive culturally diverse workplace is a workplace that celebrated its employees' cultures, that values and explores differences and that actively seeks to learn from other cultures in an inclusive and respectful manner, it is concerned with individuals, their inherent differences and needs and their successful inclusion in the workplace and society, diversity recognises and nurtures differences between human kind. A diverse community demonstrates tolerance, respects differences, identifies similarities and strive for inclusiveness.'* The report continues to suggest that many organisations take diversity initiatives in order to improve innovation based on the concept that differences will provide new ideas and ways of thinking, thereby encouraging innovation and creativity. This suggests that, managing diversity in the 21<sup>st</sup> century is not only socially desirable but also a driver of organisational competitiveness.

## **2. 1 Hilton Hotel Group's Framework for Managing Diversity**

Hilton Hotel's consist of staff of different nationalities, serving diverse guests, with more than 40 languages being spoken, among the 300,000 team members of staff in more than 3,800 hotels, across 91 countries. The Hilton Hotel group had aligned its diversity and inclusion approach with its mission statement which is to become the *'preeminent global hospitality company- The first choice of guests, team members and owners alike.'*

### Diversity and Inclusion Statement for Hilton Hotels and Resorts

*Hilton Worldwide is committed to being the worldwide industry leader in hospitality. We hold ourselves and all of our global team members to the highest standard of integrity, ethics and service excellence. We will achieve and maintain this status by living our core values: attracting the best and brightest talent, valuing*



*and leveraging the diversity of our workforce, our guests, our suppliers, partners and shareholders. Respecting the diverse cultures throughout our international reach, as corporate citizens, we will address the local needs of the diverse communities in which we live, work, and serve around the world'* (Hilton, 2013)

The Hilton Hotel group does not only value diversity, but they also manage it. They believe that managing diversity in a business involves aligning all aspects of the way the organisation operates to reflect its belief in embracing diversity; '*At Hilton Hotels Corporation diversity is a serious business... it is not just a component of the company, but a commitment that is folded into its corporate philosophy, practices and performance measurements, from its president and chief executive officer, Stephen F. Bollenbach, to all the team members of Hilton family hotels worldwide, Hilton invests key resources to ensure that its employees and suppliers reflect the composition of the communities in which they serve. Using a top-down approach spearheaded by its Diversity Council, Hilton employees at every level are held accountable for meeting diversity goals, in addition, the bonuses of hotel and corporate management are directly tied to meeting such goals.*' (Business Wire, 2003). *It is my objective to maintain a company that is committed to breaking down gender, racial and ethnic walls,*' (Bollenbach, 2009).

The Hilton Diversity Council is managed by Stephen Bollenbach and consists of senior management from all areas of the organisation. The diversity principles are developed by the corporation's board of directors and are incorporated into all areas of the business from employment, training, mentoring, purchasing, franchising/hotel ownership, advertising, marketing, community support to management performance measurements.

*'At Hilton, we strive everyday to prove that diversity works- it creates an enhanced atmosphere for our employees, and a broader mix of suppliers who can provide goods and services for our hotels- which in turn cultivates a more well rounded experience for our customers, '(Bollenbach, 2009).*

The Hilton Hotel group takes diversity management initiatives and applies it in the following ways;

**Human Resource/Training:** through its comprehensive in-house training program, Hilton employees are introduced to its 'Diversity Works Philosophy' when joining the organisation. It provides an orientation program to all new employees where diversity and inclusion statements are included in team members' handbooks.

It also provides courses on diversity, which are available to all team members through the Hilton Worldwide University- an internal online training platform within the organisation. It ensures that employees are aware of the importance of transferring diversity principles into everyday work. As part of its 'Talent

Management Strategy', the Hilton group has created an inclusive workforce that involves employees' thoughts and opinions purely for the purpose of fostering innovation and competition. In the United States, the Hilton Hotel group has built relationships with selected leading Historically Black Colleges and Universities (HBCU) and Hispanic Serving Institutions (HSI) to recruit talented individuals within hospitality programs. The Hilton Hotel group maintains approximately 60% minority workforce, 50% of which are female, as well as that, nearly 30% of those employees are in management positions with 40% of them being women. The Hilton Hotel Development Programme (HHMDP) selects women and employees of different origins with proven skills sets and trains them for management positions through an 18 week programme. Other programmes offered include a task force for new openings – making sure every employee is aware of the new vacancies that arise within the group across countries and the elevator programme, which allows

the group to find candidates of a standard that would significantly reduce the 15-20 year timeframe for new recruits to become international general managers.

**Culture-** the Hilton Hotel group seeks to understand the organisations unique global cultures and ensure that team members are seen, heard, valued and respected. The senior leadership is committed to investing in programs of international traditions and customs. As part of this initiative, Hilton has formed an Executive Diversity Council, comprised of the executive committee and chaired by a president and CEO. Through H360 (Internal Social Media) the Hilton Hotel group ensures that people from all over the world can communicate socially and professionally with each other. It also offers cultural diversity training for those who relocate to work in another country.

**Market place-** the Hilton Hotel group promotes diversity within its market place through initiatives such as the Supplier Diversity Program and the development of property ownership opportunities for women and diverse groups.

Through the Supplier Diversity Program, it sources the products it needs for its properties from a wide range of sellers and suppliers. The goal is to create a supplier relationship that reflects the cultural diversity of its portfolio of hotels and through its award- winning program, which began a decade ago. The Hilton Hotel group has cultivated relationships with more than 4,400 women and minority owned businesses. Through the Ownership Diversity program in 2004, the Hilton Hotel was the first major hotel to develop an effective program to further educate minority and female entrepreneurs on becoming owners of its properties. It also promotes ownership through the National Association of Black Hotel Owners, Operators and Developers (NABHOOD), the Latino Hotel & Restaurant Association (LRHA) and the Asian American Hotel Owners Association (AAHOA) as a founding sponsor and long term supporter.

**Recognition of Diversity and Inclusion Achievements** – the Hilton group is widely recognised for the efforts of fostering diversity and inclusion and has received over 20 diversity employer awards (*See Table.3 – Recognition of Diversity and Inclusion Achievements*).

Other initiatives taken by the Hilton Hotel group to foster diversity include the development of a calendar of activities such as the culture awareness week and celebrations of customs and traditions of different nationalities. It also produces weekly/monthly internal newsletters where all employees are engaged in a fun and social way to help increase cultural awareness and keep employees informed of the latest news. **Table 3- Recognition of Diversity and Inclusion Achievements**

Type of the Award	Awarding Body
<b>Best of the Best 2010</b>	Top Hospitality Companies, Women's Professional Magazine
<b>Business of the Year Award</b>	Texas Department of Assistive and Rehabilitative Services
<b>Chairman's Award</b>	Women's Business Enterprise Council
<b>Top 60 Companies for Diversity</b>	Hispanic Business Magazine
<b>Hotel Company of the Year and Apex Award, 2009</b>	National Association of Black Hotel Owners, Operators & Developers
<b>The CEO/Corporate Leadership Award</b>	Southern California Minority Business Development Council
<b>Top 50 Organisations for Multicultural Business Opportunities</b>	DiversityBusiness.com
<b>Top 100 Companies to Work For</b>	Savoy Magazine
<b>Top 50 Corporations for Supplier Diversity</b>	U.S Hispanic Chamber of Commerce
<b>Top 25 Companies for Supplier Diversity</b>	Hispanic Business Magazine
<b>Best Companies for Hourly Workers</b>	Working Mother Magazine

<b>Top 100 Companies in Orlando for Working Families</b>	Orlando Sentinel-Hilton Grand Vacations
<b>Top Supplier Diversity Program</b>	Black EOE Journal
<b>Top Supplier Diversity Program</b>	Women's Professional Magazine
<b>Top Supplier Diversity Program</b>	Hispanic Network Magazine
<b>Top Diversity Employer</b>	Black EOE Journal
<b>Top Diversity Employer</b>	Women's Professional Magazine
<b>Top Diversity Employer</b>	Hispanic Network Magazine

(Source: Data from <http://hiltonworldwide.com>, accessed on the 09th of June, 2013)

## 2.2 Diversity Conceptualised as Asset to the Organisation

Many corporations view diversity as something that has the potential to bring some economic value to the organisation. Therefore, managing diversity effectively often represents a viable long-term strategy that will bring economic benefits to the organisation. Two dimensions of the economic defence of diversity were highlighted by Foster, Jackson, Cross & Hardiman (1988, as cited in Finnerty, 2004). The first dimension sees diversity management as a valuable option because of the labour market forces behind it. This dimension argues that the changing demographic profiles of the North American workforce leave organisations with no (or fewer) options, but to embrace diversity. The change in the labour market supply constituted the fundamental driving force behind diversity management therefore, incorporating diversity initiatives into managerial strategies driven by labour market conditions. The second dimension translates greater workplace diversity into greater workplace productivity. This is similar to the research carried out by Kotter & Heskett (1992) who suggested that companies with stronger and inclusive cultures

had increased their revenue by 682% as opposed to only 166% of companies with weaker cultures. The research also found that such companies had expanded their workforce by 282% as opposed to only 36% of organisations with weaker cultures. Organisations with a strong and culturally diverse workforce had grown their stock prices by 901% versus 74% of the organisations with a non-culturally diverse workforce. This could be due to a number of reasons; according to Andrade (2010), employing a diverse workforce can allow organisations to expand employees' language skills. Consequently, this may enable organisations to compete in the international global market and diversify its customer base, therefore, giving the organisation a competitive advantage. Foster et al. (1998) pointed out that organisations that allow change and successfully manage diversity are more likely to detect and solve problems that do not fit into today's business models, this is because, minds of a diverse workforce combined together, bring out more solutions and different ways of thinking thus increase creativity and productivity. In her article on the advantages of work place diversity, Laura (2012) found out that diversity in a workplace can act as a form of support to an individual's thoughts and opinions, thereby encouraging innovations. Furthermore, Kenny (2008) analysed the UK survey on the key drivers for diversity in the workplace. The results showed that almost 64 % of organisations used diversity to recruit and retain the best talent which brings different sets of skills and abilities. In her report titled 'The Business Impact of Equality and Diversity the International Evidence.' Monk (2007) outlined a relationship between equality, diversity and organisational performance as follows: The first relationship sees, organisational policies at a strategic level, which are related to positive actions and equality in the workplace. A relationship between diversity in top team management membership and organisational performance through organisational policies was identified. Secondly, a positive relationship between the adoption of organisation equality policies and an employee's commitment towards their job, job satisfaction, and life satisfaction including work-life balance and low levels of stress at work was also identified.

There also appears to be a positive outcome on employee performance with reductions in absenteeism and improved employee relations as a result of introduction of equality and diversity management initiatives, which appear to enhance organisational performance.

### **2.3 Drivers of Diversity Initiatives in the Irish Hospitality Sector and Implications for Organisational Competitiveness.**

While a lot of literature suggests that the management in organisations should value diversity management to enhance the organisational performance and effectiveness, there is very little evidence to support the link between managing diversity and organisational competitiveness in the hospitality sector specifically in Ireland. For the purpose of this research, the primary focus is on cultural diversity and a brief examination of the report on managing diversity in the hotel sector by Maxwell, McDougall & Blair (2000). Another area which will also be investigated is the report by the Irish Hospitality Institute (IHI, 2012) which addressed practical guidelines for promoting equality and diversity in the Irish hospitality sector and profiled general good practice equality and diversity initiatives in Irish hospitality.

According to Maxwell et al. (2000) so far organisations in the hotel industry have yet to harness the full benefits of managing diversity. A study of diversity management in practice, which was conducted in San Francisco by Groschl & Doherty (1999), indicated poor development of diversity management and its benefits within the hospitality sector in San Francisco. Hughes (1999, as cited in Maxwell et al., 2000) also conducted another study on diversity management in Ontario, Canada and concluded that although diversity management is deemed essential, providing an effective diversity management remains a challenge for many hotel owners. The study in the UK, where managing diversity in the hospitality sector is becoming increasingly influential, found that the concern over the standards of service quality in the hotel sector may, in contrast, encourage an interest in managing diversity (Maxwell et al., 2000). This is because managing diversity in the hospitality sector lies in the very nature of its offering.

As people become more diverse, the challenge of responding to cultural diversity in the hospitality industry will be more recognised because the service they

are offering is a social experience that is culturally relative and defined within the hospitality sector (Christensen, 1993; Maxwell et al., 2000). Due to the diverse customer base in the hotel industry, managing a diverse workforce is embraced to provide customers with a personal and quality service from diverse workforces, who are familiar with the needs of guests from their native countries.

Managing diversity effectively may make an important contribution to an organisation's competitive advantage. Moreover, given the changing nature of the demography of customers, developing a strategic approach to managing diversity may also have the potential to increase the scope for greater insight into different populations of customers and to further contribute to the increase of an organisation's competitive advantage in the market place.

Therefore, the commercial arguments for managing diversity are important on various grounds; one of these points is to ensure that the human resource department utilises effectively the potential of individuals of a diverse workforce to give an organisation a competitive edge (Cassell, 1996; Maxwell et al., 2000). According to Maxwell et al. (2000) the potential for managing diversity in the UK to promote equality in the workplace seems ironic as the track record of its success in this industry is inadequate and also its reputation for developing better HR practices is debatable. But despite all this, managing diversity seems to offer real opportunity for the hospitality sector in terms of quality service improvement which is essential if an organisation seeks to increase its productivity.

Groschl & Doherty (1999, as cited in Maxwell, 2000) suggested that the benefits of employing a diverse workforce can be seen in a highly competitive environment, such as the hotel sector. They also suggested that the problems with shortages of skilled staff and high levels of staff turnover, caused by demographic changes, can be alleviated through managing diversity.

When examining the report by the Irish Hotel Industry (IHI, 2012), it is possible to see 3 benefits of business performance which are directly impacted by the management of diversity in the workplace.



This can be linked to the report by Monk (2007) who outlined a relationship between equality, diversity and organisation performance, as discussed earlier. The business performance benefits outlined by IHI (2012) are as follows:

- i. Benefits of promoting equality and diversity in recruitment and selection.
- ii. Benefits of promoting equality and diversity in employment practice.
- iii. Benefits of promoting equality in relationships with customers.

When looking at the benefits of promoting equality and diversity in recruitment and selection, IHI (2012) suggested that by promoting equality in the workplace, staff will be confident that they are working for a fair employer which may reduce the rate of turnover of staff, therefore, saving recruitment costs. As discussed in chapter one, IHI (2012) also identified the requirements made by the Irish employer under the Irish Equality Legislation, which is to comply with legal requirements of promoting equal opportunities in the workplace. By complying with the legislation, organisations will save legal costs and avoid bad publicity, they will also save time and money. Employer branding is another advantage for promoting diversity in the workplace as the company's image is enhanced in a wider community. Employer branding describes how an organisation markets what it has to offer its potential and existing employees (CIPD, 2012), if an organisation provides equal opportunities to all of its existing employees it brands itself as an employer of choice, which may help attract new talented employees. Other benefits identified by IHI (2012) were low levels of absenteeism, staff turnover and of grievance and disciplinary actions. The report also suggested that, managing diversity in the workforce promotes values and respect to employees, and if employees feel valued, they will commit to the organisation, therefore become loyal and engaged in more creative thinking, knowing that their contribution is appreciated.

When analysing the benefits of promoting equality in relationships with customers, the report saw that promoting equality in the workplace enhances a corporate image with prospective customers. Then the organisation becomes the supplier of choice and attracts customers who will buy products and services from an organisation that has a good image and ethics.

The report also suggested that the hospitality industry recognises the diverse nature of its customer base, thus employing a diverse workforce allows organisations to utilise individuals' expertise alongside their local knowledge of their native country. This makes it much easier to understand the needs and requirements of their guests and to serve them efficiently.

#### **2.4 Diversity Initiatives in Irish Hospitality Sector**

IHI (2012) outlined a number of general good practice equality and diversity initiatives in the Irish hospitality sector. According to IHI (2012) these initiatives are actively being implemented within the Irish hospitality sector. They identified the following initiatives:

1. Proactively recruiting a diverse workforce through international schools to ensure a diverse workforce and links with local organisations.
2. Formalised equality and diversity policies and procedures were promoted and implemented through equal opportunity policies: dignity and respect at work, harassment, sexual harassment, anti-bullying policies and grievance policies. These policies were communicated through training and written in employees' handbooks and given to employees during their induction.
3. The IHI (2012) also found out that some hotels incorporated equality and diversity into performance management with managers receiving a bonus if the equality action plan is actively implemented.
4. Equality and diversity training is also provided for operational, supervisory and managerial levels including training for interviewers i.e. recruitment methods and techniques.
5. Other initiatives involved facilitating a language support programme, i.e. the provision of English language lessons and the availability of training/policy materials in various languages to assist individuals in learning and understanding of the policies and procedures in question.
6. Providing various forms of communication e.g. newsletters, notice boards, weekly/monthly meetings etc.

7. Initiatives such as consultations with employees in relation to equality and diversity issues, a diversity pin which is worn by every team member of the hotel as a fundamental statement of the values of the organisation.
8. Establishment of equality and diversity committee, benchmarking against other hotels committed to promoting diversity and equality.

## **2.5 Challenges of Managing a Culturally Diverse Workforce**

Williams and O'Reilly (1998, as cited in Stahl, Manevski, Voight & Jonsen, 2009) highlighted a similarity attraction theory which suggested that people are often attracted to work with people of similar beliefs and values. According to Tajfel (1992) individuals tend to categorise themselves into specific groups and cast other people as outsiders. They also favour people from their own backgrounds and make judgements on people based on their traits and stereotypes. This type of behaviour can lead to reduced cohesion within a team of individuals who are supposed to collaborate and work together to accomplish the goals of the organisation. Capehart (2005) highlighted the language issue amongst individuals of different nationalities, which may create communication problems and differences of opinions when making important decisions.

A language barrier can also have an impact on problem solving which may lead to poor work performance. Cornell & Burgess (2009) analysed the challenges HR professionals face when dealing with a diverse group of workers. They pointed out that due to the different levels/standard of education and work experience, HR practitioners are faced with a challenge of how to effectively utilise workers' skills and talents. Rodgers & Hunters (2003) outlined an adaptive management style that may be applied by managers in order to effectively manage workplace diversity. They pointed out 3 phases; the first phase is the awareness phase, also known as the mind-set phase, where managers realise they require skills to implement diversity effectively and also learn to change workers' perceptions of their role as managers.

The next phase is known as the skill-building phase, where different behaviours of individuals emerge and are experienced by managers who will then discover which behaviour works best with each employee.

At this stage, managers learn to use allies in order to discover further ways to support each employee individually and demonstrate greater flexibility in their behaviour, traits and skills. The third phase is the internalisation phase, this is where managers monitor results of the outcome and become increasingly flexible to adjust to each individual's style. A few authors propose diversity management training programmes in organisations. For example, Githens (2011) argues that diversity must be addressed at individual, group and organisational level. This can be done by applying a diversity training programme to address the importance of diversity in the workplace and to increase awareness. Yet, he also pointed out its disadvantage which is a risk of suppressing true feelings.

Ferdman & Brody (1996) also argued that having a diversity training programme in place may address discrimination and oppression, but the outcome may result in pointing fingers of blame instead of providing a basis for common ground.

Sims & Sims (1998, as cited in Ferdman & Brody, 1996) argued that diversity training programmes is most effective in organisations that are committed to inclusion and make it part of the organisation's culture by empowering their employees' uniqueness, so they can work hard and produce more. Wheeler (1994, as cited in Ferman & Brody, 1996 ) also suggested that diversity training programmes should be closely linked with the business strategy and organisations must clearly specify what they hope to achieve, in order to see the effectiveness of it.

## **2.6 The Initiatives taken by the Irish Government and Employer Bodies to Foster Diversity**

According to Finnerty (2007) the Irish government has taken initiatives to address the issues of racism and promote equality with the use of a three year public awareness programme which was launched by An Taoiseach in 2001.

The aim of the programme was to formulate the conditions for creating an inclusive society in Ireland where racism is effectively addressed from all angles and recognise the value and opportunities that diversity brings to the nation. The programme was in partnership with the Department of Justice, Equality and Law Reform, IBEC, the community, voluntary sector, the farming sector, National Consultative Committee on Racism and Interculturalism (NCCRI) and Garda Siochana.

This project was funded by EU, which was created to address the integration of immigrant workers into the Irish workforce.

The findings of the study showed that almost one-third of foreign workers felt that Irish have a prejudiced attitude towards them. This highlighted a need for antiracist training and intercultural awareness in the workplace.

The studies also showed that a large number of recruited immigrants were coming from agencies abroad.

These findings highlighted the need for implementing fair procedures in recruitment and the necessity to comply with Irish legal standards by dealing with recruitment agencies directly, or through intermediaries.

The report also highlighted the benefits of providing basic information about work and life in Ireland which can be valuable for workers who are looking for information on how to settle in Ireland. According to IBEC (2004), the project's main objective was to use the findings to assist in designing a number of initiatives including training programmes for managers, trade unions and language support tools for foreign workers in Ireland.

## **2.7 Summary**

This chapter has outlined the diversity and inclusion statement for Hilton Hotels and Resorts which is to attract the best and the brightest talent through leveraging the diversity of its workforce including guests, suppliers, partners and shareholders. The Hilton Hotel group does not only value and embrace the diversity of its workforce, but also puts emphasis on embracing a diverse group of its suppliers, partners, shareholders and, most importantly, its guests. The Hilton Hotel group takes huge initiatives in order to show its full commitment in managing diversity and the impact it has on its organisational performance. Managing diversity in the hospitality sector in Ireland has undoubtedly stemmed from US major hotel groups. This chapter attempted to evaluate and compare diversity management initiatives taken by major US hotel groups such as the Hilton Hotel and the initiatives taken by Irish hotels. The aim was to assess the initiative's challenges and benefits.

While there was evidence of benefits and opportunities of embracing diversity in the work place, the employment legislation was seen to be the main driving force behind diversity management in Ireland. On the other hand, management literature suggested an effective enhancement on organisational financial performance, but there has been very little evidence to support this link. However, findings indicated positive results in the areas of turnover, absenteeism and overall increased business performance. One of the objectives of this research will be to establish what forms of diversity exist in organisations in Irish hospitality sector and how they embrace diversity and to establish what diversity initiatives hotels in Ireland have in their organisations and examine the link between managing diversity and organisational competitiveness.

## **Chapter 3- Research Methodology**

This section of the study outlines the objectives and methods of the research undertaken. It will explain why the chosen methodology was deemed appropriate for this study and why the sample population was selected. Finally, while this chapter will outline the details of the data collected, Chapter 4 will discuss the findings and the outcome of the research in detail.

### **3.1 Objectives of the Research and Methodology Applied**

The method for data collection of this study was the use of primary and secondary research. The secondary research was examined in the literature review through text books, journal articles, internet and libraries. Other literature from the Hilton Hotels group was also accessed. It was necessary to use all the above materials for the purpose of researching the literature in workplace diversity in the Irish hospitality sector, research on cultural diversity management in Ireland through books proved to be problematic, this is because there is very few books with literature written on the area of cultural diversity in the hospitality sector. Thus, most of the research was conducted through journal articles, the internet, the government and employer bodies such as IBEC, CIPD, IHI and the Irish Equality Legislation Act (1998 & 2004). Although a total number of 58 resources were accessed, not all were relevant. Yet most of the literature used the qualitative method, which is relevant to this study. Certain underlying themes arose out of this research which related to the driving forces behind cultural diversity management, primarily the initiatives taken by Irish hotels to address diversity management and its impact on their organisational performance.

The results of the secondary research showed both positive and negative findings. On the positive side, the IHI (2012) report outlined the initiatives taken by some hotels in Ireland to embrace diversity, which included formation of formalised equality and diversity policies and procedures, which are promoted and implemented through equal opportunity policies: dignity and respect at work, harassment, sexual harassment and anti-bullying policies and grievance policies. These findings will require further examinations and that is what the primary research intends to do.

The negative findings of the secondary research indicated that organisations in the hospitality industry see diversity as inevitable. Rigid contracts, long working hours and low pay in the hospitality industry make it difficult to attract local workers and as well as that, demographic changes. This includes migration, which O'Brien (2005) claims is the main reason for the decline of the population in Ireland, such reasons leave organisations in the hospitality sector with no option but to employ workers of different ethnic backgrounds in order to create labour. The findings on the secondary research also show employment legislation as the main driving force for diversity management in hotels in Ireland.

This argument brings it to the root of this survey- do hoteliers employ a diverse workforce out of pride and commitment, like the literature on diversity management by the Hilton Hotel group suggests, or is it merely because they have no other option but to comply with the employment legislation of equal opportunities as discussed in Chapter 1, or is it because of the poor conditions and the nature of the hotel work and changes in demographic that the employers in the hospitality industry struggles to attract and retain local workers? Again the primary research aimed to examine this in further detail.

The objectives of the primary research are as follows:

- To develop a conceptualised view of diversity initiatives in the Irish hospitality working environment.
- To establish what have been the driving forces behind diversity management initiatives in the Irish hospitality workforce.
- To investigate whether organisations in the hospitality industry perceive diversity management initiatives as being an important contributor to their competitive advantage, in other words what do they perceive to be the impact of diversity management initiatives taken? This question will be answered by highlighting opportunities and challenges for managing a diverse workforce.



The primary research adopted a qualitative (interviews) methodology (See fig.3 –List of interviewees). It consisted of semi-structured interviews where a list of themes and questions were prepared in advance (See Appendix B for sample interview questions). The reason this method was chosen was to allow participants to discuss their experiences freely and in detail. It was also chosen in order to gather a broad overview of information on the work practices in relation to cultural diversity management in the Irish hospitality sector today, analysis and issues of concern and opinions of diversity management initiatives by the HR professionals were also included.

**Fig 3. The List of Interviewees**

<b>Date</b>	<b>Time</b>	<b>Name</b>	<b>Job Title</b>	<b>Hotel/Location</b>
<b>14/06/13</b>	2-3 pm	Allie Kazak	HR Assistant	Clontarf Castle Hotel, Dublin Premises-4 Star
<b>19/06/13</b>	10:30-11.20 am	Maebh Breathna	HR Director	Shelbourne Hotel, Dublin Premises-5 Star
<b>17/07/13</b>	11-12pm	Maureen Carroll	HR Director	Merrion Hotel Dublin Premises 5 Star
<b>26/07/13</b>	12-1pm	Michael O'Neill	HR Director	Westin Hotel Dublin Premises 5 Star
<b>26/07/13</b>	12-1pm	Ciara Murphy	HR Co-ordinator	Westin Hotel Dublin Premises 5 Star
<b>26/07/13</b>	3-3.45pm	Triona Brangan	HR Director	Four Seasons Hotel, Dublin Premises-5 Star

<b>29/07/13</b>	11-11:45	Anne Tribett	HR Manager	Fitzwilliam Hotel, Dublin Premises-5 Star
<b>15/08/13</b>	12-1pm	Laura Vicincite	HR Administrator	Shelbourne Hotel, Dublin Premises-5 Star
<b>15/08/13</b>	12-1pm	Mirta Knezic,	Guest Relations Executive	Shelbourne Hotel, Dublin Premises-5 Star

### **3.2 Research Population**

For the purpose of this research, it was deemed appropriate to use large, internationally operating hotel organisations as they are more likely to have HR related policies and practices in place. The researcher's selection criteria included a use of international hotels because they are more likely to be confronted with geographical, demographical and legal issues. Therefore, they have to respond to workforce diversity related challenges. It was necessary to include some of the hotels that have received recognition awards for their achievements in the area of diversity. Such hotels include: the Shelbourne Hotel Dublin- part of the Marriot International which, in 2005, it established its own award, the JW Marriott Jr. Diversity Excellence Award. This was established to recognise the Marriott business departments that excelled in promoting diversity and building an environment of inclusion for all (IHI, 2013). In 2009, the Shelbourne Hotel Dublin, won the Diversity Award and as part of the international hotel chain, it has formulated a formal training programme called '*Living Our Core Values*'. The programme focuses on acknowledging people's differences, by respecting each individual's culture, background and religion. The programme teaches employees to work together as a team despite their differences.

Another hotel chosen was the Westin Hotel Dublin - part of Starwood Hotels and Resorts Worldwide, which is inspired by organisations like the Human Rights Campaign Corporate Equality Index, that validated the necessity of inclusion and respect. This acts as a business model which plays a critical role in creating a positive work environment and guest experience. In 2011, the Westin won **'The Best Places to Work'** Award, it also received the **'Hospitality Diversity Awards'** in 2007- winner in a hotel group category. Clontarf Castle Hotel was also chosen to participate in this study because of its core organisation value i.e. **'Our Uniqueness is Our Difference'**. Their core goal is **'People are Our Number One'** and their key message is that individuals with a disability can make a valuable impact to their organisation. Other hotels chosen were the Merrion Hotel, the Fitzwilliam Hotel and the Four Seasons. These are 5 star hotels and are amongst the best hotels in Dublin and have HR policies and procedures in place. These hotels were chosen because they are fully Irish hotels which means they are not a part of the US international group of hotels, except for the Four Seasons Hotel. Therefore, any policies and procedures on diversity management would be driven by their own management without any influence or requirement from the group. It was deemed appropriate to select these fully Irish owned hotels in order to determine whether or not the formal policies for diversity management in the international hotels in Ireland are expressly driven by the need to follow the international standards and requirements.

As outlined in Chapter 1, apart from legislation reasons and demographic changes, diversity management within the Irish hotel industry has stemmed from the diversity management initiatives of the international hotels in the US, including: the Hilton Hotels, the Marriot Hotels and the Starwood Hotels . Thus, it would be appropriate to include these hotels in our research. This includes the Shelbourne Hotel Dublin which is now a part of the Marriot Hotel group, the Westin Hotel which is a part of Starwood Hotels and the Four Seasons Hotel which is a part of the privately owned American collection of hotels.

### **3.3 Sample Population**

The sample population of this research consisted of six hotels that agreed to

to participate in this research. There were three hotels which were privately owned Irish hotels and three hotels which were a part of an international hotel group. The sample consisted of HR professionals which included: Four HR directors, one HR manager, two HR administrators, one HR coordinator and one Guest Relations Executive. They were all asked the same open-ended questions on human resource policies and practices, equal opportunities and managing diversity. The questions were framed so the participants could give their own insights in terms of their understanding, views, experiences and the impact of equal opportunities on their work environment.

### **3.4 Exclusions**

Independent bars and restaurants were not included in the sample population because these environments operate at night and this research was carried out during the day. Therefore, these establishments are not suitable for this research. In addition to this, the hotels were found to have a better management structure with a wider selection of samples to choose from.

### **3.5 Limitations**

Researchers such as Richardson, Dohrenwend, Snell and Klein (1965) have studied issues that can occur in attempting to get valid and reliable data from interviewees. For example some interviewees can be embarrassed, uncooperative or sensitive by any questions asked. Although this was not experienced by the researcher during the study, it is not to say that the information obtained from the interviewees was completely reliable or valid. It was difficult to obtain a nationality report from all the participants, out of 6 hotels that participated in this study, only 3 participants were able to provide a nationality report. To balance this situation, the participants gave the researcher a nationality count, which provided useful information in analysing the initiatives taken by the hotels to foster diversity. The hotels who agreed to participate in this research were all 4 and 5 stars, it was difficult to obtain 3 or 2 star hotels to participate. This could be due to the fact that most 4 or 5 star hotels are large international organisations and are a part of an international hotel chain and are more likely to have proper policies and procedures in place influenced by their hotel groups.

To balance this situation, the researcher chose 4 and 5 star hotels, which were fully Irish and were not a part of an international group, which means any policies and procedures they have in place would be influenced by their own management.

### **3.6 A Pilot Study**

A pilot survey is a trial run of the main survey and is used to test research instruments, interviews, estimates etc. It can be useful to uncover issues before the main research has begun. A pilot study is most likely used by researchers who wish to use a form of questionnaire to conduct their study as it allows them to test the acceptability of their questions and identify any deficiencies. It also gives the researcher an indication of the type of results he or she may obtain (Brannick & Roche, 1997). This research could also have benefited from a pilot study, however, the researcher chose not to carry out a pilot study due to the following reasons:

1. Questionnaires were not used to conduct this study.
2. The sample population is too small.
3. Strict time limit.

### **3.7 Ethical Considerations**

It is necessary to consider a number of ethical issues that may arise during the research and it is important to find out what rules there are before carrying out the research (Collis & Hussey, 2003). Permission to carry out the study was granted by the HR directors of the hotels via an email which was sent to all of them (*see Appendix A for sample email*). To ensure the research remains ethical, the researcher will avoid bias in the data analysis and interpretation. Participants were asked to provide answers from their personal opinions and were not influenced by the researcher in any way. The data provided was strictly confidential and only for the purpose of the study. A level of trust was established between the interviewee and the interviewer. The researcher explained the purpose of the research and maintained eye contact during the interview. All the questions were asked in the same tone and body language to ensure that there was no bias present. According to Quinlan (2011) ethics in business research is the application of ethical principles and standards and the capacity to distinguish between right and wrong.

Therefore, the interviewer demonstrated attentive listening and questioning skills to ensure they did not suggest any misrepresentations. Cultural diversity can be a very sensitive topic, therefore it was necessary to identify, prevent and review all ethical issues before, during and after the study.

### **3.8 Data Analysis Technique**

The primary qualitative research methodology was that of semi-structured, one hour long interviews. The technique used for the data analysis was that of coding of transcribed data from interviews and field notes, this process was described by Merriam (1998) as being a complex action of moving back and forth between data and concepts, this process of data analysis allowed the researcher to move between description and interpretation using both inductive and deductive reasoning. Glaser & Strauss(1967, as cited in Merriam 1998) described a grounded theory approach which was also used by the researcher as a technique for analysing data collected, this theory is a constant comparative method in which categories and hypotheses are used to analyse data through assigning codes that reflect different categories and properties to units of information/data by sorting them into groups of like substances or meaning. According to Merriam (1998), categories used should reflect the purpose of the research, they should be exhaustive and mutually exclusive, they should also be sensitive to category content and conceptually Congruent. Overall the data analysis technique was based on the collection, analysis and interpretation of the data which was not easily reduced to numbers. The research concentrated on what is real to the participants, as opposed to the declared organisational line on diversity issues. In addition, the participants were asked to give examples of their experiences; critical incidents of equal opportunities and managing diversity which allowed for a more in-depth evaluation and deduction of certain variables and opinions of the HR personnel in the hotels. From the data collected, certain trends were identified and comparisons deducted which will be discussed further in the next chapter. The interviews were conducted on site, which allowed for a more personal approach and gave the researcher an opportunity to highlight the importance of the research topic in the hotels in Ireland today.

## **Chapter 4- Findings and Discussion**

This part of the research discusses the findings in relation to managing a culturally diverse workforce in the Irish hospitality sector. The focus of this research was to explore what measures organisations in the Irish hospitality sector take to address cultural diversity in the workplace. The main objectives of the research methodology was to formulate a conceptualised view of diversity management initiatives in the Irish hospitality sector, to establish what have been the driving forces behind diversity management initiatives in the Irish hospitality workforce and what hospitality sector organisations perceive the impact of diversity management to be by analysing both opportunities and challenges of a diverse workforce. Therefore, this section of the research outlines what the findings are as a result of the qualitative research methods used. The results of the research will also be compared and contrasted with the findings of the literature review outlined earlier in Chapter 2.

### **4.1 Findings- Cultural Diversity Profile**

Of the 6 hotels interviewed, there was an overall indication of cultural diversity being addressed. All 9 research participants showed an understanding of it; their understanding of diversity extended beyond that of the legal threshold which concerns disability, sex and race. There were 3 respondents who understood diversity in terms of *'equal opportunities'*, to them diversity meant simply being fair to all people who worked in the hotel, looking after people and avoiding any form of discrimination. They also hit on the *'business perspective'*, in the sense that equal opportunities in the workplace is about not being biased in any way, if someone can do the job, then that is all that matters. One participant added that, *'diversity in the hotel industry comes naturally, because of the nature of the industry, diversity is inevitable. Therefore, at the end of the day, we only employ people because of what they can do, regardless of where they are from.'* ... HR manager.

The other 6 respondents' understanding of cultural diversity management is that of embracing a variety of cultures and to acknowledge the cultural differences that are present within a society. To these participants, diversity was about respecting, accepting, recognising and valuing individual cultures, religions, race and differences. One respondent pointed out that cultural diversity is about acknowledging that the world is a rapidly changing place where there are plenty of opportunities to travel and interact with people at work. To this respondent, diversity is about embracing people's cultures, nationalities, differences and learning from each other.

Another respondent argued that, *'Diversity in the workplace is where all sorts of people are working together'....* HR director. This respondent also mentioned that, as part of the international hotel chain, her employees can be transferred from one hotel to the other within the group and because of their ability to speak different languages while possessing different skills it enables them to serve its diverse group of guests efficiently.

The understanding of the concept of diversity from all of the respondents is somewhat similar to the definition provided by the Irish employer bodies discussed in Chapter 1. However, taking in to consideration the views of the meaning of managing cultural diversity given in Chapter 1 of this study, only 3 of the research participants seemed to have understood the term 'managing diversity' and could say what it might actually mean. This contrast in implicitly experiencing and understanding what managing diversity is, yet explicitly not knowing its definition can be explained by title of 'managing diversity' evolving from equal opportunities, as opposed to being distinct from it.

Further examination of the organisational profile in relation to cultural diversity within the workplace in the hospitality sector reported up to a total of 43 different nationalities. Of these, the Shelbourne Hotel reported a total of 42 different nationalities within their hotel, Clontarf Castle employs 42 different nationalities, the Four Seasons Hotel employs 43 different nationalities and the Merrion Hotel

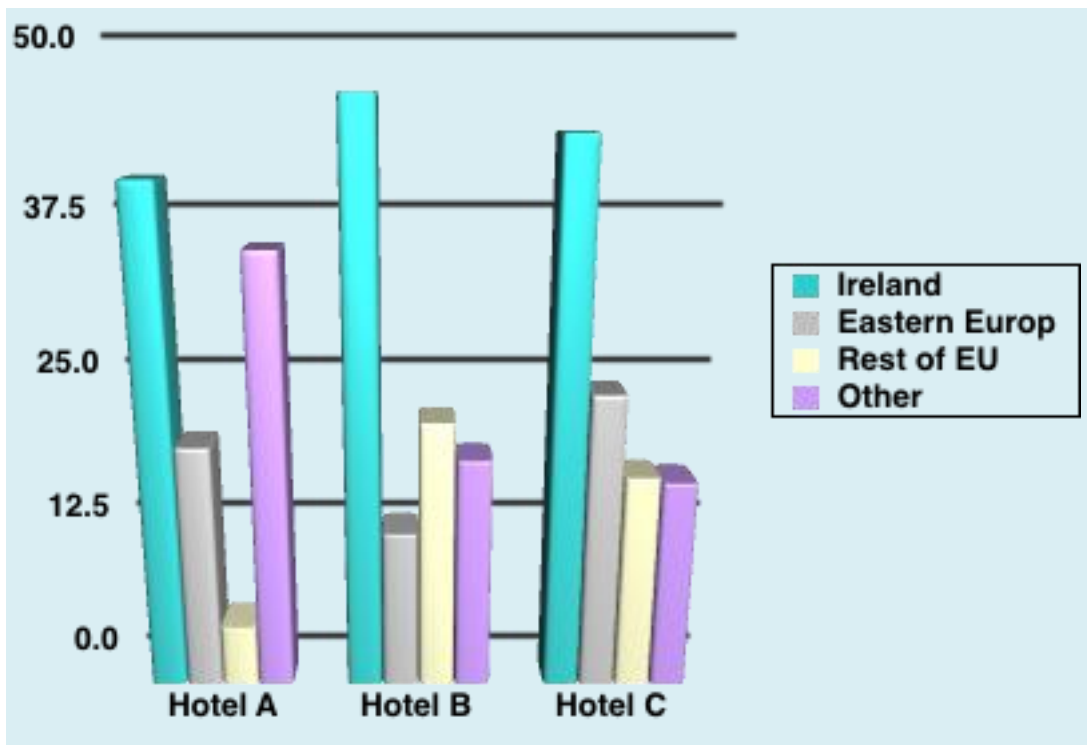


reported a number of 38 different nationalities in their workplace. Whist 54% of the workforce at the Westin Hotel Dublin are of different origins, including Eastern European and from other countries around the world.

Although it was not possible to obtain a percentage breakdown of nationalities from the participants, a nationality report was obtained from some of the participants.

*(See fig. 4- Nationality Report from some of the Participants)*

**Fig. 4: Nationality Report from some of the Participants**



Other organisations demonstrated their initiatives in diversity in terms of the numbers of women occupying management positions and the gender split between the male and female employees. One hotel showed an equal gender balance of employees in the management positions which is 23 by 23, in 2012. While another hotel formulated an on-going project which aimed to encourage female employees to take up senior positions, seemingly, other hotels are also following this trend.

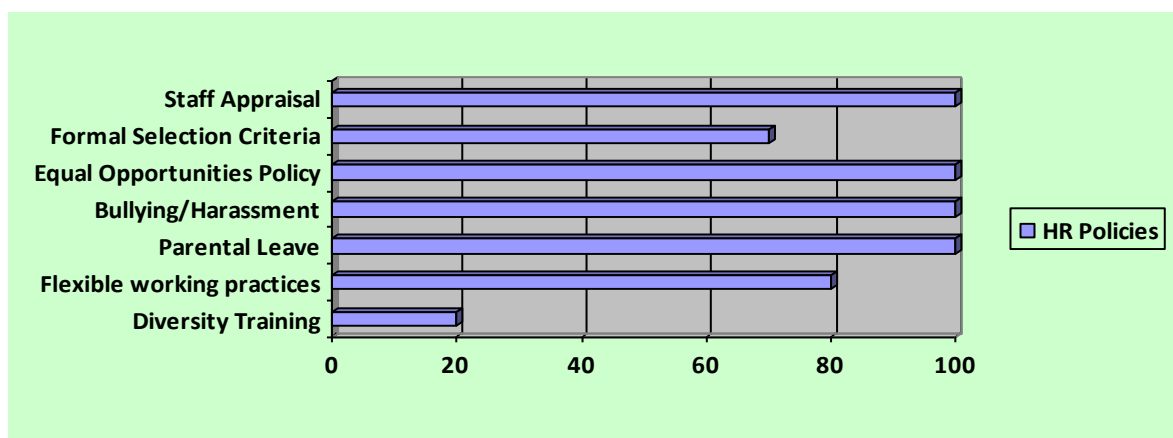
#### **4.2 Findings- Initiatives and Driving Forces behind Diversity Management**

The research showed that all the hotels that participated in this study had some form

of policy in place (See fig. 5- Existing HR Policies/Practices in Irish Hotels).

Only 3 out of the 6 organisations had a formal diversity policy in place. When asked why their organisations did not have a formal diversity policy in place, one respondent argued, *‘Our organisation does not feel the need to emphasise the issue of being ‘different’, having a formal policy will only highlight the issue of being ‘different’ which is unnecessary’*...HR director. This respondent pointed out that their purpose is to treat everybody equal, she felt that, highlighting the issue of ‘being different’ will only put emphasis on individuals differences as opposed to promoting similarities and a sense of togetherness. Another respondent argued, *‘By nature the hotel business comes with a diverse workforce, it’s the nature of the business and most of the time employees do not even notice their differences because almost every other person is different anyway, the same goes to our guests, and that is how we do business’*..... HR manager. The research shows that 2 out of the 3 organisations that did not have a formal policy in place were fully Irish owned hotels i.e. they were not a part of the international hotel group, which suggested that diversity management initiatives in hotels in Ireland is pioneered by the initiatives taken by the major US hotel groups such as the Hilton, the Marriot, and Starwood etc. as stated in the literature review.

**Fig.5: Existing HR Policies/Practices in Irish Hotels**



Percentage

To confirm this argument further, one respondent from the international hotel group argued that a lot of their initiatives, including diversity training and policies are driven by their hotel group in the United States, where a diversity program is designed for them and is adapted to their local culture. According to this respondent the diversity program act as an eye opener to their staff, who learn about each other's cultures, background, religions etc.

Although there were other practices, the one which was most evident was the flexible working practices. Almost all of the respondents had a flexible working practice in place. In particular, 4 respondents spoke about the Ramadan, which is the ninth month of the Islamic calendar and is celebrated by Muslims worldwide. It is a month of fasting where Muslims are refrained from consuming food and drinking liquids, from dawn to sunset. Most of the respondents were aware of the Ramadan, although not in so much detail, yet whenever possible they were able to allow flexibility in terms of the working roster etc. One respondent also mentioned the development of an events calendars, where special events from different countries, such as the Chinese New Year, America's Independence Day and St Patrick's Day, were recorded and celebrated accordingly.

Other initiatives in implementing flexible working practices included providing flexible working hours to female employees who are on maternity leave, employees with a disability and other employees with specific needs. There were 5 respondents who mentioned a holiday policy they have in their organisations; where employees are not allowed to take more than 2 weeks holiday at one time, but managers were able to accommodate employees whose native countries required long haul flights such as Australia, Asia and Africa.

Although putting such measures in place would result in organisational benefits, as supported by the literature in Chapter 1, a work-life balance and flexible working practices were seen to improve staff retention and lower absenteeism (Reynar and Smith, 2005).

There were 3 respondents who did not see the relationship between staff retention and the diversity management initiatives taken by their organisations.

One respondent argued, *'Hotel work is hard work, to many it's not a glamorous job, it always seems to have a high level of staff turnover. I think this is because of the rigid contracts and unsocial hours therefore it fails to attract workers',...* HR

administrator. The researcher felt that, the argument from this respondent suggested that, whether the hotel has flexible working practices and diversity management initiatives in place, there is no guarantee that staff will stay, which suggests that the issue is not about having an effective diversity management system in place but rather the nature of the hotel work itself.

This finding contradicts the literature in Chapter 2 where IHI (2012) identified low levels of staff turnover to be one of the benefits of employing a diverse workforce. At the same time, it supports Raleigh's (2007) argument on the reputation of the hotel work, i.e. hard work and non-glamorous, with unsocial hours and rigid contracts.

However, one of the 3 respondents saw retention benefits through flexibility measures. This was seen in the case of a few staff members who had difficulties in understanding the English language; the hotel reviewed its training methods and formulated a specific standard operating procedure to accommodate these particular individuals using visual aids and pictures. By doing this, the hotel managed to utilise the abilities of these employees and retained valuable team members.

Therefore, the argument that diversity in the workplace can decrease the levels of staff turnover, as reported by IHI (2012) in Chapter 2, may be valid based on the above initiative from the 3 respondents.

Other cultural diversity initiatives outlined by 4 of the respondents were cultural celebrations and 'theme days'. These days involved the national flags, songs and different cuisines which are prepared in the staff canteen, with the food served by chefs of different nationalities, depending on the type of cuisine served on that day. This initiative is somewhat similar to the initiative taken by the

Hilton Hotel, as discussed in Chapter 2, 2 of the respondents also had a language support programme, where they assisted staff with poor English by providing them with tutors and schools. They also have training materials in various languages to facilitate quick learning. This finding confirms the literature on the initiatives taken by the Irish hotels to foster diversity in the workplace outlined by IHI (2012).

Also, 2 respondents mentioned that they had a diversity committee in place in their organisation. This is where the staff meet on a regular basis to discuss various matters concerning diversity, such as diversity training and development, including the induction of the organisational culture to new employees. Once again, this confirms the literature findings of the secondary research in Chapter 1 which suggests that diversity initiatives in the Irish hospitality sector has stemmed from the initiatives taken by major US hotel groups such as the Hilton Hotel. The Hilton Hotel has its very own diversity council, managed by Stephen Bollenback who is the chief executive of the company, with 33 on-going diversity initiatives. The group has a diversity council who meet quarterly to create action plans and to implement diversity policies, performance, goals and initiatives at each hotel.

Out of the 9 respondents, 2 are a part of an international hotel group and have formulated an employee consultation and communication practice. This is where they keep track of the effectiveness of diversity initiatives through: employee consultation forms, online employee opinion surveys, newspapers, notice boards and departmental meetings.

One respondent also mentioned the circulation of a newsletter with laugh out loud jokes and cartoons from different cultures in order to understand and embrace cultural differences.

This research examined the driving forces behind these diversity management initiatives in the Irish hospitality sector. From the findings relating to the 6 organisations, 3 organisations indicated legislation as being the main driving force behind diversity management, 4 of the 6 organisations indicated changes in

'workforce diversity as a result of demographic changes' and 2 hotels reported 'driven by their top management' as the main driving forces of diversity management initiatives in their organisations (*See Fig. 6- Driving Forces Behind Diversity Initiatives in Irish Hotels*). Another respondent argued, '*it's great that Ireland is becoming increasingly diverse, hotel work is labour intensive, at one time foreign staff were all we could get*'...HR Manager.

This respondent also mentioned that for a long time the industry has been relying on a diverse workforce to perform its activities, she felt that it was necessary to look after these workers by valuing their contribution, respecting and embracing their differences and find ways of retaining them.

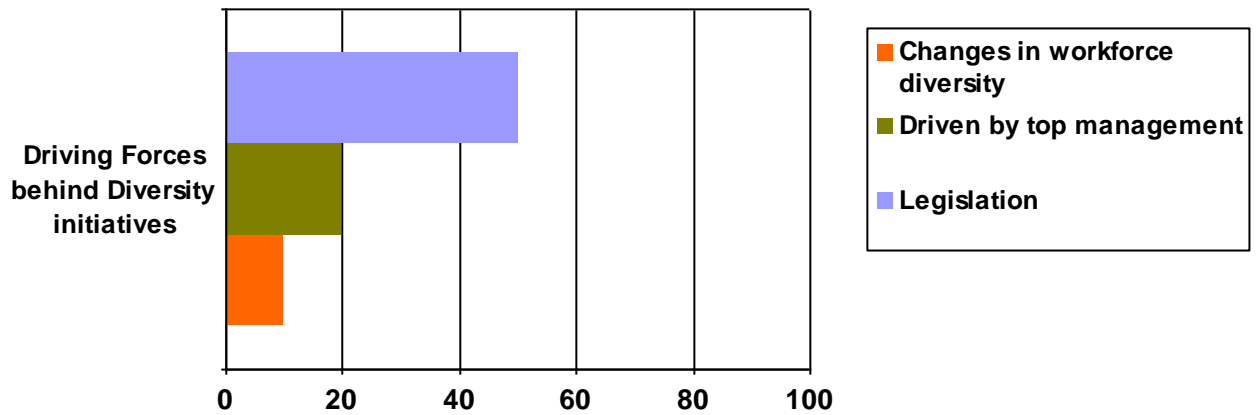
These findings confirm the literature in Chapter 1, where demographic changes in Ireland and diversity implications on the hospitality workforce were analysed.

O'Brien (2005) identified migration as the main reason for the population decline in Ireland, with a lot of Irish people migrating to other countries, the need to mix workers of different ethnic background is inevitable.

Furthermore, the literature in this sections suggests that due to the nature of hospitality work and its reputation of unsocial hours and low pay, it has failed to attract local workers which leaves immigrants to be the main source of labour.

Another respondent also argued, '*I think the industry itself enables us to drive diversity management within our organisation, leadership is also very important, our CEO and president are behind the programme called WAP- Women Advanced Project to encourage women to take on greater roles*'... HR co-ordinator.

**Fig.6: Driving Forces behind Diversity Initiatives in Irish Hotels**



The above findings showed that 50% of the organisations that participated in this research saw legislation as their main reason for diversity initiatives and management in the workplace as opposed to moral and business imperatives. These results have been supported by the findings in the literature review where IHI (2012) identified drivers of diversity initiatives and highlighted the requirements by the Irish employers under the Irish Equality legislation i.e. the Employment Equality Act 1998 and the Equal Status Act 2000. These acts require Irish employers to obey the law of promoting equal opportunities by acknowledging and practising diversity management in the workplace. It could be concluded that accommodating cultural diversity in the workplace provides a better fit with organisational circumstances than resisting it, by complying with the legislation, organisations will avoid bad publicity and save legal costs, therefore save them time and money.

#### **4.3 Findings - Implications of Diversity Management Initiatives in the Irish Hospitality Sector.**

Findings in this section relate to what the 9 interviewees, especially the HR directors who are the key personnel in their organisations, perceived as being the impact of diversity management initiatives taken by their organisations. Both opportunities and challenges were analysed and all respondents had a positive

experience with one thing in common *'a diverse group of guests'*. For them, having a diverse workforce is crucial, as it allows them to serve their diverse group of guests. One respondent argued, *'being from the home country of one of our guests is a huge advantage to us, it allows us to provide a personal service to guests from our own countries, yet provide them with an Irish experience'...* HR director. The respondent explained that their guests come to Ireland for the Irish experience and some of them have very little English, which can make communication difficult, but being able to communicate with them in their own languages can make communication easier. The respondent felt that having a diverse workforce to serve a diverse group of guests makes total sense.

These findings are seen as the main result of promoting a diverse workforce in the Irish hospitality industry and are supported by the literature review in Chapter 2 where drivers of diversity initiatives in the hospitality sector were analysed. In this chapter, Maxwell et al. (2000) argued that because of a diverse customer base in the hotel industry, managing a diverse workforce is embraced to provide diverse guests with a personal quality service from a diverse workforce that is familiar with the needs of guests of their native countries. Thus, giving the company a competitive edge. Out of the 9 respondents that participated in this study, 5 respondents perceived employee motivation/morale within the workforce to be among the benefits of employing a diverse workforce. This was seen through diversity training and development, one respondent mentioned, *'We have a diversity training programme on calendar once every month, the training focuses on respecting each other as individuals and acknowledging different cultures, backgrounds and religions'...*HR director. The respondent explained that the diversity training programme teaches them to work together in order to accomplish their common goal, this training has helped them to improve staff morale as they are sending a message to employees that the hotel values each individual, by providing equal



opportunities to every member, so that employees feel valued and respected and therefore become loyal and motivated.

These findings can be linked to the report prepared by Monk (2007) which was discussed in the literature review section which outlined the relationship between equality and diversity and the organisation's performance. The report suggested that the adoption of equality policies and diversity initiatives can lead to an increase in employees' commitment towards the job and job satisfaction. This suggests that managing diversity effectively in organisations can improve employee morale/motivation as mentioned by the above 5 respondents.

Another respondent saw numerous benefits to include a sense of pride and inclusion amongst the team, she argued, *'as we have a very diverse workforce, it is inevitable that we have a very broad range of working styles, it also means that our service and standards are very focussed but at the same time allow personality'....*HR coordinator.

From the above comment, the researcher felt that this respondent was embracing employees' differences and uniqueness, not only that, but she also seemed to understand the value of it. The fact that employing a diverse workforce brings in a broad range of working styles allows talent and different skills to shine through, which has enabled the employees of this organisation to stay focused and provide customers with a personal service and memorable experience. This relates to the findings in the literature review, where diversity management was conceptualised as a corporate asset. In this section, Kenny (2008) analysed a UK survey which suggested that 64% of corporations used diversity to recruit and retain talented workers with different sets of skills and abilities. Apart from the advantages and opportunities of employing a diverse workforce, the participants also highlighted various other challenges. Out of 9 respondents, 8 saw language as the main challenge for managing a cross-cultural team. They noted that communication difficulties when making important decisions could lead to a poor performance.

When asked what steps they took to overcome this challenge, one respondent replied, *'we recognised this as a big problem and had to change our strategy a bit.'*

.....HR director. The same respondent explained that as a 5 star hotel, their employees must have a fluent English, but there was a time were they used to hire staff with basic level of English and took initiatives in making sure their company policies and procedures were fully understood by having them translated in their top 5 languages which are, English, Polish, French, Chinese and Hungarian.

Another respondent mentioned that initially they had staff with difficulties in understanding the English language, but the hotel took the initiative to review its training methods and formulated a specific standard operating procedure to accommodate them. Through the use of visual aids and pictures it managed to utilise the abilities of these employees which improved their work performance.

Another finding was that out of the 6 organisations that participated in this study, 3 have a language support programme in place, where they assisted staff with poor English by providing/ referring them to English tutors and/or English schools.

These findings support the literature review in Chapter 2, where Capehart (2005) highlighted language barriers as one of the challenges of employing a diverse workforce. He reported that communication problems and difference of opinions among staff can make making important decisions difficult and can therefore affect employees' job performance.

One respondent who did not see language as the main challenge for employing a diverse workforce identified other challenges, amongst them was a 'different humour' of foreign employees. *'Different humour causes conflict,'* she said, *'the Irish people are known for their sense of humour, other nationalities may not necessarily get the jokes and may take offence, different values and beliefs can also cause conflicts'*....HR assistant. Although none of the respondents reported

favouritism and/or preferences that may occur among people of the same background in a diverse workforce, the above comment may confirm the argument made by Tajfel (1992) in the literature review, which suggested that people tend to

categorise themselves into specific groups or may cast other people as outsiders and may favour people of their own backgrounds. According to Tajfel, (1992) this type of behaviour can lead to a reduced cohesion amongst the group, therefore if some employees do not understand other employees' jokes/sense of humour, as highlighted by the above respondent, chances are they may categorise themselves into specific groups and stick within these groups in order to avoid further conflicts and misunderstanding. The researcher sought to find what measures the respondents took in dealing with the issue of conflict, one respondent argued, *'our diversity training programme is an eye opener for our staff, it allows them to learn about other individuals cultures, religion and beliefs, therefore the conflict issue can be eliminated this way.'*...HR director. Other challenges mentioned by the respondents were; a lack of flexibility for some of the staff who found it hard to adapt to the local culture and 2 respondents mentioned that it could be difficult for foreign staff to create the Irish experience for guests who visit Ireland expecting the Irish hospitality experience. One respondent argued, *'even though staff members do not have to be Irish they must display a sense of Irish hospitality, we overcome this challenge by providing training'*...HR director. Overall, all respondents had great experiences of managing a culturally diverse workforce. They also mentioned individuals' creativity and how they bring in their own unique ideas/skills and experiences from their own countries as one of the benefits. This notion has been argued in the literature review, where diversity was conceptualised as an asset to the organisation. In this section, Laura (2012) analysed the benefits of employing a diverse workforce and reported that diversity in the workplace can act as a form of support to an individual's thoughts and opinions, with many diverse minds combined, more solutions arise as everyone brings in their unique way of thinking. Thus resulting in increased creativity and productivity. When asked whether respondents' perceived diversity management initiatives taken by their organisations to be an important contributor to their organisation's competitive advantage in the

market place, one respondent argued, *'we definitely believe that our diversity management initiatives are an important contributor to our competitive edge'...* HR co-ordinator. The respondent also mentioned that the company organised a variety of service culture trainings to include Chinese, American and Russian which gave them a competitive edge, the fact that they have a very diverse range of cultures it certainly helps them when dealing with guests and customers alike, and can relate to them in many different ways.

The literature review in Chapter 2 suggests that companies with stronger culture had increased their revenue by 682% as opposed to only 166% of companies with weaker culture (Kotter & Heskett, 1992). While findings from the primary research noted that only 2 respondents saw the relationship between the organisation's financial performance and diversity management. This may be because it is a relatively new concept to many hotels in Ireland and limited research exists.

A further study is required to determine the benefits of diversity management and this area will be relevant to future research. In conclusion, the findings of the primary research allows the researcher to suggest that in order for hotels in Ireland to benefit from effective diversity management, it will require a big commitment from senior management. Such commitments can be applied, for example, in developing formal diversity managing policies and linking these to organisational value statements which will signal to employees and guests alike. Training, cultural celebrations/theme days will be fundamental to ensure an effective management of diversity practices, whilst at the same time, observing the Irish legal requirement of equal opportunities. As practices in managing diversity matures, researchers will be able to further investigate the full tangible benefits arising from managing diversity in the hospitality sector, with particular reference to Ireland.

## **Chapter 5- Conclusion**

This research set out to examine the area of cultural diversity, with particular emphasis on cultural diversity in the Irish hospitality industry. The main aims of this dissertation were to develop a conceptualised view of diversity initiatives in the Irish hospitality workforce, whilst establishing the main driving forces behind diversity initiatives. The research also aimed to analyse the impact of diversity management on the organisations in the hotel industry by analysing both opportunities and challenges. As a result of the research carried out, certain trends emerged: the increasingly competitive world economy, globalisation of international organisations and the rapid changes in demographic trends and labour structure which are posing great challenges to management in the hospitality industry. Therefore, practicing diversity management suggests that a diversity managing approach is essentially a function of the need for hotels in Ireland to stay competitive through quality service. However, as outlined in the literature review, the Irish Employment Legislation and initiatives taken by major US hotel groups appeared to be the main driving forces behind diversity management in the Irish hospitality sector.

Although workplace diversity has quickly become a concept in the Irish hospitality industry, very little research on the topic has been carried out. This study has enabled the researcher to learn from the literature review, particularly through the initiatives taken by the Hilton Hotel group which goes beyond the management of its employees, that although the research shows benefits to the organisations that manage diversity effectively, there was a lack of evidence to prove that cultural diversity management initiatives has a positive impact on the organisations' financial performance within hotels in Ireland. This research indicates that there is a scope to further develop this concept and that further research into the area of financial benefits resulting from managing diversity will be required.

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## Appendix A: Email to Hotel HR Directors

*Dear Sir/Madam,*

*My name is Annette Michaela, I am currently undertaking a full time MA in Human Resources Management at National College of Ireland which I am due to finish in September of this year, and as part of my academic award, I am required to submit a thesis on an area of interest within my practice, the topic I have selected is to analyse the challenges and opportunities of managing a cultural diverse workforce in the Irish hospitality sector.*

*I am seeking an ethical approval from you in order to gain access to your high profile organisation which employs a good number of foreign nationals and kindly ask if you could participate in this study. The purpose of this study is to address the issues of the increase of immigrants in the Irish hospitality industry and identify the benefits of employing a cultural diverse workforce, it hopes to assist managers to cope with change and allow them to encourage creativity and promote inclusiveness at the same time comply with the laws and regulations of equality in the workplace.*

*Although cultural diversity is not an uncommon topic, to date very little research has been carried out in the Irish hospitality industry which sees over 23% of non-nationals being employed in this sector, I believe your organisation could also benefit from this research, it is hoped that the results of this study will be accepted for publications by HR journals, all ethical issues will be considered and addressed throughout the study.*

*I am looking forward to hearing from you soon.*

*Kind Regards,*

*Annette.*

## **Appendix B: Interview Questions.**

- 1. What does the concept of cultural diversity mean to you?**
- 2. What do you think have been the driving forces behind diversity management initiatives in your organisation?**
- 3. What efforts have you made to foster diversity competence and understanding in your organisation?**
- 4. What do you consider the most challenging aspect of a cultural diverse work environment? And what steps have you taken to overcome these challenges?**
- 5. What kind of experiences have you encountered while working with other employees of different background than your own?**
- 6. What kind of leadership and management efforts would you/your organisation have made to make sure commitment to diversity initiatives in your organisation?**
- 7. As an employer/employee what do you consider to be the benefits of having a cultural diverse workforce in your organisation?**