

Research Article

Analysis of Business Culture at Hospitality Industry Enterprises in the Republic of Tatarstan

**¹Chumarina G.R., ¹Abulkhanova G.A.,
and ¹Kolbina A.D.**

¹Kazan (Volga Region) Federal University, Kazan, ul. Kremlevskaya, 18

ABSTRACT:

This article examines the role of business culture in the system of management in order to improve the operational efficiency of hotel industry enterprises. It has been shown that corporate culture as institutional basis of contemporary entrepreneurship is characterized by its commitment to the maximum gratification of the customers' wants, innovations, enterprise performance, independence, business acumen, quality, safety of labor and goods, customization. Based on justification of the motivational mechanism for developing corporate culture of enterprises in hospitality industry, an adaptive strategy has been worked out for «implantation» of corporate culture into a hospitality industry enterprise, which forms an entrepreneurial mode of behavior, facilitates the workers' efforts to achieve the final result and efficiency, including the feedback system.

Keywords: corporate culture, system of management, hotel industry, motivation of the personnel.

1. INTRODUCTION

At present more attention is given to the issues of business culture in the management system of hospitality industry enterprises, which involves lending the business the humane, socially oriented and culture-mediated character. Viability of a business is now determined in terms of its flexibility, agility and adaptiveness to the environmental demand. An enterprise is now viewed as an «open» effect-oriented system. There emerged a need for transition to a new approach in the management of organizations, based on corporate culture as an indispensable part of the entrepreneurial system. This kind of approach to management opens up new vistas for building an effective organization, however, when passing to that, an enterprise inevitably faces a set of theoretical, methodological, and applied problems. The analysis of these problems brings about the understanding of the need to solve the most urgent one, establishing the methods of transition to management based on corporate culture. Changes in the economic, political and other areas of life in the Russian society resulted

in transformation of external and internal environment of an organization: the system of values, norms, regulations and principles making up the public worldview altered drastically. It is utterly important to view corporate culture as a means (tool) of increasing the effectiveness of the work of a hospitality industry enterprise, in the context of implementing the concept of «human assets» which determine quality of the delivered services [6, p. 67]. The strategies of business culture management, development and regulation are meant to help in solving many complicated problems that employees face at hospitality industry enterprises, in particular, raising quality of the provided services, strengthening solidarity and unity of the personnel, working out acceptable forms of behavior and the technology of the performed work.

2. Social and Economy Essence of Business Culture At Hospitality Industry Enterprises

Hospitality industry enterprises which, in order to realize their goals, employ many workers and

affect other people's interests as a result of their activities, should take into account the consequences of the effects of their operations. We consider business culture as an effective tool in management facilitating achievement of goals set in the business. Business culture reflects in the employees' behavior and their attitude to the work. The system of values shared by the personnel, their expertise and skills which add up as individual and collective efforts, bring the company to the target results. The business culture existing at the enterprise forms the employees' behavior and their attitude to the work. The employees' efforts bring about certain effects of activities: financial, productive, marketing and social results. By means of the feedback system, the results are compared to the target goals, which allows to determine cost effectiveness of the incurred expenses [4]. Significance of business culture for development of the system of management at hospitality industry enterprises is determined by a number of circumstances. First, it imparts organizational identity to the employees, defines the intragroup image of the company, being an important source of sustainability and continuity in the organization. This evokes in the employees the feeling of reliability of the organization itself and their position in it, promotes the feeling of social security. Second, knowing the basics of business culture in the company helps new workers to interpret the events happening in the organization in the right way, emphasizing their most important and essential aspects. Third, corporate culture, more than anything, stimulates self-awareness and high responsibility of employees. Honoring and

rewarding such people, corporate culture identifies them as role models (examples to follow) [2, p.126].

3. Influence of Motivational Mechanism on Business Culture, Exposed By Different Data Acquisition Methods

We conducted the study of business culture at hotel industry enterprises of the Republic of Tatarstan with the aim of exposing problems and working out recommendations for its improvement. Three hotels served as objects of research: «Shalyapin Palace Hotel», «Safar Hotel» and «Regina». The study was conducted on the basis of the questionnaire survey of hotel workers in the following areas:

1. The personnel attitude to the business culture of the hotel. Such issues were studied as understanding of the hotel mission by the workers, their perception of the content and significance of corporate culture and other issues.
2. Motivation of hotel workers as the necessary component of business culture. Such issues were studied as dependence of the wages on the worker's job performance, contentedness with the acting system of remuneration for work.

The results of the study demonstrated that all the polled workers consider business culture utterly important for a hospitality industry enterprise activity, but most workers (75%) understand culture only on the surface level: traditions, corporate events, observances, branding. 25% of respondents were not able to define the concept of corporate culture (Fig. 1).

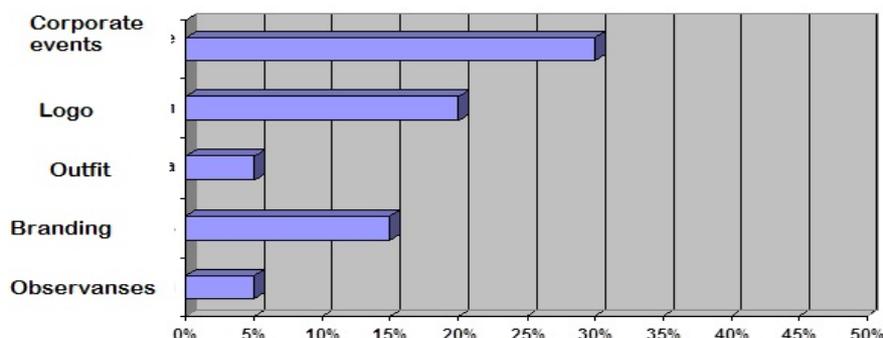


Fig. (1). – Comparison of prevalent components of corporate culture in Kazan hotels as estimated by the respondents

Among the positive aspects of the existing corporate culture the employees of the «Shalyapin Palace Hotel» complex mentioned the presence of corporate identity in the interior design of the hotel, systematic training for new employees. Workers of the «Safar Hotel» complex specified the following positive characteristics of the corporate culture: branding, holding corporate events. The «Regina» hotel personnel singled out the following positive characteristics of the existing corporate culture: tradition to observe holidays, in particular, the hotel birthday; holding professional skill contests; issuing different products with brand images (calendars, notepaper, pens, etc.); permission for the workers to use the services of the hotel complex: to attend the swimming pool, gym. Together with positive aspects of the existing corporate culture, the respondents' answers also pointed at some drawbacks. One cannot be sure that those drawbacks will directly make a negative impact on the efficiency of the management system, but

they can influence negatively in the nearest perspective. We asked the respondents to name the main positive and negative factors shaping behavioral stereotypes of the labor conduct at hotel industry enterprises. The replies were as follows (Table 1). In the service sector, where they work with the customer face to face, high quality of the service is out of the question if the index of the personnel contentedness is low. An important factor for the contentedness with the work is involvement of an employee in the organization. Involvement lies a lot deeper than motivation. Motivation should be demonstrated by the management team, but involvement is a characteristic feature of the personnel, which often manifests in the profound emotional commitment, even dedication to the goals and values of the organization. It is involvement that creates in a worker a sense of pride in the fact that he or she works in this organization, that he makes a part of this конгломерата (no matter how large or small it may be) [3, p.67].

Table 1. Factors shaping behavioral stereotypes of the labor conduct at hotel industry enterprises

Positive factors	Negative factors
Positive image of hotel industry, special atmosphere of high quality service exhorting the necessary emotional influence on the hotel personnel	A number of hotel chains lag behind in terms of salary amount compared to other industry sectors
Aggressive implementation of international practices in hotel industry into Russian practice, opportunities for internships abroad	Many workers in hotel industry complain about overwork, afterhours, night shifts.
Possibility to combine work with study	No really functioning system of mentoring and rotation of staff. The task of the mentor is not only to «place» a young specialist in some position, but also to develop the person, providing opportunities for career advancement.

The importance of this concept for the area of hospitality manifests, first of all, in the ability of the personnel to overcome difficulties arising while implementing their professional duties.

4. Main Components Of Corporate Culture As Result Of Interaction Between Its Elements

Analysis of the study materials concerning estimation of motivation testifies to the fact that the hotels we inspected face certain difficulties. The observed organizations lack the system of staff motivation and incentive. The following data bear this evidence. The question, “Are you content with the salary and financial incentives?” was answered as follows (Table 2). Judging by the results of the survey, motivation of employees in hospitality industry is not developed effectively.

Table 2. Contentedness with the salary, %

Are you content with the salary	«Safar Hotel»	«Shalyapin Palace Hotel»	«Regina»	Mean value
1. Fully content	10	16	19	15
2. Content	15	25	20	20
3. Don't know	1	1	1	1
4. Not content	58	43	49	50
5. Fully discontent	16	15	11	14

Corporate culture of the enterprise determines the requirements for such an important motivator as career advancement. Answers to the question concerning career planning time-frame group as follows:

11% of respondents plan their career one year ahead, 28% two years, 11% three years, 22% five years. 8% of respondents do not plan their career at all. Distribution of preferences among the surveyed on the career planning time-frame is visually represented in Fig. 2.

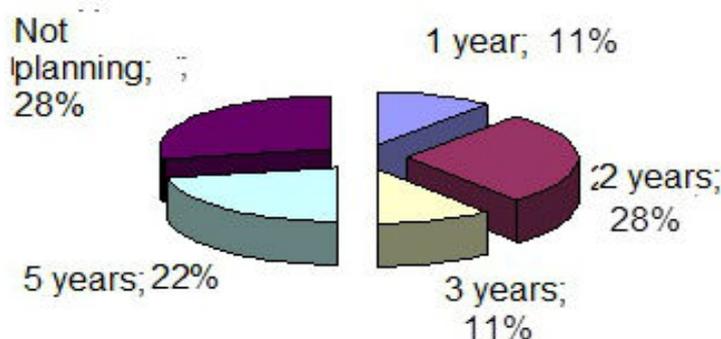


Fig. (2). - Distribution of respondents' preferences concerning career planning time-frame

Certainly, the percentage of respondents showing a passive attitude to their future is definitely alarming (28% of respondents do not plan their career), as well as the short period of the career planning time-frame (one year - 11%, two years – 28%).

Such attitude of the employees to their career is probably determined by the non-sustainable economic development of the country, insufficient intrapersonal adjustment of the workers to the market environment. While analyzing the survey of the hotel workers, the main problems in the system of enterprise management connected with the employees' attitude to corporate culture of hotel industry enterprises became apparent. For the most part, the workers perceive corporate culture on its surface level:

corporate events, logo, outfit. In our opinion, the workers underestimate such features of corporate culture as sustaining the system of values, positive traditions, solidarity, joint efforts.

The absence of the functional corporate culture at the enterprises causes a number of other problems, in particular, the problem of availability of skilled personnel and the problem of the personnel motivation. Based on that, we came to the conclusion that it is necessary to implement a model for motivation of highly effective labor conduct of workers at hospitality industry enterprises (see Fig.3).

5. Estimation of Implementation of a Model for Motivation of Highly Effective Behavior of Workers at Hospitality Industry Enterprises

The strategy of motivation of highly effective labor of workers at hospitality industry enterprises is aimed at:

1. Estimation of effectiveness of the workers' labor input;
2. Creating conditions facilitating highly effective realization of the labor potential of managers and specialists at the enterprise;
3. Equal protection and provision of rights for highly motivated managers organizing the highly effective personal performance and the subordinates' labor;
4. Guarantee of the maximum possible level of the quality of work life at the present level of development in the society, industry, organization;

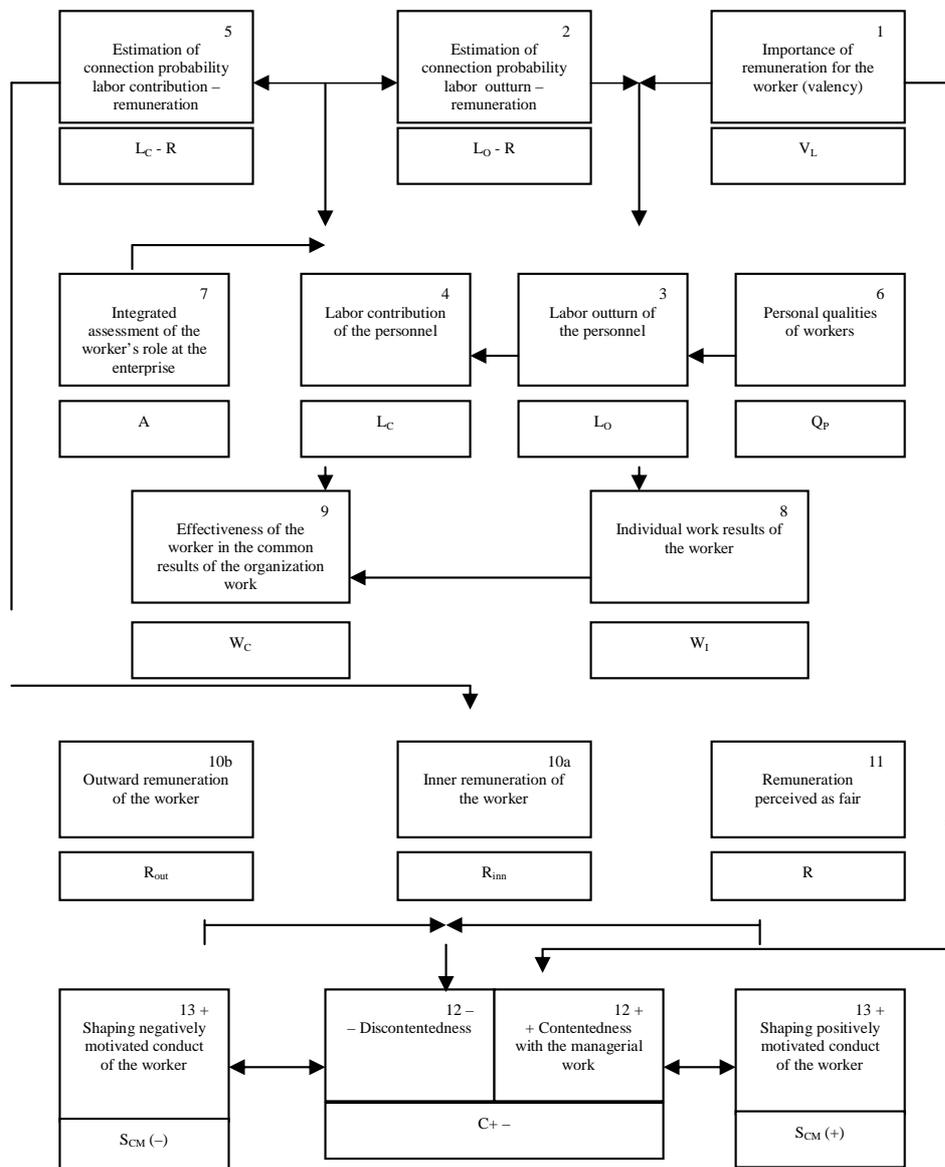


Fig. (3). - Model for motivation of highly effective labor conduct of hospitality industry workers

According to the suggested model, the effectiveness of an employee’s performance (9) derives from the results of the worker’s work (8), depends on several variables: labor outturn (3) and labor contribution (4) (these are inadequate, as invested effort does not always correspond to the effective labor contribution, some of them may be useless or even harmful), personal qualities of the worker (6) and integrated estimation of the role of the worker at the enterprise (7) (Fig. 3.). The level of the worker’s labor outturn (3) depends on the importance (valency) of the expected remuneration (1), on the individual estimation of the connection probability between labor outturn and remuneration (2); the level of the worker’s labor contribution (4) depends on the individual estimation of the connection probability between the individual estimation of the connection

probability between labor contribution and remuneration (5). Individual work results (8) are directly connected to the labor outturn of the worker (3). The work results of the organization, subordinate subdivision, group are connected to the results of the work – the effectiveness of the worker’s work (9). The dotted line between effectiveness of labor (8) and remuneration perceived by the worker as fair (11) shows the distinction of the estimation of the degree of fairness of the remuneration. Contentedness with the work (12+) represents the result of fair outward (10b) and inner remunerations (10a), and discontentedness (12-), unfair ones. Success of practical application of the model for motivation of labor conduct of hospitality industry enterprise workers depends on how the specific conditions in the organization (subdivision) and characteristics of

a certain worker meet the requirements of the suggested model. The peculiarity of the suggested model for motivation of labor conduct of hospitality industry enterprise workers is connected with the fact that it joins together the indices of labor outturn, actual labor contribution of the worker with the objective effectiveness of the organization performance at large. Construction of models for motivation of labor conduct is supposed to increase the effectiveness of labor efforts of the workers at hospitality industry enterprises.

The rational sequence of construction of the motivational model in the area of hospitality industry may be as follows: study of typical conditions at trade enterprises in terms of social procurement for the corresponding model;

- 1) estimation of the condition – stage of development of the organization and its motivational potential;
- 2) finding the extent of correspondence of the developed model to the actual situation at the enterprise employing the methods of testing, expert evaluation, etc.;
- 3) finding the complex of deviations and estimation of the degree and possibility of their removal;
- 4) recurring estimation of the economic effect of the modelling.

No organization will function effectively if an effective model of motivation is not developed on the scale of the region, industry, form of ownership or an individual company, its subdivision, in order to encourage the personnel to work efficiently while achieving specifically set goals.

SUMMARY

In view of the above it follows that strategies of management of business culture based on the model of highly effective labor conduct of hospitality industry workers, its development and regulation are supposed to help in solving a lot of complicated problems facing employees at hospitality industry enterprises, in particular, raising the quality of providing services, increasing solidarity and unity of the staff, developing acceptable forms of conduct and technologies of the performed work.

CONCLUSION

Thus, the main theoretical conclusions attained as the result of the analysis of business culture at hospitality industry enterprises have come to the stage of making up scientific and practical recommendations for its formation and development. These findings can be used to improve the system of management of hospitality industry enterprises based on business culture.

CONFLICT OF INTEREST

The authors confirm that the presented data pose no conflict of interest.

CREDITS

Part of the present work was presenter at the international scientific and practical conference «Contemporary Issues of Economics and Law», Kazan, 2015.

REFERENCES

1. Abulkhanova G.A. Corporate Culture: from Traditions to Modern Entrepreneurship //Contemporary Issues of Economics and Law, – 2011 – No. 3. – p. 29–36.
2. Balashova, Ye.A. Hotel Business. How to Achieve Faultless Provision of Services / Ye.A. Balashova. – M. : OOO «Vershina», 2014. – p. 99-117.
3. Ivanov, M.A. Organization As Your Tool. Russian Mentality and Business Practice / M.A. Ivanov, D.M. Shusterman. – M.: Alpina-Publisher, 2003. – p. 350-267.
4. Chumarina G.R. On Structural Peculiarities of Advertising Activities at the Stage of Reproduction Process// RSUTE Herald, No. 1 (81) 2014.-pp.66-74
5. Hofstede G.H. Culture's consequences: Comparing values, behaviors, institutions, and organizations across nations (2nd ed.). Thousand Oaks, CA: Sage Publications. 2011.- pp. 48-54.