EMPLOYEES’ OPINION ON TRANSPARENCY AND PLANNING IN FIVE STAR HOTELS

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Abstract: This study aims at finding out the opinion of the Employees with respect to the transparency and planning in the Hotel. The hospitality industry is surrounded by the complexity of ensuring positive guest experiences, which forces Management to identify new ways of managing relationships with employees and guests. Healthy relations in an organization are an outcome of developing trust and confidence amongst stakeholders which stimulates positive behavior all around. In more than one study employees have indicated transparency as number one reason for determining the workplace happiness. It is correct that the transparency develops trust which ensures a good health of every relationship under the sun. Planning is key for the success of any organisation. Hospitality industry thrives majorly on planning. From Budget Planning, Menu Planning, Human Resource Planning, Material Planning, Expenditure/Cost Planning, Sales & Marketing Planning etc all are aimed at maintaining financial health of the Hotel which also caters to the need of the customer (Internal & External). The study used descriptive quantitative approaches. Employees numbering 137 were administered questionnaires in five-star hotels of Delhi NCR in order to understand their opinion on transparency and planning at their work place. The results of the study demonstrate the outcome of transparency and planning in the hotel and clearly suggests that transparency and planning for both at the same time help hotels to think transparently and plan strategically for growth and development of the Hotel & Stakeholders.

Index Terms - Opinion, Transparent, Planning, Trust, Hotel, Staff and Senior Staff Level.

Introduction:

Employees produce the desired results when his/her employer are transparent in all aspects and are great at the planning stage. One of the key objectives of the employees in the hotel is to maintain customer satisfaction which can be achieved through employee satisfaction. Authors Heskett et al. (1994) recommended their service profit chain, which explains that profit and growth are the outcome of customer loyalty as a result of customer satisfaction. Furthermore satisfaction is influenced by the value of services, which is created by satisfied, loyal and productive employees. Employee satisfaction, in turn, results primarily from high-quality support services and policies that enable employees to deliver results to customers” (Heskett, et al., 1994, pp. 164-165). Transparency in the organizational practices makes employees satisfied, loyal and productive.

Meaning of Transparency with respect to the Employee:

As per the Cambridge Dictionary ‘the characteristic of being easy to see through’. Meaning of Transparency in Business English is ‘a situation in which business and financial activities are done in an open way without secrets, so that people can trust that they are fair and honest’. Transparency, in a business or Governance context is honesty and openness. In general, Transparency is the quality of being easily seen through.

Andrew K. Schnackenberg Case Western Reserve University, Edward C. Tomlinson West Virginia University, Transparency is often cited as essential to the trust stakeholders place in organizations. Transparency is all about the transparency of a process, situation, or statement which is easily understood or recognized. As per the experience one has observed that there is no magical solution for success or nobody has a magic wand in his / her hand to turn around things without putting efforts’ proactively by being candid and transparent. Hospitality industry has over a period of time evolved & survived well. The Hotel Industry have found its secret ingredient of success in Transparency with the Employees & Customers alike. The Transparency has become primordial in
the light of many expectations of Internal & External customer who wants to have at all times a clear information. Transparency is often invoked as a salve for the many maladies that accompany distressed relationships between an organization and its stakeholders through its presumed ability to reestablish stakeholder trust in the firm (e.g., Fombrun & Rindova, 2000; Tapscott & Ticoll, 2003; Jahansoozi, 2006; Bennis, Goleman, & O’Toole, 2008; Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008).

We see that the evolution of Hotel Industry is in full swing. The products & Services are being developed to surpass customer (Internal & External) expectation. The flow of expectation of a customer is more unstable and everyone from industry has to view things with the perspective of transparent approach. Transparency is an apt word for ensuring that every employee feels satisfied with what has been assured/expected of him.

Transparency is often cited as essential to the trust stakeholders place in Organization. Creating a motivating, nurturing, and transparent organizational environment contribute to employee engagement and trust. HuaJiang, Yi Luo (2018) “Crafting employee trust: from authenticity, transparency to engagement”, vol.22issue:2, pp.138-160,https://doi.org/10.1108/JCOM-07-2016-0055. In any Organization, transparency is often evoked to provide soothing effect in distressed relationship. (e.g., Fombrun & Rindova, 2000; Jahansoozi, 2006; Tapscott & Ticoll, 2003; Bennis, Goleman, & O’Toole, 2008; Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008). Researchers who have talked about the Transparency concept in Organisation-Stakeholder relationship have consistently stated its role in creating, maintaining or repairing trust either openly (Akkermans, Bogerd, & van Doremalen, 2004; Fleischmann & Wallace, 2005; Rawlins, 2008; Pirson & Malhotra, 2011) or implicitly (e.g., transparency in financial markets is important for enabling trust in the market system, even if the term trust was not mentioned directly; Bushman, Piotroski, & Smith, 2004; Perotti & von Thadden, 2005; Bansal & Kistruck, 2006; Bhat, Hope, & Kang, 2006; Leuz & Oberholzer-Gee, 2006).

In the past few years, organization scientists have offered a number of definitions of transparency, with different specificity. Overall, information systems researchers have investigated transparency in the context of business to consumer relationships and digital markets (e.g., Zhu 2004; Granados, Gupta, & Kauffman, 2005, 2006, 2008, 2010); organizational behavior researchers have explored transparency in the context of organizational trust development, organizational identity, perceptions of leadership, and organizational culture (e.g., Fombrun & Rindova, 2000; Clair, Beatty, & MacLean, 2005; Kaptein, 2008; Pirson & Malhotra, 2011; Walumbwa, Luthans, Avey, & Oke, 2011); researchers of finance and accounting have examined transparency in the context of financial markets, corporate disclosures, and monetary policy decision making (e.g., Winkler, 2000; Bushman et al., 2004; Madhavan, Porter, & Weaver, 2005); marketing researchers have studied transparency using related terms, such as product disclosure, in the context of consumer responses to nutrient and drug risk information (e.g., Cox, Cox, & Mantel, 2010; Howlett, Burton, Bates, & Huggins, 2009).

**Meaning of Transparency with respect to the Employer:**

Across all sectors, transparency has never been more important to a successful business model, regardless of company size. From the stage of selection / hiring and chalking out growth plan of employee, transparent terms & conditions, policies has played a significant role. When it comes to employee engagement, transparency at work place has also proven to be essential. According to the Chen et al. (2010) , employee satisfaction may arise from many sources of positive HR practices such as quality of supervision, social relationships, and the amount of support employees get at their workplace. Polls conducted in the year 2015 for the best place to work across companies, the top employee engagement drivers were:

I trust the leaders of this organization to set the right course.

- I believe this organization will be successful in the future.
- I trust the senior leadership team to lead the company to future success.

Quantum Workplace 2015 Employee Engagement Trends Report
During the course of manpower selection, right person for a right place has always given fruitful dividends. Involvement of team members during the course of identifying the right person inculcates a feeling of ownership. It is at this stage the shortlisted and selected candidate reposes confidence in the system & procedure of selection criterion. It is in-fact the transparent selection procedure which sows the seed of trust and confidence that goes a long way

Trust in management and in the future of the company is a key component of employee engagement. It is imperative for the management to communicate any changes in the Vision and Values of the organisation. For a transparent approach and to win the heart of employees it is good to involve employees at. every step.

As per Peter Graziar Teambuilders.com , ‘everyone has something to contribute, and will, if the environment is right’. Management is keeping employees informed so much so, the financial data is being shared with the employees which is a radical step towards transparent approach; in fact this is termed as a smart business practice. Employees are far more committed and motivated to fulfill the company’s objective when they have a clear outline of the performance expected and delivered. When employee knows how each contribution impacts the final outcome, he ensures his best performance and feels motivated to go extra mile. All this happens in the event of Management being open to the employees.

**Importance of Planning in Hospitality Industry**:

As stated by Mr Paul Sarlas,Founder/CEO at Savvy IQ Hospitality, Planning provides the roadmap for the hotel to move forward toward the achievement of the goals and objectives set, and ultimately, the mission and vision is achieved. The importance of planning at all levels is twofold: firstly it lays the path in terms of what the hotel is hoping to achieve and second, it acts as a navigator for employees to channelize their activities and resources (time and money) toward targets that have been identified and set by the organization as a whole.

Planning in Hospitality industry allows looking into the dimension of need which can be addressed at the earliest possible time and post continuous deliberations in order to design strategies for success. Needs could be of Internal as well as External Customer.

Planning also helps in designing processes in order to achieve Goals. Planning process also involves the implementation of the plan taking into consideration the feasibility factors to achieve goals. The strategies formed in the Hotels keeping targets in mind, always results in a win win situation.

The Last step in the planning process involves monitoring of the data after implementation. Upon observing the gap with the existing data / input / results the fresh strategy is implemented with the transparent two way communication. The entire process is very sensitive, any slip can cause various losses such as Image loss, Customer Loss, Revenue Loss, Employee Moral & Motivation Loss etc. Hence at every step management has to be careful enough in sharing new developments/practices with the stakeholders.

During the course of Planning cultural diversity is also kept in mind as the customers walk into the hotel from all parts of the globe and therefore employees are trained to be sensitive enough to understand and meet the diverse requirement. Within the group of employees in the Hotel the hiring of the employees is also done from diverse cultures in order to cater to the need of the customer. The study conducted by Ms Veera Korjala reveals that cultural diversity is highly important in hospitality business due to global customer-related industry.

Planning for Career & Growth of Employees in the Hotel (The Four Seasons Experience) William J Pallett has opined that traditional approach towards growth of employees have become things of the past. Now management has become far more proactive in planning career of the employees at all levels. As per Four Seasons Career & Growth Planning not only benefits the employee but also gives rich dividends to Four Seasons.
Through career planning: Employees would be able to make better informed career decisions about the Opportunities that become available.

- Employees would become more realistic about their career prospects.
- Employees would become much more articulate in describing their strengths, interests, goals and developmental requirements. This would result in valuable input for management development and succession planning purposes.
- Employees will remain motivated and work in the interest of making customer happy.

Involvement of departmental Employees in the growth Planning within the Hotel:

In order to arrest attrition rate & increase collaborative approach, the best way to achieve the same is to seek involvement of co-employees in the career growth & development. Thomas J. Watson, the founder of IBM states, “you can get capital and erect buildings, but it takes people to build a business” (Snell & Bohlander, 2012, p. 1) It is the co employee who understands the competency & capability of other person. Any recommendation of such co employee will become an asset for the organisation. Hospitality business operations depend on a capable and service-oriented labor force. (The Labour of Aesthetics and the Aesthetics of Organization Anne Witz, Chris Warhurtz, Dennis Nickson, 2013)

Literature Review:

The constructs of Transparency, Planning, Employee Satisfaction, Employee Engagement, Organisation Culture and Customer loyalty which were identified in the introduction section are reviewed to understand their conceptual and operational definition & measures.

The relationship which have been identified is as follows: Transparency and Planning plays a vital role in motivating and satisfying the employees. Employee satisfaction is defined as the mix of affective reactions based on the perceptual gap of what he/she wants to receive compared with what he/she actually receives (Cranny, Smith, & Stone, 1992). In general, employee satisfaction may be understood how pleased an employee is with the employment (Moyes, Shao, & Newsome, 2008). Measuring the employee satisfaction in the workplace is critical to the success and increases the profitability of the organization for having competitive advantage (Kelley, 2005).

Yoon and Suh (2003) showed that satisfied employees are more likely to work harder and provide better services via organizational citizenship behaviors. One of the antecedents of customer satisfaction is employee satisfaction. According to Wagenheim, et al., (2007) and Yee, Yeung, & Cheng, (2008), employee satisfaction is one of the significant antecedents of customer satisfaction which is based on the implicit assumption that an increase in employee satisfaction will lead to higher customer satisfaction due to increased service quality.

Tools of Data Collection:

A questionnaire was prepared to get the requisite information about Transparency & Planning. 137 Employee were administered the questionnaire. There were five parameters to understand effect of transparency amongst the employees and four parameters for understanding the impact of planning.

Different parameters are as follows:

**Transparency:**

1. Opinion on Transparency in the Terms and Conditions of employment in the Hotel
2. Opinion on Organization’s offer on Equal Employment opportunities in the Hotel
3. Opinion on Selection process – well structured in the Hotel
4. Opinion on Preference being given at entry level to multi skilled personnel in the Hotel
5. Opinion on Preference given to experienced persons in the Hotel
Planning:

1. Opinion on Manpower planning for service delivery in the Hotel
2. Opinion on cultural diversity in manpower planning in the Hotel
3. Opinion on Employees having well defined & informed career planning in the Hotel
4. Opinion on involvement of departmental Employees in the growth Planning within the Hotel

The Chi Square Value in the table indicate that the opinion of the staff and the seniors do not differ significantly on the Transparency in the Terms and Conditions of Employment in the Hotel. It is found that 84 per cent of the seniors agree to this variable whereas 77 per cent has expressed agreement to the same. Though there is a difference in the opinion of the two categories but this difference is not statistically different.

Data Analysis and interpretation:

Table 1: Opinion on Transparency in the Terms and Conditions of Employment in the Hotel

<table>
<thead>
<tr>
<th>Response</th>
<th>Level</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Staff (N=87)</td>
<td>Senior (N = 50)</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>20 (23.0%)</td>
<td>8 (16.0%)</td>
</tr>
<tr>
<td>Agree</td>
<td>67 (77.0%)</td>
<td>42 (84.0%)</td>
</tr>
</tbody>
</table>

Chi Square = 0.954, not significant

Equal Employment Opportunities in the Hotel:

It is observed from the Table 2 that 81.6 per cent Staff and 76 per cent Senior Executives agree in their opinion that Hotel offers equal Employment Opportunities to the employees. Though there is a difference in the opinion of two groups, but this difference is not statistically significant (Chi Square = 0.641, not significant). The overall percentage (about 80%) is quite high who have agreed in their opinion that the hotel provides equal opportunities in employment.

Table 2: Opinion on Organization’s offer on Equal Employment Opportunities in the Hotel

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Staff (N=87)</td>
<td>Senior (N = 50)</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>16 (18.4%)</td>
<td>12 (24.0%)</td>
</tr>
<tr>
<td>Agree</td>
<td>71 (81.6%)</td>
<td>38 (76.0%)</td>
</tr>
</tbody>
</table>

Chi Square = 0.614, not significant

Selection Process – Well Structured in the Hotel:

Table 3 indicates that about 34 per cent respondents somewhat agree in their opinion that selection process in the hotel is well structured. Such respondents constitute about one third of the total respondents, which is quite high. On the other hand the respondents who agree in their opinion to this variable constitute about 66 per cent. The Chi Square in the table is not significant, which means that the two groups do not differ significantly in their opinion. It may mean that opinion of both the groups is almost same.
Table 3: Opinion on Selection process – well structured in the Hotel

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>Staff (N=87)</td>
<td>Senior (N = 50)</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>28 (32.2%)</td>
<td>19 (38.0%)</td>
</tr>
<tr>
<td>Agree</td>
<td>59 (67.8%)</td>
<td>31(62.0%)</td>
</tr>
</tbody>
</table>

Chi Square = 0.477, not significant

Preference at Entry Level to Multi Skilled Personnel:

In Table 4, the staff and Senior staff have given their opinion on multi skilled personnel being given preference at the entry level in the Hotel, it is observed that 56.3 per cent Staff and 56 per cent Senior Staff agree in their opinion that Hotel gives preference at entry level to multi skilled personnel. It is further observed that quite a good number of respondents somewhat agree to this variable (About 44%). It may also be mentioned here that the opinion of both the groups is almost the same.

Table 4: Opinion on Preference being given at entry level to multi skilled personnel in the Hotel

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>Staff (N=87)</td>
<td>Senior (N = 50)</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>38 (43.7%)</td>
<td>22 (44.0%)</td>
</tr>
<tr>
<td>Agree</td>
<td>49 (56.3%)</td>
<td>28 (56.0%)</td>
</tr>
</tbody>
</table>

Chi Square = 0.001, not significant

Preference in Employment Given to Experienced persons in the Hotel:

In Table 5 the Staff and Senior staff respondents’ opinion on the preference in employment given to experienced persons in the Hotel have been analyzed, and it is found that about 50 per cent respondents agree in their opinion that preference in employment is given to experienced persons whereas the remaining 50 per cent somewhat agree to. It shows that transparency of this issue is perceived less in the hotel.

Table 5: Opinion on Preference given to experienced persons in the Hotel

<table>
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</thead>
<tbody>
<tr>
<td></td>
<td>Staff (N=87)</td>
<td>Senior (N = 50)</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>48 (55.2%)</td>
<td>21(42.0%)</td>
</tr>
<tr>
<td>Agree</td>
<td>39 (44.8%)</td>
<td>29 (58.0%)</td>
</tr>
</tbody>
</table>

Chi Square = 2.204, not significant

Manpower Planning for Service Delivery in the Hotel:

The Table 6 reveals that about 71 per cent respondents agree in their opinion that there is a manpower planning for service delivery in the hotel. It is further found from the table that the Chi Square value is not significant,
this simply means that two group of respondents do not differ significantly in their opinion. Service delivery is the most important aspect of the hotel industry. It is heartening to note that the hotel management is giving importance to this aspect.

Table 6: Opinion on Manpower planning for service delivery in the Hotel

<table>
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<tr>
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<tbody>
<tr>
<td></td>
<td>Staff (N=87)</td>
<td>Senior (N = 50)</td>
</tr>
<tr>
<td>Somewhat Agree</td>
<td>24 (27.6%)</td>
<td>16 (32.0%)</td>
</tr>
<tr>
<td>Agree</td>
<td>63 (72.4%)</td>
<td>34 (68.0%)</td>
</tr>
</tbody>
</table>

\[Chi \text{ Square } = .299, \text{ not significant}\]

Cultural Diversity in Manpower Planning in the Hotel:

The hotel tries to meet the requirements of the customers coming from different cultures and languages. This would help in maintaining the loyalty of customers. They try to recruit the employees from different states of India so that customers from different states feel at home when they communicate in their own language to the service delivery staff. This sort of manpower planning is very important and the opinions of respondents on this indicate that about 59 per cent have indicated that cultural diversity manpower planning is done in the hotel (Table 7). Such planning is also made in preparation of food and beverage served to the customers. In the Table it is also observed that there is a difference in the opinion of Staff and Senior Staff in terms of percentages but such difference is not significant (Chi Square = 0.626, not significant).

Table 7: Opinion on cultural diversity in manpower planning in the Hotel

<table>
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<tbody>
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</tr>
<tr>
<td>Somewhat Agree</td>
<td>34 (39.1%)</td>
<td>23 (46.0%)</td>
</tr>
<tr>
<td>Agree</td>
<td>53 (60.9%)</td>
<td>27 (54.0%)</td>
</tr>
</tbody>
</table>

\[Chi \text{ Square } = .626, \text{ not significant}\]

Employees have Well Defined and Informed Career Planning in the Hotel:

The gathered opinion from the employees on this aspect was analyzed and results of the same are presented in Table 8. The table indicates that the percentages of Staff and Senior Staff respondents are 63.2 and 56 respectively who agree in their opinion that employees have well defined and informed career planning in the hotel. This is another aspect of planning in the hotel. While comparing the opinion of the respondents of two groups on this variable, it is observed there is a slight difference in the percentages but this difference is not statistical significant as it is evident from the Chi Square value (Chi Square = 0.693, not significant). It simply means that the views of the respondents of both the groups are almost the same.
Table 8: Opinion on Employees having well defined & informed career planning in the Hotel

<table>
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<td>Somewhat Agree</td>
<td>32 (36.8%)</td>
<td>22 (44.0%)</td>
</tr>
<tr>
<td>Agree</td>
<td>55 (63.2%)</td>
<td>28 (56.0%)</td>
</tr>
</tbody>
</table>

Chi Square = .693, not significant

Involvement of Employees in the planning for growth of hotel:

About 2/3rd (about 66%) respondents have agreed that the employees of the hotel are involved in the planning process concerning the growth of the hotel (Table 9). The remaining employees also somewhat agree to this aspect. Involving employees in such planning would inculcate the feeling of belongingness to the hotel. In turn the employees would try to put hard work to deliver the services to the customers as per their satisfaction. There is a difference in the percentages of opinion of respondents of two groups, however, this difference is statistically not significant (Chi Square = 2.068, not significant).

Table 9: Opinion on involvement of departmental Employees in the growth Planning within the Hotel

<table>
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<tr>
<td>Agree</td>
<td>61 (70.1%)</td>
<td>29 (58.0%)</td>
</tr>
</tbody>
</table>

Chi Square = 2.068, not significant

Conclusion:

In order to achieve the Vision of the Organisation in general and Hotels in specific it is good to have all round transparent system and procedure coupled with proper planning. Employees play a vital role in the success of the hotel hence they need to be aware of the strategies, short term and long term goal. Most researchers have expressed that the transparency brings in learning and motivation to the management & hotel employees through continuous connect at every moment. With that in mind, Hotels must not hide any information and bring in transparency in terms and conditions of employment, Equal Employment opportunities, Selection process, preference to multi skilled personnel and experienced persons. At the same time plan manpower in the interest of service delivery, keeping cultural diversity in mind, well defined & informed career planning and involvement of departmental Employees in the growth Planning.

Implication

This study proposes that the Hotel Management must always remain transparent with the employees so that they develop ownership towards the organization and also plan for the growth of employees and hotel keeping long term and short term goals in mind.

Future Scope

Such studies should be conducted periodically with bigger sample size in order to cover wider area and understand the changing needs of employees keeping transparency and planning into focus.
References:


Heskett, James L., Thomas O. Jones, Gary W. Loveman, W. Earl Sasser, Jr., Leonard A.


