

Flexible working in hospitality industry



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The hospitality sector includes all businesses that provide food, beverages, and/or accommodation services. This includes: restaurants; pubs, bars and clubs; hotels; contract catering; hospitality services. The hospitality industry in the UK has expanded in the past five years.

According to the British Hospitality Association, the industry is made up of about 127, 000 businesses and employs a workforce of 1. 6 million people.

There are approximately 22, 000 hotels and guest houses, plus around 16, 000 bed and breakfasts,

in the UK.

Restaurants employ over 500, 000 full-time and part-time staff.

Contract catering and hospitality services account for 19% of the sector

(all figures from Trends and Statistics, 2006, British Hospitality Association).

(is this the right referencing format? I usually have a reference after every statistic. Also I feel like you might want to mention the major revenue streams of the hospitality industry in the introduction)

Working in hotels usually means longer hours but promises a wide variety of jobs and early responsibility. Many occupations within the sector may be appropriate for those seeking flexible working hours or who wish to work part time.

Brief Introduction to Ramada Jarvis Hotels

Jarvis Hotels Ltd owns and operates over 40 hotels throughout the UK and employs around 4000 people. John Jarvis, former Chairman and Chief Executive of Hilton International, founded Jarvis Hotels in 1990 when he purchased 41 hotels from Allied Lyons. At the time it was the largest ever management buy-in. In 1996 the group was listed on the London Stock Exchange at a market capitalisation of £300 m.

In 2001 Ramada International Hotel & Resorts announced that it had reached an agreement with Jarvis Hotels PLC that resulted in a franchise agreement encompassing approximately 55 hotels and 6, 100 rooms.

In 2004 Jarvis went private to exercise more control over the way it ran its company. This step was aided through investment vehicle Kayterm and backed by venture capital firm Lioncourt,

Jarvis Hotels have an agreement with the Wyndham Hotel Group to use the Ramada name on their hotels. This has provided them with international representation within the market place. Although the Company remains as Jarvis Hotels, the Ramada partnership is very important to their business and the way they operate. All their hotels trade as Ramada Jarvis and they fully embrace all initiatives introduced by Ramada Worldwide.

Chapter 2

Literature Review

In the hotel sector, products provided have two dimensions:

tangible (e. g. hotel rooms, restaurant meals and bar drinks) and

intangible (e. g. warm greeting, speed, and outlet atmosphere).

In addition to its service sector characteristics-i. e. intangibility, perishability, variability, simultaneous production and consumption, and inseparability-variability in demand is a feature of the sector which exerts considerable influence on its labour market characteristics (Guerrier and Lockwood 1989; Baum 1995).

Unlike most other service businesses, the hotel sector operates a 24/7/12/365 system and this, in itself, impacts upon the availability of labour, scheduling, pay, working conditions and employee welfare. To put it in another way, the reality of hospitality work is that much of it is required at essentially antisocial times or at times when other people are at leisure. Such a 24/7/12/365 delivery model is extremely variable and unpredictable.

One implication of such highly fluctuating demand for the hotel services is that employees frequently face demands on their personal time in the interests of their customers, which take them beyond contractual or, indeed, legal norms. In consequence, management of demand variability of the hospitality industry in general and hotel sector in particular has generated a great deal of theoretical and practical effort and has been the focus of considerable policy debate (Geary, 1992; Atkinson, 1984, 1985; Williamson, 1985; Pollert, 1988; OECD, 1986; Pfeffer and Baron, 1988; Osterman, 1987; Handy, 1989; Marchington and Wilkinson, 2008; Golsch, 2003).

One response, of managers in the hotel sector, to the challenge of demand variation has been to seek greater flexibility in the workplace. Due to the importance of matching the needs of the worker with the needs of the

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business, researchers have attempted to conceptualise the working relationship between the individual worker and the firm in various ways (Peel and Boxall, 2005, p. 1676).

Among the more popular frameworks are Atkinson's (1985) model of flexible firm and Handy's (1989) 'shamrock organisation'. The flexible firm model envisages that the firm is flexible in terms of its adaptability to expansion, contraction or change in the product market. It increasingly seeks and achieves greater flexibility in the forms of functional, numerical and financial aspects of its

workforce (Pollert, 1988; Proctor et al., 1994). In a similar vein, Handy's model of the shamrock

organisation describes an organisation in terms of three leaves of the shamrock: the first leaf or group is core/permanent employees, the second is contractors, and flexible/part-time/temporary workers constitute the third leaf of the shamrock.

Dex and McCulloch (1995: 5-6) explore the various forms of flexibility and patterns of working hidden under the umbrella term 'flexible' work. They differentiate between the following twelve descriptive forms:

- Self-employment
- Part-time work
- Temporary work
- Fixed-term contract work

- Zero-hours contract employment

- Seasonal work

- Annual hours, shift work, flexitime, overtime, or compressed working weeks

- Working at home

- Teleworking

- Term-time only working

- Sunday working

- Job sharing

In assessing the demand for flexible work options and the availability of such work, it is important to recognise these different forms of flexible working and to appreciate that some forms are motivated much more by an employer's quest for greater efficiency than any response to employee demands.

A review of the literature on labour flexibility in the hospitality industry in general and hotel sector in particular reveals that much of the research on the topic has been concerned with the widespread 'adoption' of flexibility strategies. For example, various flexibility arrangements, variation in working hours or in numbers employed, improving employee deployment across tasks, choice of work location, or even change of employer, have been frequently acknowledged to minimise the labour costs, to achieve greater efficiency, to match between labour inputs and work outputs (Reilly

1998, p. 16), and specifically, to manage demand fluctuations (Guerrier and Lockwood, 1989, p. 411). The ease of access to workforce had also led to greater use of flexible workers on an “as needed” or “just-in-time” basis in the hospitality industry (Walsh, 1991, p. 113).

There has been much discussion of management’s efforts to attain flexibility as a means to attain competitive success (e. g. DTI, 1995). It is discussed as a ‘leading edge’ practice and is therefore seen to be advantageous to employers (Geary, 1992, p. 252).

Also, despite the large number of studies that have investigated the theory and practice of labour flexibility in the service industry and suggested that flexibility strategies are attracting considerable managerial interest, a deficiency in observed data exists. In Geary’s (1992, p. 252) words, “those people’s working lives these practices are designed to affect”-i. e. flexible workers themselves. There has been a relative lack of research on the implications of flexibility and its associated practices for the flexible workers, or on the flexible workers’ perceptions of, and experiences with, flexible working.

The shortcomings in previous research stem from two sources: the research methods employed, and the tendency to study flexible working from the point of view of those managers who had a policy-making responsibility in the organisation.

Concerning the former, there has been an exclusive reliance on surveys as the main source of information on labour flexibility and its associated

practices or relationships with, among others, national culture, outsourcing, downsizing or deregulation of the labour market (e. g. Buultjens and Howard, 2001; Voudouris, 2004; Black, 1999; Littler and Innes, 2003; Harrison and Kelley, 1993). The survey-based (quantitative) methods, however, appear to be poorly suited to collect data which would allow conclusions about the actual adoption of flexibility and its implications for flexible workers.

In the case of the latter source, the majority of previous survey research reflects the views expressed by management; views seen as reflecting the actual practice of flexible working practices (e. g. Benson et al., 2000). In other words, the respondents of the previous surveys were high level HR. This raises the question whether their responses are descriptive of the flexible working arrangements as practiced or as intended to be practiced (Bretz et al., 1992, p. 336). One explanation for this vagueness is that flexibility practices are seen as an attempt by managers to drive down the costs and/or as a means of adjusting their workforce to changing market conditions (Gramm and Schell, 2001; Gonzalez-Diaz et al., 2000; Voudouris, 2004). In consequence, the available research only reflects the views and perspectives of these managers.

To summarise, this review of the literature has attempted to reveal that study of the nature and extent of labour flexibility is important because we presently have a limited understanding of exactly what flexible working means to the flexible workers; how it is perceived by the flexible workers; and how or whether it is linked to the development of flexible workers.

Given these unanswered questions and the potential importance of labour flexibility in today's business organisations, further research is required to examine not only the similarities and differences between managements' and flexible workers' views towards flexibility arrangements, but also to explore the wider implications of any contradictions that might be embedded in their perceptions.

Chapter 3

Evaluation of organisational policy

Reviewing the current flexible working requests policy that Ramada Jarvis hotels have in place (copy attached for reference), I would like to highlight the following areas:

Ramada Jarvis has a written policy for flexible working, which may include part time working; staggered hours; home working; flexitime; job sharing; teleworking and term time working. – It is, however, unclear if this policy is applicable to all employees of the organisation.

The eligibility criteria seems to be aimed mainly at employees with parenting/caring responsibilities with a provision stating that employees not meeting this criteria may also be considered.

However, there seems to be no further clarification explaining under what condition or situation is an employee able to exercise these rights.

The number of procedural steps involved in reviewing an application can take over three months. – This alone may discourage several employees to

even consider making an application due to the time consuming process.

The policy fails to address individual cases requiring urgent attention.

An accepted application will mean a permanent change to the employee's terms and conditions of employment. – The current policy does not take into account temporary measures to accommodate short term needs. Personal situations may change due to unforeseen circumstances and making a permanent change to an employee's contract indirectly restricts their right to exercise flexible working in the future.

The employee may, if they so wish, be able to bring a work colleague to the meeting. – Although representation is recognised in the policy there is no acknowledgement of a union member to be present in the meeting, should the employee wish to exercise this right.

Reasons for refusal of an application| – With 8 reasons for refusal to grant the request for flexible working, managers gain greater control in the negotiation process. Any request can be easily dismissed on the grounds of inconvenience to the business, although this may not truly be the case.

Chapter 4

Discussion / Analysis

Policies have the best chance of success if the people using them, employees and line managers, are fully involved in their design. Lack of consultation can result in policies which do not match individuals' needs or cannot be used because of operational constraints.

In my view, this has been the case with Ramada Jarvis flexible working request policy. As a large organisation, the policy has been developed centrally by HR specialists with input from higher level business managers only. As a result the current policy fails to take into account several issues an employee may face, as has been discussed in chapter 3.

As is evident from the Ramada Jarvis policy, employers perceive the main disadvantage of flexible working policies to be the cost and disruption of dealing with the employee being absent from the workplace, especially if they have specialist skills (DTI 2000; Forth et al. 1997).

Cost cutting leads to understaffing and resource constraints also reduce flexibility. In such situations managers can find implementing company work-life policy extremely difficult (Yeandle et al. 2002; Bond et al. 2002; Kodz et al. 2002).

This can have a negative impact on staff members within the organisation.

Within Britain's workplaces, satisfaction with working hours has declined considerably over the last ten years, especially among men. In 1992, 36% of male senior managers/professionals and 34% of male semi and unskilled manual workers were satisfied or completely satisfied with their working hours. By 2000 this had dropped to 16% and 14% respectively (Taylor 2002). Hogarth et al. (2000) found high levels of demand for flexible working practices.

When asked about their working time preferences:

- 47% WANTED FLEXTIME

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- 35% WANTED A COMPRESSED WORKING WEEK

- 26% WANTED TO WORK PART-TIME

- 25% WANTED TERM-TIME WORKING

- 16% WANTED TO JOB-SHARE

Organisations have been slow to respond to this demand. Levels of work-life balance provision are low and the type of flexibility available is often not in tune with employee needs. The most popular arrangements among employees, flexitime and compressed working week, entail greater control over working hours but most employers only offered reduced hours: 80% of employers offer part-time working but only 19% have flexitime and less than 5% a compressed working week (Hogarth et al. 2000).

Chapter 5

Recommendations

There is evidence that helping employees more effectively manage their work and non-work time is good for business but these ‘win-win’ solutions are not achieved by offering atypical hours which suit the needs of the business. Similarly, granting requests for flexible working practices without properly designing the new job is unlikely to achieve the best outcome for the individual or the business.

As has been discussed in chapter 4, policies are not effective unless employees and line managers are fully involved in their design. Ramada Jarvis therefore, need to review their existing flexible working policy in

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consultation with line managers and employee representatives not only to address the areas highlighted in chapter 3, but also to make the policy more transparent and easily adaptable to all employees across the organisation.

Chapter 6

Conclusions

Most organisations offer a formal policy available to all staff, while others operate a more informal setup, addressing each case individually.

However, the impact on operations is still a key factor for companies that feel unable to accommodate flexible working practices.

If flexible working is to be a success in the hospitality industry, employers first need to adopt a flexible attitude themselves, although the motto of “Let’s try it, and if it doesn’t work, try something else” needs to be carefully considered.

Above all, an employer needs to communicate a positive message to its workforce. After all, it stands to reap the benefits many times over.