Migrant labor in hospitality: The Cyprus experience

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A R T I C L E   I N F O

A B S T R A C T

The hospitality industry depends to a great extent on migrant employees for its day-to-day operations. Cyprus' accession to the European Union (EU) in 2004 saw an influx of migrant employees, mainly from 'New Europe', a development which posed and continues to pose, numerous organizational challenges. Adopting a qualitative methodology, the study set out to investigate migrants' employment experiences in Cyprus, via the views of three different groups of employees; managers, local and migrant employees. Findings, can inform both industry stakeholders and academic scholars, while enhancing our collective knowledge regarding migrants' contributions to the industry, 'push' and 'pull' factors of migrant employment, their intercultural relationships with the host population, and the impacts that migrant employment can have on the service delivery process.

1. Introduction

Managing a diverse workforce presents organizational leaders with a plethora of challenges, particular in an environment where migration is increasing. According to Koehler et al. (2010), in their International Organization for Migration (IOM) thematic study:

". . .*the population of foreign nationals in the EU-27 Member States grew by 9.5 million, to 6.2 per cent of the total EU population between 2001 and 2008. . .in Cyprus, the figure rose by 8.8 per cent to 15.9 per cent.*"

(p. 12)

Subsequently, learning to cope effectively with this influx of prospective employees and the magnitude of the issues that are faced by hospitality organizations provides a multitude of challenges for employers. This phenomenon is more acute for regions far removed from major labor catchment areas; a notion eloquently espoused by Baum et al. who inform us that, "hospitality businesses in peripheral locations face particular challenges, none so more than in terms of their access to quality human resources" (2007, p. 59).

Adopting a qualitative methodology, from the perception of three different groups of employees; managers, local employees and migrants, the paper presents the findings of the study

investigating migrants' employment experiences in the Cyprus hospitality industry. The findings underline the business need for recruiting this demographic group in order to fill positions that the local labor force rejects. In addition, migrant employees' motivation for seeking employment in Cyprus is primarily driven by a lack of opportunities at home and also the invaluable experience gained as they strive to improve their development opportunities not only within the industry, but also as a means to transfer their skills to other industries. However, organizations are failing to prepare for the effective management of this diverse group of individuals once they have been recruited, particularly as this is likely to impact the customer service delivery process.

The following section reviews the literature which provides the grounding with which the primary research has been designed and conducted.

2. Literature review

This section begins with a review of the employers' reasons for recruiting migrant employees into the workforce and the challenges that this strategy can cause. We then continue with an overview of the migrants' motivation to seek employment abroad and the intercultural aspects that need to be addressed by organizations. The section comes to a close with an analysis of the likely impacts, on the customer service delivery process in organizations employing migrants.

2.1. Migrant employees, the necessity and the challenge

Berry (1997, 7) informs us that "as a result of immigration, many societies become culturally plural. That is, people of many

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cultural backgrounds come to live together in a diverse society." The resultant demographic changes give rise to terminology including 'mainstream' and 'minorities', where the latter group has less power than the former in society. In addition, 'immigrants' are classified as people whose intentions are, either to move to another country on a permanent basis (Berry, 1997), or those whose situation is temporary such as 'migrant employees' (Joppe, 2012). For several decades hospitality employers have focused their recruitment strategies on ethnic minorities for reasons including changing demographics and "a decline in majority ethnic groups' willingness to accept certain types of employment" (Christensen-Hughes, 1992, p. 80), while enabling employers to cope with seasonality and fluctuating demand (Taylor and Finley, 2010). The industry's increasing reliance on migrant employees, as a temporary solution to the skills shortage, is encouraging employers to recruit workers with lower pay expectations.

This element of the employment relationship, coupled with the risk that many recruits possess lesser skills, is also likely to impact the service quality being delivered in addition to the plethora of challenges that need addressing when managing this diverse group of individuals (Joppe, 2012; Zopiatis and Constanti, 2012). Few employers provide specific induction programmes aimed at migrant employees, utilizing the same processes and procedures that were originally designed for the local recruits (Devine et al., 2007). For many migrant employees, induction into their organizations is achieved via their networks, especially the online variety where they are able to share experiences with others in similar situations, providing a forum for venting any issues and problems they have to cope with while at work such as dealing with customers and colleagues (Janta et al., 2011a, 2011b). These networks provide opportunities for learning to cope in the new workplace, thus suggesting that the official processes are failing them and their specific needs.

Even though the official EU initiative aims at facilitating labor mobility, Joppe's (2012) investigation of the growth in cross-border mobility, and focusing on official government positions with regard to the manner in which migrant employees are integrated in the host society, is somewhat acerbic. Country initiatives, which tend to be reactive rather than proactive, vary in their scope to include language training for the migrant employees, and diversity training for both the migrant and local populations, when in fact what is required is a focus on what Collett and Fabian (2008, p. 1) label "soft, scarce and super skills" (*see also* Moriarty et al., 2012). This implies that many talented employees risk being overlooked. Bianchi's insightful critique of migrant employees highlighted the potential exploitability of this demographic group of individuals:

> "...*it is clear that the fragmented and diverse composition of tourism-related enterprises within resort areas, and the short-term, flexible deployment of labour within many of these, exacerbates the disarticulation of the tourism resort workers.*"
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> (2000, p. 130)

At a regional level the EU has endeavored, via its various programmes such as MOSAIC (1999) and projects to assist organizations with the process of migrant employee integration, defined by Berry (1997, p. 9) as "maintaining one's original culture, while in daily interactions with other groups". At a local level, the most comprehensive approach in this regard was achieved in Ireland (Diversity at Work Network [DAWN], 2004; Joppe, 2012) which took a more long-term, sustainable strategy involving every relevant stakeholder. Following directives of the state (Pantelides, 2011), the Human Resource Development Authority of Cyprus' piecemeal attempts at migrant employee integration consist primarily of English Language training for the migrants and Russian Language training for the host country nationals (Human Resource Development Authority of Cyprus Website, 2013).

It would appear that a substantial proportion of southern European countries have so far failed to effectively address these challenges, and while the official position of the respective governments may be to oppose the issue of temporary migration, one can be forgiven for believing that there is a "...tacit complicity between the governments and the tourism industry whose primary interest is profit maximization in a highly competitive, labor-intensive sector where profit margins are low" (Joppe, 2012, p. 8). In supporting this position, Rodriguez (2004), Ruhs and Martin (2008), and Forde and MacKenzie (2009) are all vociferous in their views that reliance on migrant workers, an integral element of the managing diversity discourse (Harvey and Allard, 2012), is advantageous to both the state and industry.

2.2. Migrant employees' 'push' and 'pull' factors

The "push-pull framework", with its origins in liberal economic theories, took the centre stage in the migration behavior literature over the past 40 years. The framework was first formulated by Lee (1966), and was extensively utilized by scholars in an effort to explore migrant behavior associated with the decision to migrate and the choice of destination. In simplistic terms, push factors are the reasons that drive individuals to leave their place of origin in order to seek a better life. Push factors can be separated into three distinctive factors; namely, economic (e.g. lack of employment), social (e.g. lack of religious tolerance), and political (e.g. war and terrorism). In contrast, pull factors are described as the positive attitudes individuals perceive to exist, driving them to migrate to a particular destination. They are also separated into three factors; namely economic (e.g. enhanced employment opportunities), social (e.g. educational opportunities and religious tolerance), and political (e.g. freedom from political persecution) (Hooghe et al., 2008). Despite its wide acceptance, scholars have criticized the "push-pull theory of migration" as having too narrow a focus due to its association with economic theories propounded in the industrial era (Hooghe et al., 2008; Massey et al., 1998).

According to Kahanec and Zimmermann (2008), and following their in-depth analysis, it is evident that most migration from 'New Europe' to 'Old Europe' has been influenced by economic aspects where movement is "pushed by the dissatisfaction with economic opportunities in the new member states and attracted by better labor market opportunities in the old member states" (p. 13). This provides them with the opportunity to both develop their language skills and to enhance their career development, while taking advantage of the flexibility the sector can provide for those who are simultaneously pursuing their studies (Janta et al., 2011b). Even though many aspire to developing their language skills, Hilmarsson-Dunn et al. (2010) suggest that the lack of language skills is not the primary barrier to employment even though many are already highly skilled (Janta, 2011; Zopiatis and Constanti, 2012). For many, it is a means to meet members of the local community an aspect of working away from home that is a powerful motivator in the workplace (Lundberg et al., 2009).

2.3. The intercultural challenge

Carol Harvey and June Allard are part of a growing number of scholars exploring, advising and consulting industry and governments alike on the value of managing multicultural, diverse workplaces (*see for example*, Kandola and Fullerton, 1998; Holden, 2002; Francesco and Gold, 2005; Guirdham, 2005), by focusing on issues ranging from "performance and motivation to communication and inclusion, and strategies addressing the diversity of the changing external environment including customers, suppliers and the community" (Harvey and Allard, 2012, xiv). The underlying unequivocal message is that managing in a multi-cultural