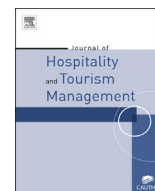




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Organisational attractiveness in the Taiwanese hotel sector: Perceptions of indigenous and non-indigenous employees



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ABSTRACT

This article explores differences in perceptions of organisational attractiveness (e.g., job, company and diversity attributes) between Taiwanese indigenous and non-indigenous employees. A mixed method study, framed by social identity theory, was conducted utilising semi-structured interviews and a survey of 305 employees from 22 hotels in Taiwan. Overall, the results indicated that although organisational diversity is important to hotel staff, especially for indigenous employees, this feature was the least well performing organisational attribute across the three types of hotels. Furthermore, hotels with low levels of ethnic diversity did not meet the expectations of employees about some elements of desired organisational diversity attributes (e.g., ethnic composition of the workforce). The results suggest there is a need for managers to better understand employee attitudes about organisational diversity. If organisational diversity is effectively managed, employers may be better placed to implement equal opportunity, affirmative action policies and diversity management strategies that attract and retain employees from both indigenous and non-indigenous backgrounds.

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1. Introduction

Employees typically have expectations concerning a range of features about the organisations that employ them and the degree to which these expectations are met, may determine whether they feel a part of the organisation and want to continue their employment (Curry, 2000). Employees must have reasons, such as tangible or intangible rewards, or a positive workplace culture, in order to maintain a desire to remain employed in an organisation (De Cieri et al., 2008). Organisations are increasingly focussing on better utilising human resources for competitive advantage and consequently, should be aware of organisational factors that attract job applicants and/or retain current employees. The attractiveness of companies during the recruitment process is crucial, as recruiting a talented labour force is central to business success (Ng & Burke, 2005). In addition, managers also strive to minimise employee turnover, thereby decreasing training costs, recruitment costs and the loss of talent and organisational knowledge. Employee turnover results in a high cost to companies, seriously hindering efficient, effective customer service, and undermining productivity and competitiveness such that employee retention is

as important to business success as customer retention (Frank, Finnegan, & Taylor, 2004; Siong, Mellor, Moore, & Firth, 2006). In the hospitality sector, perhaps more so than other industries, high staff turnover is a major factor affecting efficiency, productivity and hotel cost structures (Lashley & Chaplain, 1999). The hotel labour market has two key characteristics; not only it is difficult to attract suitable labour but it also has relatively high levels of turnover, representing a significant loss of investment in human capital, training and quality. Furthermore, labour turnover represents a particular problem to management in the hospitality sector as there is no standard reason why people leave organisations (Ongori, 2007).

Attracting and retaining a diverse workforce is especially crucial to hospitality organisations. In today's global hospitality industry, people are working with customers and colleagues from a wide range of cultures. Hotels welcome an increasing number of international travellers from all over the world and require and expect an increasingly diverse workforce (Yang, Flynn, & Anderson, 2014). Globalisation and internationalisation of the workforce puts additional pressures on the management of human resources. Accordingly, Kim and Mauborgne (2005) suggests that traditional working environments comprised of similar people with similar experiences in decision-making groups, can result in the loss of competitive advantage which could be described as Red Ocean strategy. On the other hand, having people from more diverse cultural backgrounds,

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with wider experiences is known to produce more creative and innovative strategies, characterised by innovation and boundary-less markets which is described as Blue Ocean strategy (Kim & Mauborgne, 2005). Moreover, in a dynamic work environment where the HR configuration is constantly changing, the challenge of ensuring consistent approaches to ethical procedures and employee well-being is also crucial. Findler, Wind, and Barak (2007) suggested that organisations should implement fair policies, promotion procedures, training programmes, and mentorship that promote inclusion of diverse employees such as women, members of minority ethnic and racial groups, immigrants, and less educated and nonprofessional employees. An inclusive workplace respects all cultural perspectives represented among its employees and supports employees' sense of empowerment (Waight & Madera, 2011). Furthermore, organisations should strive to constantly modify their values and norms to accommodate a broad range of employees. Diversity does not only benefit the business but is also important to employee well-being. The literature indicates that diversity management offers a useful construct that can contribute to the development of organisational interventions to improve employee well-being, job satisfaction, and retention (Turner, Huemann, & Keegan, 2008).

To effectively manage a diverse workforce, a deep understanding of employees' needs and wants is crucial. Therefore, this paper aims to: initially determine the key organisational features (including diversity) that employees consider important to attract them to work for organisations in the Taiwanese hospitality setting; secondly, explore to what extent diversity is important to Taiwanese employees; and finally, determine how satisfied employees are about elements of diversity in the organisations in which they work. The findings and conclusions are then framed in terms of their implications for enhancing the management of diversity and improved recruitment and retention initiatives in the hospitality sector.

2. Literature review

2.1. Organisational attractiveness

2.1.1. Job attributes

Traditionally, recruitment research has focused on job and company attributes, such as salary, location, size, and type of industry, as the major determinants of applicants' attraction to organisations (Cable & Graham, 2000; Turban, Forret, & Hendrickson, 1998b). Job attributes are often classified and measured as the applicant's perception of what is expected concerning specific missions and tasks in a particular work role (Taylor & Bergmann, 1987). The associations between job attributes and organisational attractiveness are well established and research has identified a number of key features including: job tasks (Turban, Forret, & Hendrickson, 1998a); salary and payment (Aiman-Smith, Bauer, & Cable, 2001); time schedule flexibility (Rau & Hyland, 2002); job security (Chapman, Uggerslev, Carroll, Piasentin, & Jones, 2005); the type of work to be performed (Carless, 2005); and, challenging and interesting levels of tasks (Lievens & Highhouse, 2003).

2.1.2. Company attributes

A range of broader attributes related to the overall company are also frequently used to attract job applicants when delivering recruitment messages. Such attributes can be defined as a perception of what the organisation is capable of providing in terms of policies, practices and work conditions (Eweje & Bentley, 2006). Perceptions about these attributes are built on the basis of expectations of characteristics such as job security, career development, salary and other benefits. Most research findings demonstrate that

employee perceptions of company attributes are more likely to predict employee perceptions about levels of organisational attractiveness. These attributes include: workplace policies (Chapman et al., 2005); human resource practices (Lievens & Highhouse, 2003); diversity management strategies (Williams & Bauer, 1994); and, lay-off procedures (Aiman-Smith et al., 2001).

2.1.3. Diversity attributes

More recently, there has been an increasing awareness that the ability of an organisation to attract and retain people from more diverse cultural backgrounds may lead to competitive advantage and improved cost structures due to maintaining the highest quality human resources. According to Joppe (2012) the entrenched problems of shortages of skilled staff, high levels of staff turnover and high levels of business failure (especially in the tourism and hospitality sector), can potentially be alleviated by encouraging diversity. McKay, Avery, and Morris (2008), had earlier argued that organisations are increasingly using work teams as functional tools to enhance employee performance and achieve strategic objectives. As the workforce becomes increasingly diverse, these teams are also likely to become increasingly diverse. According to Guzman (2000), several studies predict that the global workforce will continue to become more diverse due to more affordable transportation options and more widespread immigration.

These trends should consequently mean that organisations will be increasingly forced to hire and retain a diverse set of employees in order to retain a competitive advantage. Turner et al. (2008) argued that the core function of human resources departments has evolved from simple regulatory compliance to now more emphasis on motivating a diverse array of employees to apply their different skills and abilities to deliver higher levels of performance. Shaw (2004) demonstrated that the benefits of effective diversity management can include a positive effect on the organisation through recruitment, increased business market growth, increased creativity and innovation, higher-quality problem solving, enhanced leadership outcomes, and more effective global relationships. In order to gain the most talented applicants in a globally competitive context, organisations must attract, retain, and promote exceptional employees from all backgrounds (Shaw, 2004). Taken together, these studies provide a rationale for increasing organisational diversity and valuing a diverse workforce in order to enhance employee performance and organisational outcomes. Hotel managers must have a sound understanding of the needs of employees so that they feel a part of and want to stay employed in that organisation, which in turn may improve their work outcomes. Through identifying the nature and impact of the attraction of organisational diversity attributes on employees' job decisions, insights can be gained into how to improve organisational recruitment and retention strategies.

Moreover, while ethnicity is one of the major foci of business research on diversity (Chow & Crawford, 2004; Montalvo & Reynal-Querol, 2002; Waight & Madera, 2011), it seems there have been no studies investigating diversity attributes in Taiwanese organisations. Nearly 2% of Taiwan's population is indigenous (439,000 in a total population of more than 23 million), which is a similar proportion to the indigenous populations of Canada (3%) and Australia (1.8%) (Munsterhjelm, 2002). The chairman of the Taiwan Council of Indigenous Peoples argued that the priority of the Taiwanese government should be to attract more local and international tourists by promoting Taiwanese indigenous tourism (Mo, 2005). While, prior to 2005 there was no equal opportunity employment for indigenous people in the hospitality industry, between 2006 and 2010, the percentage of indigenous people working in this sector increased from 6.6% to 8.5%, compared to 6.8% for general employment. However, the unemployment rate of indigenous

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