

## An Analysis of Diversity Management for a Diverse Workforce in the Hospitality and Tourism Industry

Tien-Chin Wang, Hsiu-Chin Hsieh\*

*National Kaohsiung University of Applied Sciences, 415 Chien Kung Road, Kaohsiung 80778, Taiwan*

---

**Abstract:** The diversity management has been implemented in the hospitality and tourism industry since the past decade. This report conducts a secondary research based on some contemporary journals, academic resources which are related to diversity management to obtain an insightful understanding and comprehension of the theoretical and practical implications of the diversity management in the hospitality and tourism industry. The purpose of this report is to analyse the diversity management in the tourism industry in order to explore different perspectives of several different stakeholders in the key issue addressed. Initially, this report presents a literature review that summarised the contemporary issues of diversity management from a set of readings. Second, this report explores some different perspectives in terms of the industry, organisation, government, consumer and academic aspects in the hospitality and tourism industry. Finally, some implications and recommendations will be provided for the industry to draw an improvement in implementing the diversity management in the future.

**Keywords:** Diverse workforce, hospitality and tourism industry, diversity management

---

### I. INTRODUCTION

In a competitive society, the influence of globalisation, together with development of information technology and innovation of human resource management have challenged the hospitality and tourism industry since the past decade [4]. The innovation of human recourse has implemented new types of management strategies by recruiting numbers of employees who possess diverse, multicultural and cross-functional backgrounds and knowledge, resulting in more multinational and divers workplaces [3]. Moreover, the diverse workplaces have enhanced the degrees of diversity and multiculturalism that can assist organisations to achieve greater innovation and more effective learning through diversity management [9]. Such learning and innovation will represent a knowledge advantage for the organisation, which may result in greater organisations' reputations and revenues. The report investigates the diversity management across the hospitality and tourism industry, which has experienced and encountered globalisation augmenting competitive challenges for a diverse workforce [14, 17]. The purpose of this report is to analyse a diverse workforce in the hospitality and tourism industry, in order to investigate the different perspectives of the stakeholders in the hospitality and tourism context. First, the report presents a literature

review based on some contemporary readings which are relate to diversity management in the hospitality and tourism industry. Second, some different perspectives that are associated to the managers of industry/organisation and government bodies, consumers and academic researchers in the hospitality and tourism industry will be explored. Third, the comparison of academic and industry/government viewpoints will be conducted. Finally, the report concludes with some implications and recommendations for diversity management and the tourism industry to create effective learning from diverse employment and enhance the competitiveness of the industry in the future.

### II. LITERATURE REVIEW

In the hospitality and tourism context, the diversity management is a strategic approach to maintain retention of employee and increase confidence of consumer. A service staff has been required to provide service and maintain customer satisfaction simultaneously. Since the hospitality and tourism industry is a customer-orientated and service-based industry, the amounts of diverse employees are being recruited and trained by the hospitality and tourism organisations [13]. Therefore, the key contemporary issues in the diversity management state as following.

A. *The Overall Challenges in the Hospitality and Tourism Industry*

Some challenges have always faced employees working in the hospitality and tourism organisations. Cieri and Kramar (2005) assert that coping with an intrinsic and extrinsic environmental factor allows a diverse workforce to contribute the greatest possible performance of productivity and competitiveness in the hospitality and tourism industry. As Figure 1 illustrates a specimen of human resource practice to assist companies facing the competitive challenges. HRM has been practiced to associate with the objectives of company as a strategic management, by aligning both employees and company to conquer internal and external challenges; by obeying legislations to enhance company’s competitiveness, by evaluating the skills and values of a diverse workforce and by creating a continuous learning environment for the hospitality and tourism industry. Therefore, HRM has not only encountered some challenges, but also learnt some skills and knowledge from experience in a practical phase [6].

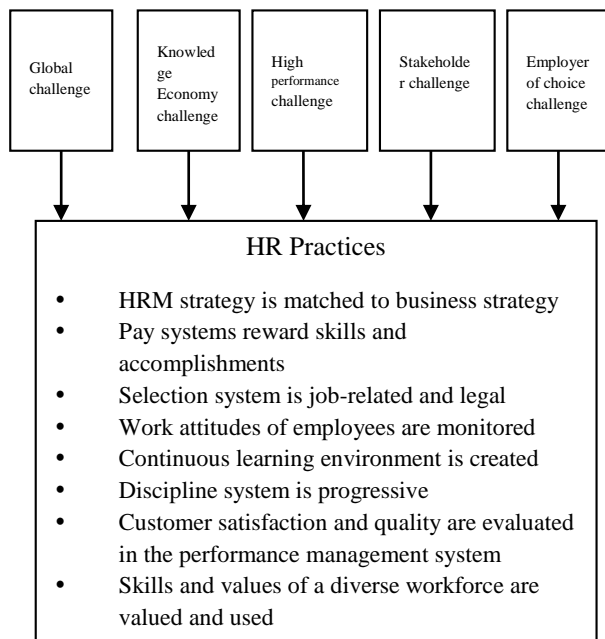


Figure 1. Examples of how HR practices can help companies meet the competitive challenges

Source: Cieri and Kramar, *Human resource management in Australia 2E: strategy people performance*, McGraw-Hill Irwin, China, p. 40, 2005.

B. *The Learning from Diversity Management*

Sajartino, O’Flynn and Nicholas (2002) demonstrate that a learning from diversity management business model which is prepared for the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) of Australia. As Figure 2 indicates an organisation will achieve greater innovation and more effective learning through

diversity management in diverse workplaces. Creating a diverse learning environment where is involved innovation learning is expected, respected and rewarded, in resulting the organisation will develop new knowledge and ideas into marketable goods or service organisation improve effectively.

Australian workplaces are amongst the most diverse in the world; the diversity management is a inevitable challenge both of the employees and managers in the organisation, due to the fact that many of generations of immigrations all bring different knowledge and skills into diverse workplaces. The degrees of variation will reflect the diversity of the group in terms of gender, age, cultural background, education levels, functional roles and so forth [9]. The ways for managers to practice the diversity management effectively are by recognising and accounting for differences in values, beliefs and religion; by improving communication and conflict management; by respecting and understanding the perspectives of each other; and by developing equality of job opportunities [19].

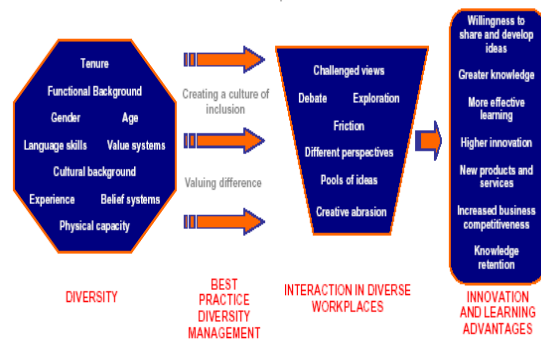


Figure 2. The innovation and learning advantage from diversity and diversity management

Source: Sajartino, O’Flynn and Nicholas, “The innovation and learning advantage from diversity: a business model form diversity management”, Australia Centre for International Business, Australia, 2002.

C. *Diversity of Consumers*

In the hospitality and tourism context, the service characteristics are changed from homogeneous into heterogeneous, due to the majority of customers have diverse backgrounds and characteristics, the service procedures have been modified to provide more effective performance to meet to complicated and diverse needs of consumers [19]. For instance, the tourism events require a diverse workforce to identify the tourist psychological and physiological needs that influence a person’s decision for one trip; based on the staff’s multilingual and multidimensional skills and knowledge create a most attractive event to achieve the needs of diverse consumers. As a consequence, one of the most crucial current changes

is that the hospitality and tourism industry has tended to recruit a diverse workforce.

#### D. Diversity of Workforce Characteristics

The diverse workforce characteristics have some variables, for example, demographic variables such as age, sex, socioeconomic status, and geographic location and ethnographic variables such as nationality, race, ethnicity, language and religion and so forth [5]. While practicing the diversity management to understand the differences of communication between genders, generations, races and culture are addressed as the challenges for an organisation [2]. Since, individuals have different interpretations of communication; the intercultural and interpersonal understanding and multilingual skills can affect the comprehension of communication [7]. Therefore, understanding the different employment characteristics can avoid some misunderstandings and conflicts, then can enhance the effective performance of employees.

### III. ANALYSIS OF DIVERSITY MANAGEMENT

#### A. The Perspectives of the Managers in the Hospitality and Tourism Industry/Organisation

In the manager's perspectives, a diverse workforce can positively affect overall team performance, and also can influence the effectiveness of problem solving. For example, when a problem occurred, team members possess a diversity of creative problem-solving approaches, the ability of some team members to be a bridge or translator between those who may misunderstand is helpful to stimulating diverse team outputs [15, 16]. These outputs are generated through clarification of individual and overall team ideas and perspectives toward an improvement to increase the business competitiveness [1].

On the other hand, a diverse workforce is a challenge for a leader, for instance, Egan (2005) identifies four major barriers in implementing a diverse workforce: time or expectation pressures, shortage of various resources, antagonistic attitudes, and team confrontation. These barriers presented that was difficult to manage a diverse workforce by leaders. Hence, the key knowledge of leaders is to recognise the characteristics of a diverse workforce and to identify the needs of a diverse workforce, so that can accelerate the success of diversity management in the practical phases. Therefore, team leaders should possess knowledge and ability by defining the team diversity, supporting team diversity, selecting team members and practicing human resource management strategies.

#### B. The Perspectives of Government Bodies

Australia is a multicultural and tolerant country, the government authorises the industry to implement a diverse workforce to increase the international competitiveness of the country by establishing various acts and legislation to protect the workers' rights in all of workplaces. To manage a diverse workforce must to obey the legal legislation, such as the Sex Discrimination Act 1984, the Racial Discrimination Act 1975, the Equal Opportunity for Women in the Workplace Act 1999, the Disability Discrimination Act 1992, and so forth [21]. These acts prohibit discrimination in employment on the basis of gender, nationality, marital status, religious, group or family responsibilities.

While practicing a diverse workforce, organisation should follow the existing policy and all of enterprises' or organisations' employment regulations should confirm with the legislation and laws in the world [2]. For instance, in Australia all of organisations running the companies should be ordered to confirm with the provisions of various acts which are monitored by the DIMIA of Australia and different level of legislative governments and departments. The major objectives are following [20].

- Maintain the principle of open competition that based on the equal opportunity and applicant confidentiality;
- Encourage members of employment-disadvantaged or disable groups to be considered employment by the organisations;
- Represent staff performances that are efficient and effective; and
- Ensure that selection and recruitment procedures are following the laws.

#### C. The Perspectives of Consumers

The hospitality and tourism industry is a customer-orientated and service-based industry, the customer satisfaction and royalty are evaluated in the diversity management system. Particularly, nowadays, the customers prefer to experience diverse and multidimensional attractions that embrace a diverse skilled and knowledgeable workforce to service them. For instance, a cultural tourism destination with a diverse workforce is likely to attract wider visitors, due to the face that a diverse workforce possesses the ability to recognise new potential needs of customer and to provide a more tailored service to enhance the customer satisfaction [10]. Moreover, developing new technologies, providing the diverse and flexible working patterns

and serving services seven days a week have been highly demanded by customers in the hospitality and tourism industry [12]. As a consequence, a diverse workforce can be implemented effectively and successfully in the hospitality and tourism industry, then can enhance the customer satisfaction and loyalty, the customer will return to business frequently. Therefore, practicing a diverse workforce has not only benefited the customers, but has also increased the company profit.

#### *D. The Perspectives of Academic Researchers*

The vast majority of scholarly research into diverse workplaces had focused on individual creativity associated with diverse workforce characteristics and impact of the work environment on individuals in the hospitality and tourism industry [18]. The researchers attempt to obtain the insightful understanding in the practical term and suggest that researchers and practitioners should collaborate to explore and recognise the gaps between theoretical and practical implications, to identify the existing problems in current diverse workplaces, and to interpret the problems into the further researches [8]. Therefore, the researchers can conduct the further researches to find out more pragmatic models and frameworks for the hospitality and tourism industry and organisation in the practical term, and assist organisation to apply the theory into actions and diversity management.

### IV. COMPARISON OF ACADEMIC, INDUSTRY/GOVERNMENT

#### *A. Differences*

In terms of the academic viewpoints, the body of theory around diversity management, with its roots in the disciplines of business policy, organisational theory, and organisational behavior, continues to expand to an ever widening number of fields including the hospitality and tourism industry. A number of theoretical frameworks and models for strategic diversity management have appeared in the literature. Those models and frameworks illustrated in the academic literature are very theoretical not easy for the hospitality and tourism industry operators and practitioners to understand. Therefore, it is difficult to have an appropriate implementation of the model into actions of diversity management.

In contrast, in the viewpoints of industry/government, the industry journals and guidebooks of diversity management are established frequently by the hospitality and tourism industry associations and governments which are more practical and straightforward. Most of them are with detailed outline and clear structure to be follow in

designing and developing effective diversity management strategy based upon the diverse resources available to the hospitality and tourism organisations. Therefore, the diversity management has not only developed for the hospitality and tourism industry to concentrate on a productive and effective workforce, but also for the government to coach and monitor the hospitality and tourism industry by the acts and legislation to create a more suited environment for a diverse mix of employee.

#### *B. Similarities*

This study explores a consensus among academics, the hospitality and tourism industry and government that it is essential for tourism organisations both private and public to have the diversity management. Thus, it can assist the organisation to practice more successfully a diverse workforce in this globalisational environment. Several similar issues are addressed in both academic and industry/government viewpoints, which summaries as following.

**The leadership and communication skills** – implementing a diversity management should establish a harmonious relationship within a diverse workforce. If a conflict occurs, it should be completely handled and controlled when it occurs initially. The key of collaboration and the most difficult part of diversity management is to implement the leadership and communication skills that are various from company to company.

**The equality of job opportunities** – in Australia, there are so many variables in a diverse workforce, to deal with viewpoints of individuals are to recognise the different perspectives of others, and to provide equality of job description and requirement for a diverse workforce. Therefore, hospitality and tourism industry, organisations, and researchers should collaborate to create the equal job opportunities for a diverse workforce to contribute their various skills and knowledge to the hospitality and tourism industry.

**The role of government and industry** – the government establish various acts and legislation to pilot the industry in implementing the diversity management, thus the country can become more competitive in the world. Moreover, to establish a significant diversity management strategy has not only relied on the government involvement, but also depended upon the industry obligation of the society. Nevertheless, their unique roles are representing the national tourism perspectives and a bridge between the public and private sectors in the hospitality and tourism industry.

## V. IMPLICATIONS AND RECOMMENDATIONS

Through this study, some relevant evidences have explored the hospitality and tourism industry has globally faced many types of challenges due to a diverse workforce. Hence, business owners and managers of hospitality and tourism industry establishments should prepare themselves well in advance to deal with diversity in an effective and efficient manner. Therefore, different stakeholders perceiving how to practice systematically and effectively a diverse workforce will determine the success of an organisation [11]. The performance of diversity management will continue to be important as the emphasis of management in the international competitive environment.

As a result, the ways to improve the diversity management in the hospitality and tourism industry are:

- Investigating a diverse workforce demand;
- Practicing different leadership competence in diverse workplaces;
- Analysing human resource management strategies;
- Learning from a competitive and innovative environment;
- Following the legislation and creating equal job opportunities; and
- Establishing the harmonious relationships with all of stakeholders.

## REFERENCES

- [1] A. Lockwood and S. Medlik (eds), *Tourism and hospitality in the 21st century*, Butterworth-Heinemann, Oxford, 2003.
- [2] B. Millett and R. Wiesner, *Human resource management: challenges and future directions*, Seng Lee Press Pte Ltd, Singapore, 2002.
- [3] D. H. Cieri and R. Kramar, *Human resource management in Australia 2E: strategy people performance*, McGraw-Hill Irwin, China, 2005.
- [4] D. M. Waddell, T. G. Cummings and C. G. Worley, *Organisation development and change*, Nelson Thomson learning, Melbourne, 2004.
- [5] G. Hall and S. Hord, "considering a set of organisational factors: culture," *Implementing change pattern*, principles potholes, Allyn and Bacon, Massachusetts, 2002.
- [6] M. Ozbilgin (ed.), *International human resource management: theory and practice*, Palgrave Macmillan, China, 2005.
- [7] P. J. Dowling and D.E. Welch, *International human resource management: managing people in a multinational context*, Thomson learning, Singapore, 2005.
- [8] V. W Lynn and A. Goonetilleke, *Hospitality management: strategy and operations*, Pearson Education, Australia, 2004.
- [9] A. Sajartino, J. O'Flynn and S. Nicholas, "The innovation and learning advantage from diversity: a business model form diversity management," Australia Centre for International Business, Australia, 2002.
- [10] D. Buhalis and C. Costa, "Tourism management dynamics: trends, management and tools," Elsevier Butterworth-Heinemann, Great Britain, 2006.
- [11] G. Truss and J Gill, "Human Resource Management: A Complexity Perspective," Manchester University, 2004.
- [12] K. Bartleet, K. Johnson and I. E. Schnieder, "A comparative study of strategic HRD for workforce planning in the tourism industry," University of Minnesota, 2006.
- [13] M. Marchington and A. Wilkinson, "Human resource management at work: people management and development," Chartered Institute of Personnel and Development, London, 2005.
- [14] O. Bozkurt, "Unexpected Moves: High-Skilled Foreign Workers in Multinational Headquarters in Sweden and Finland," University of California, Los Angeles, 2005.
- [15] P Marsh and C. Manzo, "Student Learning Outcomes: I dentifying Diversity and Multicultural Competencies Assessment and Program Review Tilford Retreat," Kansas State University, USA, 2004.
- [16] D Littlejohn, "Developing graduate managers for hospitality and tourism," *International Journal of Contemporary Hospitality Management*, vol. 16, no 7, pp. 408-414, 2004.
- [17] J. M. Munoz, "Executive insights on globalization," *International Journal of Contemporary Hospitality Management*, vol. 17, no 4, pp. 365-371, 2005.
- [18] T. M. Egan, "Creativity in the context of team diversity: team leader perspectives," *Advances in Developing Human Resource*, vol. 7, no. 2, pp. 207-225, 2005.
- [19] W. Gayathri, "The Australian tourism industry and cultural implications of global tourism," *Tourism Culture and Communication*, vol. 5, no 3, pp. 139-147, 2005.
- [20] Australian Red Cross 2015 (2016, March 13). "Recruitment and Selection Policy", Available: [http://www.redcross.org.au/files/Recruitment\\_and\\_Selection\\_Policy.pdf](http://www.redcross.org.au/files/Recruitment_and_Selection_Policy.pdf)
- [21] S. McGrath, P. J. Swift and A. K. O'Leary. (2016, March 13). "Australian employment laws - an overview applicable to foreign citizens working in Australia", Available: [http://www.cowellclarke.com.au/\\_files/f/2292/Aust%20Employment%20Laws%20-%20an%20overview%20foreign%20citizens%20working%20in%20Aust%20-%202020%20Feb%202012.pdf](http://www.cowellclarke.com.au/_files/f/2292/Aust%20Employment%20Laws%20-%20an%20overview%20foreign%20citizens%20working%20in%20Aust%20-%202020%20Feb%202012.pdf)