

THE IMPACT OF EMPLOYEE'S ATTITUDE AND HOTEL DEVELOPMENT AFFECTING THE PERFORMANCE OF AN ORGANIZATION

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ABSTRACT

This case study is about a hotel in Miri, Sarawak called New City Hotel. The hotel has gone through management change a few years ago. However, the problem of customer's occupancy has been decreasing. Although the management has been changed, these issue are still on-going due to several reasons such as improper service are given by the employees, request of guests are not fulfilled or facilities provided are outdated and worn out. The company are aware of this problem and several implementations has been done to solve this problem however, it is unsuccessful. To ensure that the occupancy rate increase, employees plays a big role as "making employees happy, they will make customers happy" also, to give customers facilities that are in-trend and updated are crucial in this hospitality industry. Therefore, this case study discusses the factors affecting the performance of the organization's occupancy.

Keywords: Hospitality Management, training and development, communication, standard operating procedures

INTRODUCTION

This case has mentioned about the factor of employees attitude as well as the hotel development affecting the performance of an industry. Particularly, it affects the hotel industry. Hotel industry refers to service industry that depends on human resources to generate income or profitability as well as increasing occupancy of a hotel. In this case study, the development of the hotel's facilities and appearance is the most crucial aspect as customers would

first view the facilities or appearance online through third party websites or agents before making decisions to stay in the hotel. The hotel was first built in 1993 and was later renovated in 2012, however, it has not been renovated since. It has brought a few concerns towards the customer as they complaint that hotel facilities are run down. Due to budget constraints, the hotel has not been able to perform necessary renovations or refurbishment towards the building.

Another aspect of the causes affecting the hotel's performance is through employee's attitude. Aside from the development of the hotel, employee's attitude towards the guest are also the reasons why customers are choosing to stay in hotels. If customers are not satisfied with the service provided, they would be sceptical in recommending hotels to their friends or family members. Therefore, the decreasing in percentage of the hotel's occupancy. Several complaints were lodged through third party website such as TripAdvisor about the employees of the hotel are impolite towards the guest and sometimes not completing their task that were requested by the guest. As Miri is located near Brunei and during the weekends, Bruneians would come down to Miri and stay for a few nights. Through having poor customer service, they would opt to stay at other competitor's hotel. As mentioned before, a hotel industry revolves around the human resources to run the operation and middle-level management should look into ways to improve the customer service in the hotel. Hence, this case study, states the factors causing a decrease in the hotel performance as well as ways to improve and implementing those solutions and an organization will be used as the main focus of this case study.

COMPANY PROFILE

New City Hotel is located in the heart of the Miri City in Sarawak. New City Hotel is under the wing of the New City Group. There are other sister properties available under the Everly Group such as New City Hotel Bintulu, New City Hotel, Kajang, and New City Hotel KL. New City Hotel Hotel Miri was launched in 1992 and has gone through renovations in the 2012 but has not upgraded since then. There are a total of 167 guest rooms available in the hotel. The hotel has an extensive beach located behind the hotel and the view is remarkable. There are two food and beverage outlets available in the hotel and a spacious ballroom that can accommodate up to 680 guest. It is very popular among wedding couples as it has a private balcony overlooking the gardens and South China Sea.

Occupancy rate for New City Hotel

Occupancy rate for New City Hotel Miri from 2016 to 2017 is shown below: Based on the table, it can be seen that in the year 2016, the overall occupancy rate is slightly higher compared to the occupancy in the year 2017.

Occupancy rate for New City Hotel Miri from 2016 to 2017												
Month	First Quarter			Second Quarter			Third Quarter			Fourth Quarter		
March	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2016	65%	78%	55%	49%	53%	57%	71%	62%	58%	56%	69%	72%
2017	58%	61%	46%	38%	42%	50%	65%	49%	51%	48%	59%	68%

PROBLEM STATEMENT

There are several causes that could identify the factors causing the problem of occupancy to decrease throughout a year period. Among them are due to;

Unsatisfactory customer service

Customer service is defined by Pattie Gibson in her book *The World of Customer Service* as giving dedication, trust and loyalty towards the customers. It is not about providing fancy products or promoting complex corporate culture. Today, companies are focusing on providing exceptional customer services as that is the main source of profitability towards the hotel. On the contrary, due to the poor customer services given by the employees in New City Hotel, customer's intention to revisit the hotel is decreasing which can be seen in the table shown in appendix 1 where the hotel's occupancy is decreasing from 2016 to 2017. Visitors to the hotel has also complained in third party websites regarding the poor services given by the employees. Amongst them are request of items or exchange of items such as additional towels and pillows takes employees a long time to deliver or process it. Another problem that has risen is the Guest Service Agent (GSA) has forgotten to complete their task such as requesting newspaper delivery for the guest and performing wake-up calls. Therefore resulting in complaints within the customers that has visited the hotel.

Outdated facilities

Another problem that New City Hotel faces is outdated facilities in the hotel. As said by Copley, selections of the hotels by the guest are usually done online, and appearance of the hotel and its facilities plays a major role in helping to

make the decisions. However, more often as it looks, customers will generally look at the location of the hotel, architecture or interior designing of the hotel to make the final decision to stay at the hotel. Therefore, upgrading of facilities to make it up to trend will help boost the occupancy rate of the hotel. However, New City Hotel is facing the problem of having outdated facilities such as outdated gymnasium, food and beverage outlets, computer systems as well as guest rooms. This might be due to the budget constraints faced by the hotel. Relating to budget constraints, there were reviews given about food being not available as there is no supply. This is not a good practice as customers who visit Miri are usually leisure travellers, families and international guest from Brunei. Thus, by having outdated facilities and insufficient or unavailability of food will cause customers to not stay in the hotel resulting in decreasing in occupancy rate

Inadequate trainings given to employees

Problems that has caused New City Hotel's occupancy to decrease is also due to the lack of trainings given to employees. Trainings and developments are important as employees are constantly learning ways to improve the performance in what they do as well as to gain new knowledge for upcoming tasks given. Many organizations believes that employees are the key success to their business operations. Moreover, it is clear that businesses or organizations would not be able to succeed if employees are not given proper training and development (Somasundaram & Egan 2004). After performing interviews towards a former employee of the hotel, it was said that during the trainings, trainers will demoralize and shame the employees instead of providing professional training developments. There were no Standards of procedures (SOP) given to the employees as well. Thus resulting in employees to perform task in ways they deem right and not having a standard way of reacting to guest request or facing guest in different approaches. By demoralizing and shaming the employees, they will feel not respected and it cause them to treat customers impolitely. As the saying goes, "making employees happy, they will make customers happy".

Internal managerial conflicts

Managerial conflicts brings the meaning of being differently opinioned in certain ideas or interest (Mwangi & Ragui 2013). It is said to be unavoidable as different people have different goals to complete however, it is manageable.

The conflict that the hotel's management is facing is, not having cooperation between the managerial postings. Managers and supervisors are trying to be smarter than each other and wanting to be in control. As a result, several managers have left the organization as they are unable to handle the problem. And in order to fill in the managerial post in a hurry, the management selected candidates that they deem suitable without assessing their qualifications. Besides that, conflict arises within the management is due to inadequate modes of communication. There are no proper communication systems within the hotel. Employees are communicating through land lines which sometimes are unable to get through and the numbers of devices are inadequate. Unlike their competitor, Miri Marriott, the managers or supervisors are given cell phones to communicate with each other and land lines are provided at places which are necessary. This results in misunderstandings within the management and has caused conflicts within the operational level. It has indirectly affected the performance of the employees because information are not delivered properly causing customer's request to not be fulfilled and customer's expectation of the hotel will decrease thus, not having the intention to revisit and hotel's occupancy will be affected.

SOLUTIONS TO THE PROBLEM

To every problems, solutions are available to reduce the impact of the problem. Amongst the solution that are available for each problems are:

Monitoring, organizing performance appraisal programmes and rewarding for good service

In order to solve the problem of customer service in the hotel and increase the occupancy rate of the hotel, managers should monitor the tasks given to the employees. Especially tasks that concerns customer's satisfaction. For instance, customers' complaint that employees are taking a long time delivering items that were requested, managers or supervisors should follow up with the employees to make sure the task is completed. In addition, yearly performance appraisal should also be done to evaluate the performance of the employees, their achievements, growth, identifying areas they are lacking and giving feedback to employees to improve. A feedback session will be held and increments, bonuses, promotions will be rewarded if the employees has proven or shown that they have done a good job throughout the year.

However, if employees are underperforming, termination will be done if it is deemed necessary.

Updating the facilities to follow the current trend

To overcome outdated facilities in the hotel, senior-level executives should look into method to refurbish and renovate the hotel. As mentioned earlier, customers will look at the appearance and facilities of the hotel to make decisions to stay. Therefore, seeking hotels that are more technologically advanced and eco-friendly. Senior-level executives with the help of the marketing department to look into current trends of the hotels. In this era, technological advancements are crucial such as having high speed Wi-Fi within the compound of the hotel, having self-check in kiosks, or guestroom technological equipment's. Other than that, being an ecologically friendly hotel can also help boost the image of the hotel as it gives a "back-to-nature" experience towards the customers. Under the Travel Agent Central, it is shown that 65% of the travellers are looking to stay at environmental friendly hotels. For example, hotels that are practicing water conservation systems, reducing usage of plastics, reducing food wastage or using biodegradable products. Therefore, by following the trends, it could help boost the hotel's occupancy rate as it fulfils the customer's satisfaction and preferences.

Providing SOP to follow and training

In order to solve the problem of not having adequate trainings given to employees, proper trainings are essential as it develops the workplace's safety, productivity and satisfaction. One of the many traits that can be focused on are manager communication, employee motivation and employee recognition. In every department, the practicing of standards of procedures (SOP) determines the quality of the service shown to the customers. Every employees are to understand and apply the SOP during the operation which is to be integrated during trainings. It is recommended that SOP should be simple and easy so that it will not cause confusion towards the employees. Trainings are to be done regularly to keep the standards of service in check as well as to improve performance of the employee.

Clearance of conflicts and improve communication

Before being able to find a solution, it is necessary to find the source of the problem. Conflicts within a small company is very common and it can be an

advantage if it is done in a healthy manner. The benefit of having conflict is so that employees are able to distinguish between needs and desires. In order to get to the root of the conflict everyone has to be open to share and to express their feelings and thoughts regarding the matter. Once everyone come to an agreement, then it will be easy to come up with a solution. However, it is important that everyone voice out and be honest. One of the modes of communication to resolve a conflict is to increase transparency within a company. This includes the mission and vision of the company, sharing sales figures, goals, as well as management decisions. It is equally important to be able to know more about another employee within a company as well as to understand, tolerate and adapt to each other. Aside from participating in frequent trainings, teambuilding programmes can also be held to strengthen the bonds between employees. Another mode of communication to reduce conflict within a company is to adopt enterprise-grade mobile messaging platform. By doing so, important announcements can be delivered through the messaging platform of the company and this creates a mutual understanding of the situation.

IMPLEMENTATION OF SOLUTIONS AND RESULT OF INTERVENTION

To recall the problem that was found in this case study, the main problems found was due to unsatisfactory customer service, outdated facilities, no proper trainings were given to employees and internal managerial conflicts. In order to solve the problems stated, it will take quite some time as each one of it are major problems a hotel can face and it could not be fixed instantly. As mentioned before, there were no solutions given when the interview was done. Therefore, for the problem of unsatisfactory customer service. It was suggested that managers should monitor the tasks of the employees to see if they are doing it or are they up to the hotel's standards. Managers might not have the time to always monitor the employees but it can be done from time to time. Thus, in order to solve this problem, the best solution is to implement performance appraisal programmes and to reward employees that has perform outstandingly in their task. This is because, employees will feel that their efforts put into completing a task in the stipulated time are recognized.

Previously, employees are not given the recognition and rewards, thus they feel demotivated to perform their task resulting in unsatisfied customer

services towards the customers. This implementation will be good for the long-term plan as it slowly helps employees to be motivated help the hotel to achieve their goal which is increasing the hotel's occupancy as happy employees will make customers happy. Another major problem that can be seen through this case study is having outdated facilities. As this hotel fails to provide customer with updated facilities, most customers or travellers looks into this aspect before deciding to book a stay. Hence, changing the facilities following current trends of hotels are the best solution. However, it is said due to budget constraints that the hotel's senior-level managers were unable to perform the hope of revamping the hotel. Thus, coming up with proper budget plans are important. First and foremost, it is important that all stakeholders understands the stake of having to renovate the hotel and the full scope of the project has to be clearly stated. This includes items to maintain or re-use, rooms to be relocated or areas or facilities needed to be refurbished. This should be discussed with the stakeholders and accurately detailed as inaccuracy or quantity take-offs can raise serious issues towards the budget planning. It is also essential to be transparent with the budget plans towards the designers. This enables the designers to make accurate or appropriate selections for items based on the cost that was fixed in the budget plan. If the budget plans were not shared, designers would make assumptions on the hotel will agree on any decisions made by the designer no matter how expensive or reasonable the item would cost. Therefore, being transparent in the budget planning gives a guideline for designers to stay within the specified target.

The next major problem that the hotel has faced is not having proper trainings given to employees. Trainings are essential towards an industry because it helps enhance the development of one self and also increasing their knowledge of learning new skills. As the hotel does not give proper trainings to their employees. It results in a non-standardized method performing a task as well as not being able to achieve the company's goals, vision and mission. Trainings does not necessarily means to always be in a classroom format, trainings can also be done a few minutes during the morning briefings. In the training as well, words of encouragement or support should be given. If mistakes are done explanation of why it is wrong and ways to improve on the mistake should be shared. A midlevel managers should not by any chance demoralized the employees are shame the employees if mistakes are done. It

will result in demotivating the employees in performing their task. Last but not the least, having internal managerial conflicts in the hotel.

Having managerial conflicts will leave a bad impression towards the employees as employees may start choosing sides of who they want to work with or follow. The cause of this conflict is mainly due to the reason of not having proper background checks of the managers before selecting them to take up the position. This may cause suspicions towards the employees as some of them are qualified and has been working in the industry for years do not have the chance to sit in that position. They will then look down on the appointed managers and rebel on instructions given as they think they are more knowledgeable. Therefore, to overcome this situation, Human Resource management should thoroughly look into the applicants to the position and to evaluate carefully to see which applicant is more suitable to be in that position to avoid any further conflict.

CONCLUSION

In conclusion, having proper employee attitude as well as the hotel development is important to achieve the desired goal of the hotel. The problems that the hotel faces were unsatisfactory customer service, outdated facilities, and inadequate trainings given to employees as well as having internal managerial conflicts. And for every problems there are counter measures and they are monitoring employee performance, organizing performance appraisal programmes to see whether employees have done well during the year or improvements are to be given to employees and upon doing well, employees are to be rewarded for their good service. Updating the facilities to follow the current trend are also one of the solutions given for the problem faced by the hotel. In order to solve the problem of not having adequate trainings to the employees, Human Resource Department should hold trainings weekly or monthly to ensure employees are able to learn new knowledge as well as explaining the Standards of Procedure (SOP) to employees. Last but not the least, to solve problem for having internal managerial conflicts, first, the root of the conflict should be identified and ensure that there is a proper mode of communication within the employees. The first step would be to identify the problems and ones the problem is identified, solutions can be made and applied. To be able to increase the occupancy rate of the hotel, the management has to have strong teamwork and

leadership skills as well as transparency towards the employees. Besides, hotels should have a complete and updated facilities for guest to enjoy. Lastly, hotels should also provide quality services to satisfy the guest needs and wants.

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