

Cultural Diversity:  
A Roadmap for the Hospitality  
Industry



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## Section 1 Diversity Change Dynamics

Over the last number of years Ireland has been faced with a number of diversity change dynamics. These centre on increased Equality Legislation (The Employment Equality Act 1998 and The Equal Status Act 2000), a rise in the number of refugees seeking asylum in Ireland and higher levels of immigration during the "Celtic Tiger" era as well as expansion in EU membership. As Summarised by IBEC (2002) "one of the biggest changes in the Irish workplace in the past decade is that it has become increasingly diverse due to a variety of demographic, competitive and legislative factors".

There are many definitions of what diversity means, for the purpose of this programme the definition we used was that diversity can be defined as

"The mosaic of people who bring a variety of backgrounds, styles, perspectives, values and beliefs as assets to the groups and organisations with which they interact".

These differences have been described in terms of primary dimensions of diversity (which includes age, gender, ethnicity, mental/physical abilities and characteristics, race and sexual orientation) and secondary dimensions, which are more mutable and less visible (for example, income, education, marital status, geographical location and religion) (Loden 1996).

These diversity change dynamics present new challenges and indeed opportunities for organisations operating across all sectors of the Irish economy. As iterated by Lewis (1999) "diversity is not something that is going to go away tomorrow...enable us to plan our strategies on the assumption of mutual understanding". More and more diversity change dynamics will underpin and drive business decision making and organisational change (CSES, 2003; Trompenaars, 2003; Wrench 2001,). Evidence of this can already be witnessed in the Irish Context where organisations are recognising themselves in order to ensure compliance with Equality Legislation, facilitate the integration of diverse employees and interact with customers that are becoming more and more multi-cultural (NCCRI, 2002; IBEC, 2002, OHM, 2002, Failte Ireland 2003).

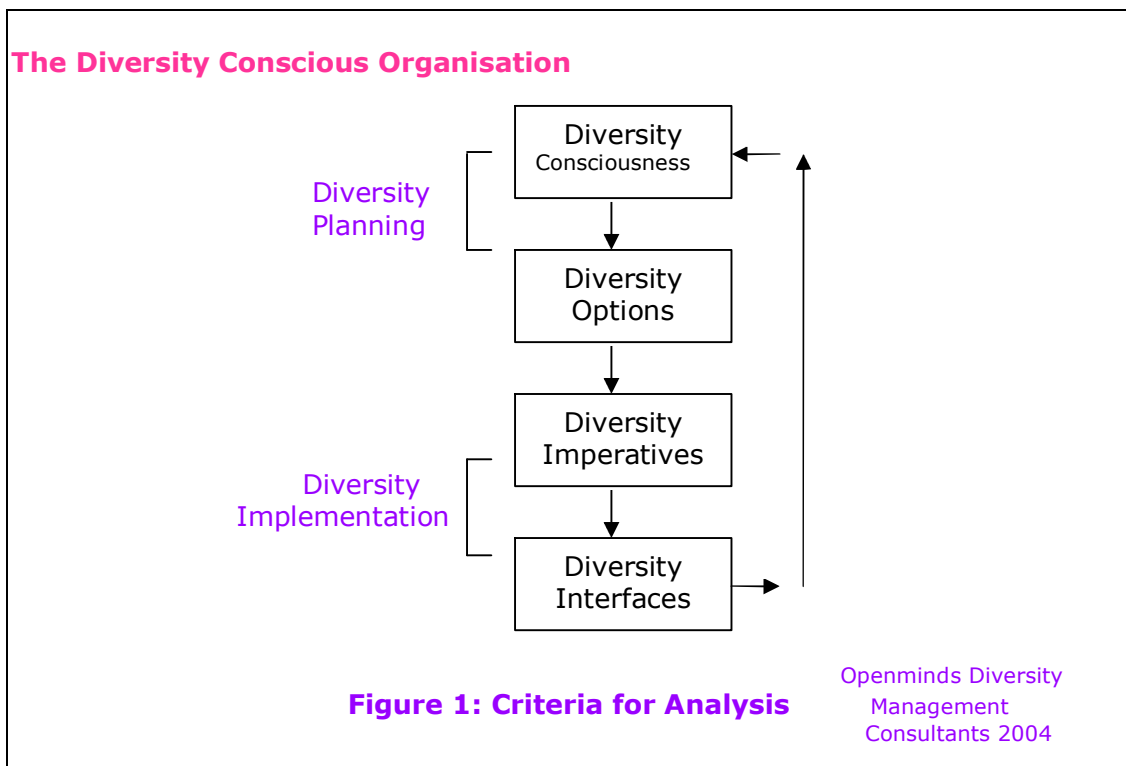
Like other industries the hospitality sector is facing specific diversity challenges and opportunities. During 2003 the department of Trade, Enterprise and Employment issued over forty seven thousand work permits to migrant workers, this accounted for over eleven and a half thousand different employers and workplaces. According to IBEC the hotel and catering sector is the largest employer of non-EU nationals with approx 23% working in the sector. This creates challenges in so far as hospitality organisations have to create and maintain workplaces which evoke a notion of fluidity in their organisational willingness to accept and accommodate human differences. Achieving this requires diversity leadership, effective diversity organisational structures and the successful planning and implementation of appropriate and timely diversity decisions.

## Section 2 The Research

Conscious of the diversity change dynamics (Outlined previously) and the fact that diversity management is now an imperative for Irish business, The Irish Hotel and Catering industry. In particular this research was charged with identifying the diversity issues facing hospitality organisations and assessing the extent to which there is a move within the sector to meet these challenges and opportunities.

In conducting the research a number of focus groups were undertaken at various locations throughout the country. These sessions were attended by representatives from properties and organisations operating within (or connected to) the hospitality industry. Participants included Hotel Owners, Restaurateurs, Hotel Managers, Catering Managers, Human Resource managers, Hotel and Catering Supervisors and Students & Lecturers from various Hospitality Colleges. The qualitative study was supported by quantitative research in the form of surveys which were completed by participants attending the focus groups.

In guiding and directing the research a model (developed from both the academic literature and practical experience) was employed. As outlined in figure one, this framework evaluates the extent to which organisations are moving to meet diversity challenges through assessing both planning and implementation dimensions.



With regard to diversity planning, analysis criteria included "Diversity Consciousness" (or the extent to which organisations are conscious of diversity and proactively identifying diversity opportunities/challenges in their own context) and "Diversity Options" (which basically considers the type of diversity planning and decision making engaged in by organisations). With regard to diversity implementation the evaluations revolved around "Diversity Imperatives" (to what extent are organisations allocating responsibility for diversity and developing effective diversity reward and control structures) and "Diversity

Interfaces” (which considers the extent to which there is internal and external co-operation around diversity and the degree to which effective feedback structures have been developed).

## Section 3 Organisational and Industry Challenges

**3.1 Diversity Consciousness:** On the basis of the research findings a number of issues were highlighted with regard to “Diversity Consciousness” which includes the following:

While many hospitality organisations have begun to take note of diversity change dynamics (such as Equality Legislation) there appears to be some issues with regard to the ongoing, systematic collection of diversity information in order to fuel decision making. For example, some research participants had problems identifying the nine grounds of discrimination while others could not detail the cultural make up of staff within their organisations.

**“I hadn’t thought about our staff make up until you asked me to fill out this questionnaire”.**

Comment from focus group participant

The research indicates that people within the sector may not be collecting appropriate information or be sufficiently informed about diversity and evolving changes in the diversity arena.

The research also highlights that hospitality organisations are beginning to relate diversity change dynamics to their own organisations and identify the specific challenges facing them. For example, many research participants recognised the importance of effective diversity management and were able to describe the challenges inherent in integrating diverse staff.

**“As a supervisor I have become more aware of cultural diversity over the last number of years...this has added a new aspect to my role in so far as I must sympathetic to the wants and needs of other nationalities”.**

Comment from focus group participant

However, while the research highlights some recognition of diversity challenges there are issues with regard to the identification of the full scope and range of diversity challenges facing those operating within the sector. For example, some research participants saw diversity issues purely from an internal perspective (in terms of managing diverse employees) and failed to recognise the external diversity challenges that exist with regard to customers (under the Equal Status Act 2000 discrimination against customers on the basis of nine grounds is prohibited and can result in legal challenges).

Issues were also highlighted with regard to identifying diversity opportunities. For example, many research participants were able to describe changes their organisations had made in order to deal with or prevent diversity programmes (for example introducing training or developing policies to negate against prejudice). On the other hand, few were in a position to describe actions their organisations had undertaken in order to take advantage of the opportunities pertaining to increased diversity (such as developing marketing and service offerings to attract new diverse segments and hence increase market share and improve profits).

Finally, the research shows that while many hospitality organisations are engaging in information collection and problem identification on a reactive basis

less is being done with regard to more proactive measures. For example, some focus group participants described how their organisations had taken decisions and made changes after diversity incidents had already occurred. As iterated by one research participants "we are doing mandatory training because we have already had a number of cases". However there was less evidence of firms collecting information, identifying potential problems and dealing with these issues before they actually arose.

**3.2 Diversity Options:** A number of issues with regard to "Diversity Options" were highlighted which are as follows:

The research highlights that many hospitality organisations are beginning to take diversity decisions and choose effective diversity change options. For example, some hospitality businesses are now employing diverse staff, engaging in appropriate diversity training and developing diversity policies.

**"The majority of our staff are non-national and so over the past few years we have begun to develop and implement policies".**

Comment from focus group participant

However, there are issues concerning the extent to which diversity plans are being fully thought through (decision alternatives are not being developed and properly assessed on order to arrive at the best option for change) and the extent to which the impact of chosen diversity decisions on other areas of operation is being considered. For example, some research participants indicated that while they had taken the decision to employ non-national staff they did not consider the impact this would have on existing national staff. As discussed by one research participant these organisations are now dealing with a whole new set of challenges in so far as "they have to manage how Irish staff are reacting"

While the study indicates a move towards diversity decision making within the sector there are issues in so far as the entire scope and range of decisions (needed to ensure compliance and effectively manage diversity) may not be in place. For example, organisations may invest resources in training their own employees on diversity issues, but neglect to ensure that contract staff employed by other organisations (such as door staff) have sufficient diversity training or are even aware of the organisations diversity/equality policies. In the event that this contract staffs are involved in a diversity incident the organisation itself can more soft diversity activities (such as holding inter-cultural or ethnic food days) but neglect to take "harder diversity decisions" around diversity policy development and training initiatives.

Finally, issues concerning the time perspective prevalent in diversity decision making were raised. Because diversity decision making tends to be reactive the long term perspective required to effectively manage diversity into the future may not be in place. For example, according to some hospitality students who attended the awareness sessions little provision has been made to ensure that students entering the sector are trained on diversity issues.

**"We need to include diversity education on hospitality courses...and ensure that entrants to the industry are competent in this area".**

Comment from focus group participant

**3.3 Diversity Imperatives:** A number of issues were identified with regard to "Diversity Imperatives" which include the following:

The research shows that while hospitality organisations are beginning to allocate diversity responsibility this does not appear to be happening on an organisational wide or holistic basis as yet. For example, in some organisations diversity is solely managed by human resource staff or supervisors and as such is not an integral part of all organisational roles. As iterated by one participant "I leave that to my managers and supervisors to manage"

**"There can be a lack of awareness of diversity issues on the part of some members of management".**

Comment from focus group participant

Another issue for the sector centres on developing effective reward and control structures around diversity. The research provides evidence of the fact that where people are not rewarded or controlled then diversity decision making or effective diversity behaviour does not become a priority for these individuals. As iterated by one research participant

**"I do receive support from senior management...however I am not sure if they see this as a major issue as yet".**

Comment from focus group participant

**3.4 Diversity Interfaces:** A number of issues were identified with regard to "Diversity Interfaces" which include the following:

There is some evidence to suggest that those operating in the sector are beginning to focus on developing co-operation around diversity. For example, some hospitality organisations have set up diversity committees while others have regular diversity meetings attended by people from different areas and levels of the organisation. However, in firms where diversity responsibility is allocated to just one individual or department, inter-organisational co-operation around diversity may be an issue. A similar situation can be found at industry level where there is little evidence of diversity co-operation among organisations (for example sharing of information or regular sector wide meetings to discuss common issues).

The research also indicates issues with regard to the development of effective diversity feedback and communication structures.

**"Feedback is not encouraged because the attitude is the more you make people aware the more problems you create".**

**"I have learned that communication is key...but it is not a always easy among diverse groups of people"**

Comment from focus group participants

Continuously feeding information back into the decision making process and ensuring effective communication is vital if organisations are to learn and benefit from diversity experience over the long term.

## Section 4 Doing the right Thing

**4.1 Diversity consciousness:** As outlined in the previous section the research findings indicate a number of issues with regard to “Diversity Consciousness” which includes diversity information collection, the identification of diversity challenges and opportunities (as they pertain to the specific context) and the development of proactive diversity measures. In addressing these issues the following steps are recommended:

- At both an industry and organisational level it is important that diversity Information is collected in a systematic, effective and ongoing manner. In achieving this organisations need to establish what type of diversity data is required (such as information on changes in Equality legislation or diversity best practice at national or international level), where appropriate information can be sourced (for example, The Equality Authority, Legal Aid and the Office of the Director of Equality Investigations) and how effective systems can be developed to ensure that the data is captured and stored in a manner that is conducive to effective decision making.
- Once the information has been collected it needs to be proactively used to continuously identify the entire scope and range of diversity challenges and opportunities facing the particular context. In order to ensure a comprehensive assessment every individual within the context need to identify the particular challenges and opportunities impacting on their role. For example, those at the front desk of a hotel may face issues that centre more on diversity implementation where as managers further up the hierarchy may be more concerned with diversity planning dimensions (such as developing policies to ensure compliance with Equality legislation). Where there is a repercussions can lead to legal challenges (which may result in negative legal, reputation or financial outcomes).

**4.2 Diversity Options:** As previously outlined the research highlighted a number of “Diversity Options” issues that include the identification of diversity decision alternatives, taking diversity decisions and diversity decision making time perspectives. In addressing these issues the following should be considered:

- In diversity decision making it is important that decision alternatives are developed, analysed and the best option chosen (as opposed to jumping at the most obvious decision or the first solution that comes to mind without fully thinking the options through). In developing decision alternatives organisations should evaluate other case studies (which have dealt with similar problems or opportunities), look at what is happening in hospitality sectors outside of Ireland, engage in diversity problem solving, brain storming and seek to have representatives from all levels and areas of the organisation involved in the diversity decision making process.
- Once a particular change option is chosen it is important to achieve integration and consistency between diversity plans and other areas of organisational decision making. In our experience it can happen that customer service plans contradict diversity policies or vice versa. For example, where a customer refuses to deal with a non-national employee the diversity policy may prescribe one course of action (that the customer be informed that this is discrimination and be given no option but to deal with the staff member) where as the customer service plan may advocated accommodating the customer at all times. In achieving consistency across various organisational plans it is important that the

impact of diversity decisions on other areas of operation is continuously evaluated and that individuals from various levels and areas of the organisation are involved in the diversity decision making process.

- Organisations need to ensure that the full scope and range of diversity decisions (required to ensure compliance with Equality Legislation) are taken. In achieving this it is important that all organisational roles are evaluated, that particular problems and opportunities pertaining to these roles are identified and that appropriate decisions are taken on this basis.
- Appropriate time perspectives should underpin all diversity decision making (for example in some cases a short term perspective will be required where as in others a longer term outlook will be need).

**4.3 Diversity Imperatives:** These research findings a number of "Diversity Imperatives" issues which include diversity responsibility allocation, diversity reward and control structure development and managerial support for diversity. In dealing with these issues the following is recommended:

- In implementing diversity plans effectively it is important that responsibility is allocated on an organisational wide and holistic basis (in other words all employees should have responsibility for diversity in the context of their own roles). In achieving this a number of steps are required which include the evaluation of roles, identification of the nature and degree of diversity responsibility appropriate for each job, allocation of diversity responsibility to individual roles (all employees need to be made aware of their responsibilities in writing) and the review of diversity responsibility over time/
- Once people have been given responsibility it is important that there is ongoing evaluation. In this regard, diversity reward structures (where people are positively rewarded for effective diversity decision making or behaviour) should be developed. In addition, control structures aimed at discouraging people from engaging in negative diversity behaviour (such as negative work-place banter or other forms of discrimination) should be in place. Political leadership and management support are absolutely crucial in facilitating individuals in meeting diversity responsibilities.

**4.4 Diversity Interfaces:** As outlined previously the research highlights a number of issues with regard to "Diversity Interfaces" which include internal and external diversity co-operation and the development of diversity feedback structures. In dealing with these issues the following steps are recommended:

- Inter-organisational co-operation is important if diversity is to be managed in an effective manner. In achieving this, individual hospitality organisations can establish diversity committees (comprised of people from different areas and levels of the organisation), conduct regular and timely diversity meetings and ensure continuous, two-way diversity communication.
- External diversity communication and co-operation (namely with other organisations in the sector) can be beneficial. In achieving this representatives from the various industry groupings should look to meet regularly to share information, problem solve and learn from each others experiences. In addition, the information of a cross industry "Diversity Working Group" (to act as a support mechanism for the sector with regard

to diversity matters and to assist organisations in moving to meet the challenges and opportunities presented by diversity) should be considered.

- Structures need to be in place which ensure that diversity information is continuously being fed back up the hierarchy and into each stage of the decision making process. In this way organisations can ensure that they continuously learn from both negative and positive diversity experiences.

## **Section 5 Conclusion and overall Recommendations**

In recent years diversity change dynamics have created new opportunities and challenges for organisations operating within the Irish economy. This report has briefly outlined research that was conducted for the Irish Hotel and Catering Institute around the particular diversity challenges faced by those operating within the hospitality sector.

The research highlights that from a diversity perspective this sector is currently facing a range of issues. These centre on both diversity planning issues (such as identifying diversity challenges/opportunities and taking effective diversity decisions) and implementation aspects (such as allocating diversity responsibility and creating internal/external co-operation around diversity).

In meeting these challenges (at both industry and organisational level), the following steps are recommended:

- Systems need to be set up to allow for the ongoing collection and processing of diversity information.
- Mechanisms need to be developed to facilitate the proactive identification of diversity challenges and opportunities over the long term.
- Effective diversity decision making needs to be undertaken (which necessitates identifying decision alternatives, choosing the most appropriate option, evaluating the impact of diversity decisions on other areas of the firm and where necessary taking a long term approach to decision making).
- Responsibility for diversity should be allocated at an organisational level and in the context of all roles.
- Effective diversity reward and control structures need to be developed and implemented.
- Diversity support and leadership needs to be provided.
- Cross industry co-operation and interaction around diversity should be developed and maintained.
- Appropriate diversity feedback structures are required to facilitate ongoing learning from diversity experiences.
- Training in Diversity, and Management of diversity needs to become part of the curriculum in Hospitality Colleges.
- Diversity Training and company attitude to diversity should to be included in induction training.

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