

Human Resources Satisfaction Trends In Chain Hotels

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ABSTRACT

This study investigates the trends posed by operational dynamics, cultural nuances, and workforce diversity within Georgian chain hotels, utilizing scientific literature on employee satisfaction factors and employing face-to-face surveys. While challenges persist, tailored strategies addressing employees' needs can enhance satisfaction levels and hospitality performance. Recommendations are provided for hotel managers to implement culturally sensitive approaches, thereby enhancing competitiveness and service quality in the global hospitality market. It underscores the importance of creating a supportive environment for employees, which is crucial for enhancing productivity, service quality, and ultimately, the sector's contribution to Georgia's economy and its European path.

Keywords: customer satisfaction, economic reforms, employee engagement, hospitality industry, strategic management

Introduction

The Role of Hospitality in Georgia's Economy, its strategic location and rich cultural heritage make tourism and hospitality pivotal sectors for economic development and European integration. The insights from "Human Resources Satisfaction Trends in Chain Hotels" underscore the importance of human capital in this sector, highlighting the direct link between organizational culture, employee satisfaction, service quality, and overall sector performance.

In the realm of daily hotel operations, profitability stands out as a primary objective, commonly equated with organizational success. However, while profitability serves as a widely accepted and overarching goal, it represents merely a broad summation of various essential organizational elements that contribute to its attainment. Among these influential factors, employee satisfaction emerges as particularly significant. The hospitality sector in Georgia continues to confront ongoing challenges stemming from the COVID-19 pandemic. Particularly, hotels, especially smaller establishments, frequently prioritize cost-saving initiatives, often at the expense of employee development, bonuses, and wages. This approach stands in contrast to modern organizational paradigms that prioritize human capital management over traditional cost-centric models (Bakker & Schaufeli, 2008). Furthermore, the industry contends with substantial turnover rates, exacerbated by seasonal employment trends, posing significant obstacles for hotel management.

In the fiercely competitive global hospitality sector, job satisfaction plays a pivotal role in shaping employee performance, customer contentment, and overall organizational prosperity. The hospitality industry's dynamic and demanding nature, characterized by customer-centric operations and a diverse workforce, places unique pressures on employees, highlighting the need to understand and enhance job satisfaction within this realm. This holds particularly true for chain hotels, where adherence to brand standards and operational consistency adds complexity to employee experiences.

In Georgia, with its rich cultural heritage and burgeoning tourism sector, these dynamics take on a unique flavor. The hospitality industry here has witnessed significant growth, spurred by the expansion of international chain hotels (Zhorzholiani, 2023), contributing substantially to the national economy while offering a lens to examine how global hospitality practices intersect with local cultural and economic contexts to shape job satisfaction.

The unique challenges of the hotel industry highlight the importance of employee satisfaction, which is crucial for effective management. While research emphasizes the link between employee satisfaction and job performance, there's a gap in understanding positive employee behaviors. This study aims to explore this gap by examining coworker interactions, guest relations, and employee-management dynamics in Georgian chain

hotels, providing insights into fostering a positive organizational culture. By addressing this gap, the research seeks to inform local industry practices and enhance hospitality management discourse, ultimately contributing to the sustainable growth of Georgia's hospitality sector, offering practical recommendations for hotel managers and policymakers.

Literature

Job satisfaction encompasses employees' emotional and attitudinal responses towards their job, reflecting a positive emotional state derived from work and overall job attitude (Locke, 1969; Robbins & Coulter, 1996; Spector, 1997). In the hospitality industry, employee satisfaction significantly impacts organizational performance and financial health, with studies showing a direct link between employee contentment and customer satisfaction, ultimately influencing profitability (Chi & Gursoy, 2009; Koys, 2003; Yang, 2010). Factors such as role clarity, workload, and autonomy affect job satisfaction, highlighting its crucial role in employee engagement and organizational success (Slatten & Mehmetoglu, 2011).

Various methods evaluate job satisfaction, including the Minnesota Satisfaction Questionnaire (MSQ) and Job Descriptive Index (JDI), both offering comprehensive assessments of intrinsic and extrinsic job facets (Smith, Kendall, & Hulin, 1969; Balzer et al., 1997). Recent research focuses on job satisfaction's mediating role between workplace factors and outcomes, such as task characteristics, creativity, and organizational politics, highlighting its significance in turnover intentions and service delivery (Ferreira et al., 2017; Tongchaiprasit & Ariyabuddhiphong, 2016; Cheung et al., 2014; Guchait et al., 2016; Yavas et al., 2013).

Empowerment, achieved through task delegation, fosters trust and enhances job significance, impacting employee motivation and performance (Adamadze, 2023). Effective organizational culture and leadership influence employee empowerment and satisfaction, ultimately affecting hospitality quality and guest experiences (Zhorzholiani, Chokheli, & Adamadze, 2024). Strategic planning for new services begins with aligning employees with organizational culture, as employee hospitality and service quality are closely linked to job satisfaction and workplace relations. Recognizing the importance of employee demeanor and ambiance in guest interactions is crucial for delivering memorable hospitality experiences, underlining the positive relationships between management, coworker satisfaction, and job satisfaction, ultimately impacting employee hospitality.

Chain Hotels in Georgia: Case study

Data from the National Tourism Administration of Georgia reveals 50 chain-type hotel management companies in the country, overseeing 13 international and local groups, with 27 representing global brands and 23 local entities. The practical examples of managing organizational culture below are based on face-to-face interviews with CEOs and HR Managers of organizations and represent their unique experiences.

Adjara Group stands out as a leader Georgian brand in Georgian hospitality, lifestyle and agriculture. Renowned for introducing lifestyle brands and pioneering hospitality projects. The group attributes its success to its values-driven team, actively supporting Georgian art and culture while expanding its mission to offer unique, trend-setting experiences across its hotels, hostels, and dining venues. Their strategic decisions are energized by its inclusive corporate culture and commitment to cultural enrichment through collaborations with art platforms and support for festivals and events in Georgia.

The Biltmore Hotel, part of the Millennium international chain, upholds exceptional service standards, driven by a culture of trust and effective communication. Core values like openness, respect, and teamwork are ingrained in the organizational ethos, guided by an ethical manual tailored to Georgian realities. Through internal communication and training, these values serve as the organization's backbone, fostering resilience amidst social changes and the pandemic's impact. Embracing multiculturalism, the hotel boasts a diverse workforce, with approximately 5 nationalities represented pre-pandemic, including Syria and Sri Lanka. The team's composition evolved over 7 years, with a shift towards local Georgian professionals now comprising 99% of the management, blending international brand standards with local culture.

Golden Tulip Design Hotel, part of the Louvre Hotels family with over 1,600 hotels worldwide, swiftly established its presence in the Georgian market within a year. Its unique feature includes mood lighting on the hotel facade, allowing guests to set the room ambiance. Operating manuals were adapted to local needs, emphasizing a positive work environment fostered by the General Manager and HR. Employee recognition and regular meetings strengthen corporate culture, promoting a sense of belonging and stability. With a focus on guest happiness, the hotel strives to be an ambassador of joy.

"Gudaauri Lodge" (Amber Group) - In 2019, Georgia Capital introduced Amber Group to the Georgian tourism market, planning to unite six hotels with 600 rooms under its brand, investing \$65 million over three years. The pandemic disrupted these plans, but Gudaauri Lodge remains operational under Amber Group's management. The onboarding process at Amber Group familiarizes new hires with the organizational culture, with managers playing a supportive role. Collaborative teamwork is a cornerstone of the corporate culture, fostering an environment of mutual support. Employees at all levels, from bellboys to receptionists, have access to professional development opportunities, with internal promotions based on performance.

INN Group is a prominent Georgian hotel chain comprising 7 hotels across the country. Over the past year and a half, the chain has expanded by adding 3 new facilities, reflecting its growing presence in the hospitality

sector. Friendly attitudes towards team members are central to their culture, particularly evident in Bakuriani and Gudauri, where employees often live together, fostering a familial atmosphere. This approach, combined with the professionalism of general managers, sets INN Group apart from other international chains, offering flexibility in procedures without strict warnings or financial penalties. Their pricing policies attract both local and international guests, with families appreciating the relaxed atmosphere and high-quality service. INN Group finances education fees for employees' children and family members, fostering organizational loyalty and strengthening the local community. Overall, the potential for Georgian chain hotels is vast, with the private sector encouraged to further promote the hospitality industry.

KA Group oversees a diverse portfolio of 8 hotels across 5 regions, including both international brands like Best Western Kutaisi, Holiday Inn Telavi and local properties. Integrating international standards into local hotels is pivotal for maintaining service excellence and operational efficiency. While local hotels initially boasted an EBITDA percentage exceeding 40%, increased market competition has led to a decline, now ranging from 20-25%, primarily due to price reductions, notably in Tbilisi and Batumi. One of the main challenges for the group is human resource management, with talent attraction becoming increasingly competitive. To address this, the company operates a tourism academy offering free practical training under industry experts, with graduates encouraged to work within the hotel chain for at least a year. Emphasizing individual growth and implementing international standards have enhanced customer satisfaction levels, elevating the reputation of Georgian brands among travelers.

Le Meridien Batumi and Sheraton Batumi, part of the international Marriott chain, emphasize employee well-being through adapted international standards and effective communication. Initiatives start during recruitment and onboarding, supported by numerous training programs. Exit interviews help address departures, ensuring continuous improvement and resource optimization. Both hotels adapt international standards to the local context, showcasing Marriott's flexibility. Employee satisfaction is evaluated annually through surveys, with immediate feedback mechanisms in place. Results indicate high satisfaction levels, contributing to guest satisfaction scores exceeding targets. Investing in human potential, fostering supportive environments, and delineating employee roles are central to Marriott's ethos, facilitating career advancement and talent retention.

Tbilisi Marriott, Courtyard Marriott, and Moxxy, part of the Marriott chain, prioritize employee well-being and development, a shared ethos that defines their culture. The HR Director stresses the direct link between human resources and financial outcomes, highlighting the significance of employee retention in maximizing revenues. The cluster is committed to integrating new hires seamlessly, offering extensive education, training, and development programs. Marriott's career paths offer diverse opportunities for growth, allowing employees to explore various roles and interests. Training programs are tailored to instill corporate culture and skills while fostering unity among staff. Employees benefit from development opportunities not only locally but also across the global Marriott network. Despite globally defined standards, Marriott ensures cultural adaptation to local contexts.

Pullman Hotels and Resorts, part of the Accor group, operates 110 luxury hotels worldwide, including the newly opened Pullman Tbilisi Axis Tower. The hotel's corporate culture aligns with Accor's values, emphasizing people-centric operations and a commitment to excellence. Disseminating the international brand's culture locally was smooth due to shared hospitality values. Cultural induction for team members included classroom and online training sessions, ensuring alignment with company ethos and global initiatives. In the hospitality industry, organizational culture shapes guest experiences and drives success. Pullman Tbilisi Axis Tower addresses HR challenges by prioritizing talent development and engagement through monthly team meetings, lunches with management, and a dedicated talent committee.

City Hotels operates two four-star hotels in Tbilisi: "City Avenue" and "Tbilisi Chambers, Trademark Collection by Wyndham." Both hotels prioritize high-quality service and hospitality standards. The team consists of Georgian citizens from diverse backgrounds, holding various positions. Core corporate values focus on creating a friendly, supportive environment and integrating new team members seamlessly. Intra-organizational career growth opportunities are promoted to boost motivation and loyalty among employees. Associating with an international brand like Wyndham Hotel enhances trust and reputation. While maintaining local standards, alignment with international service norms under cluster management ensures consistency across both hotels. Holiday Inn Express Tbilisi, part of the IHG network, offers a simple yet refreshing experience in the Georgian market. The hotel prioritizes eco-friendliness and social responsibility, supporting local products. Recognizing the crucial role of employees, the hotel focuses on fostering positive relationships, knowing that motivated staff enhance guest experiences, encouraging repeat visits. Employee Appreciation Week is a highlight, boosting engagement and teamwork. Planned in consultation with staff, it includes fun activities, gift vouchers, and team bonding opportunities, reinforcing the sense of value within the organizational culture. This tradition, supported by IHG globally, strengthens unity and camaraderie among team members.

Silk Hospitality Group manages hotels in Tbilisi, Batumi, and Tsinandali, with a seasoned team covering various expertise areas. The portfolio includes Radisson Collection Tsinandali, Radisson Blu Iveria, Radisson Blu Batumi, and Park Hotel Tsinandali. Key values are: Integrity, Community, Achievement, Teamwork, Excellence, Innovation. Operating as a Radisson franchise, Silk Hospitality blends international standards with local adaptation. Despite market competition, employee turnover remains low, emphasizing trust and respect.

Silk Hospitality invites talented individuals to join their dynamic projects and experience a corporate culture where ideas turn into reality.

Hotels Management Company (HMC) oversees Paragraph Resort & Spa Shekviteli, Georgia's first Marriott brand "Autograph Collection" and Radius hotel. HMC's corporate culture prioritizes professionalism and fiscal responsibility, aiming for exceptional customer service and robust business practices. At Paragraph, Marriott's operating standards blend seamlessly with the local market, ensuring compliance and guest satisfaction. While the hotel boasts impressive features like an aquarium and outdoor pool, HMC recognizes that lasting impressions depend on its people. Service excellence is emphasized, with HMC prioritizing consistent standards to maintain high guest satisfaction.

Hilton Batumi epitomizes the rich heritage of the Hilton brand, renowned for pioneering hospitality since 1919. With a century of expertise, Hilton is globally acclaimed for innovation and excellence in hotel services. At Hilton, organizational culture is paramount, distinguishing it from competitors. When recruiting team members, termed as "team members," Hilton prioritizes cultural alignment over experience, focusing on soft skills during interviews. Derived from the Hilton family name, the company's values guide its operations: Hospitality, Integrity, Leadership, Teamwork, Ownership and Now: Encouraging proactive problem-solving and support. Overall, Hilton Batumi's culture embodies empowerment, responsiveness, and inclusivity, ensuring every team member plays a vital role in the brand's success.

Methodology

This paper distributed questionnaires to employees in leading chain hotels across Georgia. Surveys were completed by 150 staff members from international and local chain hotels in Adjara, Kakheti, Imereti, Kvemo Kartli, and Shida Kartli. The questionnaire comprised three parts: gathering socio-demographic data, assessing perceptions of service quality and hospitality using a Likert scale, and evaluating aspects of employee satisfaction. The study utilized metrics from Janssen (2008) to gauge employee hospitality, Spector (1997) for coworker relationship satisfaction, and adaptations from Schmidt (2007), Liu et al. (2008), and Spector (1985) for management relations satisfaction. Job satisfaction measurements were based on previous studies (Kim & Jogaratnam, 2010; Salzar & Hubbard, 2000; Lyons, 1971). Exploratory factor analysis identified four primary latent variables detailed in Table, elucidating the study's underlying dimensions.

Table 1. Initial factor analysis exploration

Factor	JS	SMR	SCR	EH				
	Satisfaction with salary	0.33	Satisfaction with management relations	0.73	Satisfaction with team work	0.81	Hospitable	0.91
	Satisfaction with current job	0.61	Regular briefing by the managers	0.48	Satisfaction with working atmosphere	0.65	Guest understanding	0.97
	Intention to keep working	0.79	Managers entice positive organizational culture	0.64	Working as equal team member	0.78	Usefulness	0.94
			Satisfaction with management competencies	0.42				
Cronbach's Alpha	0.61	0.74		0.72		0.96		
% of variance	8.2	11.8		9.7		38.45		

Source: Compiled by the authors

(N=150, The analysis utilized the Maximum Likelihood extraction method alongside the Promax with Kaiser Normalization rotation method, achieving convergence within five iterations).

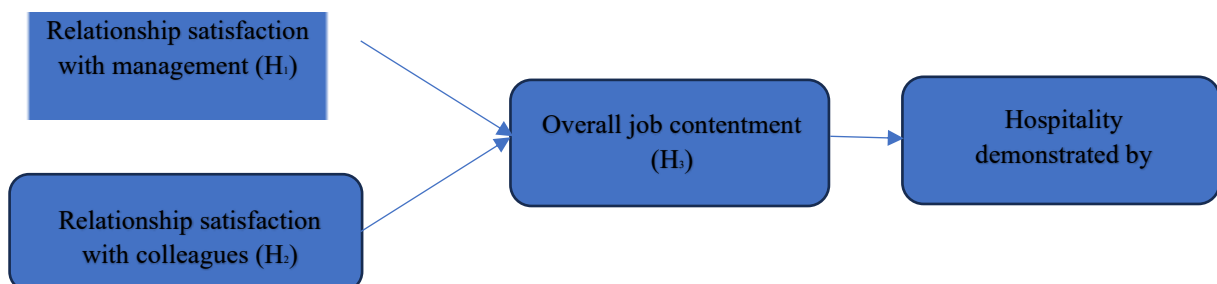


Figure 1. Model (Compiled by the authors)

The analysis highlights critical factors affecting hospitality and management relations, with "Guest Understanding," "Management Relations," and "Team Dynamics" showing significant contributions to overall satisfaction. Job satisfaction (JS), satisfaction with management relations (SMR), satisfaction with coworker relations (SCR), and employee hospitality (EH) are explored, revealing diverse elements influencing satisfaction and organizational culture. The data's suitability was confirmed by the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO = 0.79), indicating robust associations for factor analysis. Bartlett's Test of Sphericity also confirmed significant correlations within the data ($\chi^2 = 2431.62$, $df = 123$, $p < 0.000$), ensuring its appropriateness for detailed analysis. The objective is to confirm positive connections among factors through Confirmatory Factor Analysis (CFA), refining the model to accurately represent underlying constructs. This iterative process, guided by Ullman (2006), ensures the model's accuracy and relevance.

Results

The research findings highlight several key factors influencing job satisfaction among employees in chain hotels in Georgia. Through surveys and analysis, it was revealed that coworker interactions, guest relations, and employee-management dynamics play significant roles in shaping job satisfaction within the hospitality sector. Coworker Interactions: Positive relationships among coworkers emerged as a crucial factor contributing to job satisfaction. Employees who reported supportive and collaborative interactions with their colleagues expressed higher levels of job satisfaction. Teamwork, mutual respect, and effective communication were identified as essential elements fostering positive coworker interactions.

Guest Relations: The study underscored the importance of genuine guest relations in influencing employee job satisfaction. Employees who felt valued for their contributions to guest experiences and received positive feedback from guests reported higher levels of job satisfaction. Personalized guest interactions, empathy, and a genuine desire to meet guest needs were identified as key drivers of employee satisfaction.

Employee-Management Dynamics: The research revealed that the relationship between employees and management significantly impacts job satisfaction. Employees who perceived fair treatment, transparency, and open communication from management expressed higher levels of job satisfaction. Supportive leadership, opportunities for feedback, and recognition for achievements were identified as crucial factors in fostering positive employee-management dynamics.

Conclusion

In conclusion, the study sheds light on the importance of fostering a positive organizational culture in chain hotels in Georgia to enhance employee job satisfaction. By prioritizing supportive coworker interactions, genuine guest relations, and effective employee-management dynamics, hotel managers can create an environment conducive to employee satisfaction and high performance. Implementing strategies to promote teamwork, guest-centric service, and transparent communication can lead to improved employee morale, retention, and overall organizational success. By investing in employee satisfaction, chain hotels can enhance their competitiveness, elevate guest experiences, and contribute to the sustainable growth of the hospitality industry in Georgia.

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