HOTEL SCHOOL

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HOTEL MANAGEMENT COLLEGE

Proceedings of II Student International Seminar

"Hospitality Industry: Opportunities,Challenges and Perspectives'18"

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Foreword

Dear colleagues, we are happy to present to your attention the second collection of the materials of the student seminar "Hospitality Industry: Opportunities, Challenges and Perspectives'18" organized by Hotel School Riga and held on 22 November, 2018. This journal contains the papers of the students of Hotel School, who successfully made their presentations during the conference.

The papers concern the problems of improving the competitiveness by means of quality management techniques, employee motivation problems, customer needs and satisfaction, issues related to the use of IT advancement facilities, marketing and even such concept as emotional labour.

Already for the second time the local experts shared their vision regarding the issues of current challenges and perspectives of hospitality industry, hotel development trends, management of tourism destination, as well as innovations in wellness, health and recreation tourism.

Tarek Kouatly, Regional Manager of Swiss Education Group, being our invited guest speaker, made a very interesting and inspiring presentation and discussed tourism industry in Switzerland in terms of opportunities for education in the hospitality sector, employment perspectives, as well as trends and developments in hospitality industry in general.

Our special thanks to Viktor Ravdive, CEO of Resto-Rators Group, for the invaluable advice given to the seminar audience regarding the right attitude to the profession, skills and abilities required in the restaurant business, as well as for sharing his knowledge and experience with us.

We are very grateful to all the participants of the seminar, and are looking forward to the opportunity to discuss new challenges and perspectives of hospitality industry at the next seminar in 2019.

Yours faithfully,

Chief Editor, Catherine Koryuhina

Contents

QUALITY MANAGEMENT IN WELLTON HOTEL: PROBLEMS AND SOLUTIONS

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Abstract: The purpose of this paper is to give information about the quality management process in Wellton Hotel and SPA, 4-star superior hotel located in Riga, Latvia. Specifically, the aim is to understand the benefits of applying Quality Management practices, to reveal challenges faced by the hotel during the implementation process, resolution or success factors in implementing them. Individual interviews will be conducted with administrative manager and quality manager. Findings on benefits, challenges, and strategies or critical success factors will provide quality management best practices for use as benchmarks by other hoteliers. Additionally, this research will provide knowledgeable solutions to help hoteliers better organize, strategize and utilize their resources in ensuring the success of quality management programs and use appropriate quality management process to better solve customer related problems. The managerial implications, recommendations and scope for future study are presented at the end of this paper.

Key words: quality management, quality management process, total quality management, organizational performance, quality hotel

Introduction

The hotel industry and the hospitality sector, in general, is one of the world's fastest-growing industries in the world. Travel and tourism have helped to ensure that this industry remains afloat despite the tough economic times that have made it impossible for many sectors to survive. Hotel industry analysis reveals how and why this industry is growing so rapidly. It is also important to know the customer service relationship in the hotel as good customer care will provide established standard of behaviour. The management will be able to make an assessment form for employment evaluations.

By developing customer care training hotel can improve service and develop standards of performance above just meeting statistical goals. Also, by creating an organizational behavior standard of customer service, management avoids the effects of poor relationship management. The development of customer service training will lead to stronger client loyalty and referrals.

The management that wants to develop sustainable growth of the business should implement the strategies to make expansion. Focusing on quality can help a business maintain a satisfied customer base, which in turn will lead to profitability. If a business is not profitable, examining the quality of the product or service is an important step to finding a solution. When focusing on quality, it must be a team effort, with everyone within the company committed to implementing any quality changes managers mandate (Morgan, 2018). Nevertheless, it is important to know what quality itself is. This article helps to provide definition for "quality" and "quality management" that is the main priority in hotel industry. Hypothesis of this research is quality management tools will allow to effectively solve customer related problems in Wellton hotel and SPA. Research will be conducted with the aim to find out how quality management process is used.

Literature Review

A Quality Management Process is a set of procedures that are followed to ensure that the deliverables produced by a team are "fit for purpose". The start of the Quality Management Process involves setting quality targets, which are agreed with the customer. A "Quality Assurance Process" and "Quality Control Process" are then undertaken, to measure and report the actual quality of deliverables. As part of the Quality Management Process, any quality issues are identified and resolved quickly (Hawks, 2018).

Implementation of Quality Management Process should be done at any time and it is also done to improve the quality of work. Whether it is for producing deliverables as a part of a project or operational team, an effective quality management and quality assurance process will be beneficial.

By implementing Quality Management Process, company can ensure that team's outputs meet the expectations of the customer (Eriksson, 2017).

Quality Management Process will help to improve the quality of the team deliverables. It also helps to implement a Quality Assurance Process, to boost confidence in the quality of hotels outputs and achievement of success.

Quality Management Process will help to:

- Set Quality Targets to be met by team

- Define how those quality targets will be measured

- Take the actions needed to measure quality

- Identify quality issues and improvements

- Report on the overall level of quality achieved (Reid and Sanders, 2010).

By using this Quality Management Process, hotel can:

- Perform **Quality Assurance**

- Undertake **Quality Control**

- Initiate **Quality Improvement**

- Implement **Quality Management** (ibid.).

A Quality Management Process is critical process within any business, as it helps to ensure that the deliverables produced, actually meet the requirements of a customer. This Quality Management Process will help to improve the quality deliverables (Quality management process, 2018).

Overall the quality management is vital for the hotel as from external and internal views. A core definition of Total Quality Management describes a management approach to long–term success through customer satisfaction. In Quality Management effort, all members of an organization participate in improving processes, products, services, and the culture in which they work (Taylor, 2018). The basic goal is to involve all levels and functions of an organization in continually meeting and exceeding the customer's expectations of their daily operations, products or services. In many organizations today, there remains an outdated belief that the quality department is solely responsible to assure that the product or service meets quality standards. Within Quality Management, organizations are viewed as a collection of processes that must be continuously improved through utilization of the knowledge and experience of associates in all functions and at all levels. Quality Management philosophy deems that everyone

within the organization should focus their efforts on meeting the needs of the customer and achieving the goals of the organization. The focus should not only be on doing things right, but doing them right every time. Quality Management methodology should be implemented at all levels, by all associates in all functions, including Manufacturing, Engineering, Marketing, Sales, Customer Service, Material Planning, etc. However, the mission should always remain the same. Quality is everyone's job, all the time (Quality-One, n.d.).

The management leaders in the field of quality, whose contribution to the development of the science is difficult to overestimate, are W.E.Deming, P.Crosby, K.Ishikawa.

William Edwards Deming (1900-1993) is widely acknowledged as the leading management thinker in the field of quality. Deming's work and writing constitute not so much a technique, as a philosophy of management. Deming promoted the idea widely in the 1950s and it became known as the Deming Wheel or the Deming cycle. The PDCA (Plan-Do-Check-Act) cycle consists of four steps or stages which must be gone through to get from `problem-faced' to `problem solved.' Repetition of these steps forms a cycle of continual improvement:

- Plan for changes to bring about improvement.
- Do changes on a small scale first to trial them.
- Check to see if changes are working and to investigate selected processes.
- Act to get the greatest benefit from change (Hessing, 2013).

Philip Crosby excelled in finding a terminology for quality and popularized the idea of the "cost of poor quality", that is, figuring out how much it really costs to do things badly. Crosby defined quality as conformity to certain specifications set forth by management and not some vague concept of "goodness" (Skymark, n.d.). These specifications are not arbitrary either; they must be set according to customer needs and wants. Crosby's four absolutes are: define quality as adherence to requirements, prevention is the best way to ensure quality, zero defects (mistakes) is the performance standard for quality, quality is measured by the price of nonconformity.

In his turn Dr. Kaoru Ishikawa is often known for his namesake diagram, but he also developed a theory of how companies should handle their quality improvement projects. Ishikawa takes a look at quality from a human standpoint. He points out that there are seven basic tools for quality improvement:

- Pareto Analysis - Pareto analysis helps to identify the big problems in a process.
- Cause and Effect Diagrams - Cause and effect diagrams help to get to the root cause of problems.
- Stratification - Stratification analyzes how the information that has been collected fits together.
- Check Sheets - Check sheets look at how often a problem occurs.
- Histograms - Histograms monitor variation.
- Scatter Charts - Scatter charts demonstrate relationships between varieties of factors.
- Process Control Charts - A control chart helps to determine what variations to focus upon (Bright hub project management, 2018).

Methodology

The research was conducted to obtain information about quality management process of Wellton hotel and SPA. The author has carried out a primary research in the form of a survey for quality manager and administrative director of the hotel, which consisted of 3 questions regarding quality management process in Wellton hotel. These 3 questions were:

- What is Quality Management process in Wellton hotel?
- What Quality management processes allowed solving customer related problems?
- What do quality manager and administrative director think about quality management process of the hotel?

Also guest reviews was taken from TripAdvisor website, only negative reviews being analyzed. To study reviews of the hotel is important for hotel management as it provides information on how they can better utilize online reviews in their daily business. Also responding to online guest reviews is crucial. It makes them feel heard, and it is one of the best ways to improve customer satisfaction and guest loyalty post-stay. Seeing management responses also improves perceptions of a hotel and impacts purchasing decisions of future guests.

Results

The result of the interview has shown that for the quality manager and administrator quality management process is essential and extremely important. The role of quality manager in quality management process is to oversee the operation of the manufacturing department and the efficacy of the overall program to ensure the utmost in customer satisfaction (Indeed, 2018). The quality manager will also be responsible for ensuring continual quality improvement within the facility. If a manager has a strong background in quality management and exceptional leadership abilities, quality managers aim to ensure that the product or service an organization provides are fit for purpose, consistent and meet both external and internal requirements. This includes legal compliance and customer expectations. He also coordinates the activities required to meet these quality standards. The role is concerned with monitoring and advising on the performance of the quality management system, producing data and reporting on performance, measuring against set standards. Manager needs to liaise with other managers and staff throughout the organization to ensure that the quality management system is functioning properly. Where appropriate, manager should advise on changes and how to implement them and provide training, tools and techniques to enable others to achieve quality standards. Administrative director role is to plan and coordinate administrative procedures and systems and devising ways to streamline processes, recruiting and training personnel, allocate responsibilities and office space, assessing staff performance, provide coaching and guidance to ensure maximum efficiency. Main responsibilities are to monitor inventory of office supplies and the purchasing of new material with attention to budgetary constraints, monitor costs and expenses to assist in budget preparation, oversee facilities services, maintenance activities and tradespersons (e.g. electricians), organize and supervise other office activities (recycling, renovations, event planning etc.), ensure operations adhere to policies and regulations, keep abreast with all organizational changes and business developments (ibid.).

Being asked about quality management process of Wellton hotel, the first respondent (manager) said that in order to improve the quality manager should determine, implement in-house quality procedures, standards and specifications, assess customer requirements and ensure that they are met. The second respondent (quality manager) mentioned that it is essential to make an outsourcing process, it is obligatory to know for the hotel where the products are taken from and

if quantities are well proportioned. The quality procedures that can be made are: to approve the right products or reject defectives, to keep accurate documentation and to perform statistical analysis. For the question how quality management process allows to solve customer related problems both interviewers stated that it is important to solicit feedback from customers to assess whether their requirements are met, devise and review specifications for products or processes, set requirements or intermediate products for suppliers and monitor their compliance also supervise inspectors, technicians and other staff and provide guidance and feedback, oversee all product development procedures to identify deviations from quality standards, inspect final output and compare properties to requirements. The answers were similar for the last question about the opinion of quality manager and administrative director about quality management process in their hotel. They do investigate issues and analyze them, look for solutions by performing all the procedures which have been stated.

Having analyzed TripAdvisor website one can conclude that most of the reviews from 2017 up to 2018 were positive, but there was one negative review that showed the lowest rate for the evaluation of the hotel (See Fig. 1).

From the review it can be seen that guest complained about poor quality service in the housekeeping department. And the complaint was about unattended room that had been given to just checked-in guests. Reviews can directly affect the revenue of the hotel because they impact channels such as review site ranking, ranking on third-party distribution websites (OTAs), search-engine ranking, overall online reputation score, overall sales and conversion rates (ReviewPro, n.d.).

Figure. 1. The worst review of the hotel from TripAdvisor website (TripAdvisor, 2018)

In order to make the reviews of the hotel much better there have been an answer provided from the manager himself "We have standards on how our employees should handle the various situations related to the guests. It is strongly recommended to stick to these standards. If the employee follows our standards then they will 'cut the problem at the root', or if not, we have advised in our standards how to handle with difficult situations/customers as well. This approach will help hotel representatives to monitor and handle those reviews. But of course, you cannot guess and provide action standards for all kind of situations. Work with customers sometimes gets unpredictable in that kind of situations it is strongly advised to ask for the help to the hotel Front Office Manager (FOM) or Hotel Manager."

Conclusion

From carried out research it can be concluded that for the quality manager and administrative director it is very vital to have a sustainable quality process in the hotel. It was found that main problems that face Wellton hotel and SPA are not always stable professional service and not good location of the hotel as it is not so tranquil. Lack of motivation among the employees and also not programmed plan of duties were the other findings.

To improve the situation, the good solution for the hotel can be taking in consideration the theory of Deming that brings concept on implementing total quality management, and a set of management practices to help companies increase their quality and productivity. And also it would be advisable to take into account the theory of Crosby, who is credited with starting the Quantity management movement. He made the point, much like Deming, that if company spends money on quality, it is money that is well spent. Crosby proposed four absolutes of quality management and his own list of fourteen steps to quality improvement, which may also help improve quality standards in the hotel.

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DEVELOPMENT OF MARKETING ACTIVITIES IN ORDER TO ATTRACT TOURISTS TO LATGALE

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Abstract: The aim of the research is to define what the most successful ways of marketing activities are to maximize amount of tourists and guests in Latgale region. Questionnaire and survey-based methods of the research have been chosen for this project. The methods involve collecting information and opinions from fairly large groups of people, by means of questionnaires, though other techniques such as interviews were also used.

Keywords: *advertisement, marketing, development, hotel, Latvia, tourists*

Introduction

Advertising is one of a marketing tactics involving paying for space to promote a product or service. The main goal of advertising is to reach people to pay for a company's products or services and entice them to buy (Business Encyclopaedia, 2018).

Today's advertisers have a vast array of choices at their disposal. The internet alone provides many of these, with the advent of branded viral videos, banners, advertorials, sponsored websites, branded chat rooms and so much more (Suggett, 2018).

Traditional marketing activities include advertising in newspapers, magazines, print newsletters, Internet (websites, YouTube videos etc.), TV and radio stations. However, there are also advertisements which are placed in roadside billboards, sides of buildings, product packaging, restaurant placemats, event bulletins, store windows, the sides of cars and trucks, airport and railways station kiosks, sporting arenas etc. (The Economic Times, 2018).

Advertising is essential to attract customers to hospitality related properties. It must be remembered that poor-quality, dull, dry advertising can provoke the opposite phenomenon, such as falling popularity, sales and success. What else is important is not to forget about competitors, their strengths and capabilities. Each hotel business tries to attract as many customers as possible, most often using advertising.

The aim of the research is to define what the most successful ways of marketing activities are to maximize the amount of tourists and guests in Latgale region. Hypothesis of the research is:

marketing activities will help with attracting tourists and developing rural tourism in Latgale. To reach the goal of the research managers of 4 hotels in Latgale were interviewed and 160 respondents were asked to fill in the questionnaire.

Literature Review

Advertising plays a very important role in today's age of competition as well as it is the best way to communicate to the customers. Advertising provides an effective way to inform the market about offers and services sale events. Hotels frequently use advertising to show how their services offer more benefits, or are more effective, than those of competitors. Hospitality industry uses advertising to accomplish varied goals, and companies place those ads in diverse media. Besides advertising products in traditional or classical venues such as newspapers, magazines and Internet, hospitality industry advertises in media that reach specific markets like travel agencies, airports, business companies etc. (*Greene, 2018*).

Hotel advertising is made for everybody including kids, young and pensioners. Due to this, more and more people learn about a particular enterprise of the hospitality industry, thereby promoting and helping it in development, popularity and success.

Zeithaml and Bitner (2000) warned that the product or hotel service should be developed with the help of marketing so that they can together cause a desire to be purchased and consumed by the customer, while the marketing techniques giving a helping hand in designing and implementing a strategy to achieve the market to ensure a greater number of customers, sales and results.

Advertising is important for the seller and companies offering the services. It is very important since it helps increasing sales, helps companies to know their competitors and plan accordingly to meet up the level of competition. What else, if any company or hotel want to introduce or launch a new product in the market, advertising will make a base for the product. Advertising helps making people inform of the new product so that the consumers come and try the product. To add, advertising helps creating goodwill for the company and gains customer loyalty after reaching a mature age. The demand for the product continues to come because of advertising and demand and supply become a never-ending process (Oubaiche, 2015).

The contribution of marketing techniques allowed the hotels go to apply communication techniques that broadcast messages to customers and the market with information about all

products and services available, while the various actions of external communication could be developed to increase engagement with the client and ensure the conditions necessary for the satisfaction and loyalty. To reinforce the idea, in addition to the actions of external communication, interests highlight the importance of internal communication actions with regard to motivation and engagement of employees with the hotel, increasing their productivity and motivation to provide high quality service to customers (Pereira & Almeida, 2014).

There are some objectives of advertising. First objective is trial objective where the companies, i.e. hotels, which in their introduction stage in general work for this objective. The trial objective is the one which involves convincing the customers to buy the new product, service or offers introduced in the market. Using trial objective of advertising, the advertisers use flashy and attractive ads to make customers take a look on the products and purchase for trials. Second one is continuity objective. This objective is concerned about keeping the existing or loyal customers to buy services, product and offers. The advertisers generally keep on bringing something new, inexperienced before in the product and the advertisement so that the existing customers keep buying their products. Third objective is brand switch. This objective is basically for those companies who want to attract the customers of the competitors. In this case, the advertisers try to convince the customers to switch from the existing brand they are using or hotel where they are staying all the time, to their product and to use their services. The last one is switching back objective. This objective is for the companies who want their previous customers back, who have switched to their competitors. The advertisers use different ways to attract the customers back like discount sale, new advertise, some reworking done on packaging, etc. (Oubaiche, 2015).

Methodology

To obtain data and further results for the research of the topic of development the most successful ways of marketing activities to maximize amount of tourists and guests in Latgale region, two questionnaires were conducted. First survey was made for people who live in Latgale region, especially in Rezekne and Ludza. Total amount of respondents were 160 people. There were 18 questions in first survey. The list of questions is shown below:

Did advertising help You in visiting a popular sight?

How would You rate the "power" of advertising?

Does advertising influence the perception of the place You visit?

Do You pay attention to advertising?

What do You dislike most about advertising?

What do You like most about advertising?

How often do You travel abroad?

How many times a year do You make tourist trips inside in Your region?

Have You visited all the famous / popular tourist destinations in Latgale?

What places in Latgale would You recommend to visit for others?

What is the main reason for choosing a particular place of visit for You?

From what sources do You most often get advertising information about tourism?

And, also, some general informational about respondents like: gender, age, marital status and occupation was collected. Below there are the results of the survey.

Talking about the 1st question in survey– "Did advertising help You in visiting a popular place?" - 71% of respondents gave positive answer (See Fig. 1). Talking about 2nd questions on a five-point scale about 37% evaluated the influence of advertising or marketing activities for 3 points, 34% rated it for 4 points, and 19% for 5 points.
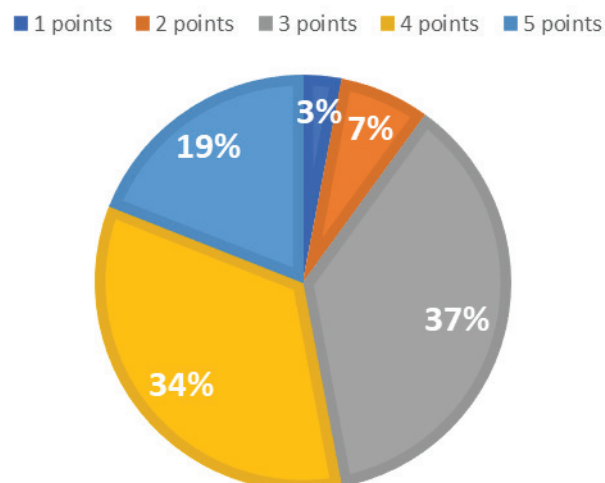

Figure 1. The role of advertising in customers' selection of the sight to visit

After analysing the 12th question (See Fig. 2), it was realized that most often people pay attention to advertising on the Internet (95% of all respondents), while only a few got used to receiving

information from journals and newspapers (10%), in the street (11%), as well as through advertising leaflets in the streets and in stores (11%).
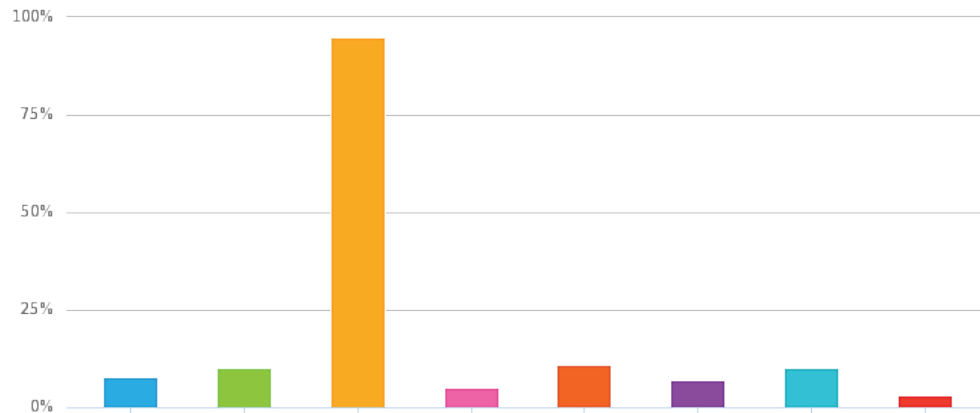

Figure 2. Sources which are most often used to get advertising information about tourism

In order to understand the position of both parties for the research with the topic of development the most successful ways of marketing activities to maximize amount of tourists and guests in Latgale region, the second questionnaire-interview was conducted with 4 managers of hotels in Latgale. 4 hotels were chosen – 3 in Rezekne (Hotel Latgale, Restart Hotel Rezekne and Kolonna Hotel Rezekne) and 1 in Ludza (Lucija hotel Ludza). The following questions were asked (See Table 1):

Table 1. Summary of manager's answers

Questions	*Restart Hotel Rezekne*	*Kolonna Hotel Rezekne*	*Hotel Latgale*	*Lucija hotel Ludza*
Do You use advertising?	Yes	Yes	Yes	Yes
Do You think advertising campaign is a successful tool to promote tourism?	Yes	Yes	Yes	Yes
Do You think your hotel/restaurant has enough advertising for a successful business?	No, not enough	No, not enough	No, not enough	Yes
Do You have partners (in advertising)?	Yes	Yes	Yes	Yes

Do Your partners advertise Your hotel services for free or on mutual relations?	Yes, mutual	Yes, mutual	Yes, mutual	Yes, mutual

As to question - *What marketing activities do You use for a successful business?* – Managers gave the following answers:

Restart Hotel Rezekne

Baiba Shirina, the General Manager of the hotel, said that the most popular marketing activities in our times are internet activities. That is why they use internet sources to achieve their goals. For example, Facebook, Instagram and hotel web page. In tourism business it is important to have good business partners. Hotel has such partners as booking.com, tourism information centre and others. Also, hotel team does such activities as business exhibitions, articles in regional newspapers and TV. It is a small part of all activities that they use every day.

Kolonna Hotel Rezekne

Liga Mivrenika, the General Manager of the hotel, said that they use different marketing activities to make all processes successful. These activities are the following: cooperation with Rezekne Information Center, discounts for partners, discounts and special offers for concert hall GORS visitors, by placing information in social networks and on the home page as well as sponsorship.

Latgale Hotel

The manager of the hotel said that they use booking.com site as well as their own hotel home page in the Internet. Hotel Latgale also uses Rezekne Information Centre, concert hall GORS, partnerships to promote their services.

Lucija Hotel Ludza

The General Manager, Galina Stepanova, said that to promote hotel "Lucija" they use their own web page with all necessary information about services and offers, as well as local newspapers and Latvian magazines, booking.com reservation site and customer reviews and feedbacks (which are quite high according to booking.com).

Results

Summarising the results of the research, in managers and hotel customers' opinion the most successful marketing activities to use in hospitality business is Internet advertising, for example, each hotel has got its own home page, where all information and offers are given. Work with some sites like booking.com and Expedia.com proved to be successful as well. What is more, some hotels add that they also use recommendation from guests, friends, companies etc., who already have had experience in their services and offers. Lucija Hotel in Ludza also uses local newspapers and Latvian magazines to promote their services. Restart hotel in Rezekne uses Rezekne Information Centre to promote some services.

However, some respondents mentioned insufficiency of the information offered, claiming that the quality of advertisements itself leaves much to be desired. Some respondents would welcome due TV commercials which do not exist at the moment at all.

Being guided by the data on a survey of hotel clients and interview with managers, their views differ slightly, as many hotel clients and guests would like to see advertisements in booklets, in magazines and newspapers, as well as on street signs. None of the surveyed managers mentioned any of the listed advertising activities in their interviews.

Conclusions

The research has been done and results are the following. Two questionnaires were conducted among hotel customers and hotel managers, in the form of 160 respondents and 4 managers. Data and results have been obtained for the research of the topic of development the most successful ways of marketing activities to maximize the amount of tourists and guests in Latgale region. As most of the respondents and hotels managers suppose that nowadays the most effective marketing activities are Internet advertising, it could be concluded that development of marketing activities in order to attract tourists to Latgale could be aimed at work on bright, visible, high-quality, understandable, interesting, unusual and non-standard advertising in websites, YouTube channels, and TV. However, managers of the hotels must also listen to wishes and requests of hotel customers. A minority of respondents outspoken that emphasis also should be placed on newspapers, magazines and banners as well as promoted during local magazines, newspapers and local information centre.

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QUALITY MANAGEMENT AS A MEANS OF COMPETITIVENESS IMPROVEMENT

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Abstract: The aim of the research is to define how quality management perform in Pullman Riga Old Town and Mercure Riga Centre hotels and figure out the main factors of competitiveness in these hotels. The study relies on the primary data collection where questionnaires have been used. Moreover, five-point Likert scale (1 – not at all to 5 –very large extent) quantitative method has been used. The findings are presented in two sections: the quality management practices of hotel performance and factors of competitiveness.

Keywords: quality management, competitiveness, practices, factors, improvement

Introduction

Quality orientation has become a key focus in consumer behaviour and business practice. It is now agreed among managers that quality is a source of competitive advantage in a globalized business environment in which demanding consumers, innovation, knowledge creation, and technology play a decisive role (Hutchins & Gould, 2004; Gretzel et al., 2006). When quality is the key to a company's success, quality management systems enable organizations to keep up with and meet current quality levels and therefore meet the consumer's expectations.

Quality management ensures that an organization, product or service is consistent. It has four main components: quality planning, quality assurance, quality control and quality improvement (Kenneth, 2005). Quality management is focused not only on product and service quality, but also on the means to achieve it. What a customer wants and is willing to pay for it determines quality. Thus, quality can be defined as fitness for intended use or, in other words, how well the product performs its intended function.

The aim of the research is to define how quality management perform in Pullman Riga Old Town and Mercure Riga Centre hotels and figure out main factors of competitiveness. Hypothesis of the research is: quality management development will help competitiveness improvement of Accor Group hotels in Riga. Research objectives are: 1) to establish the quality management practices adopted by Accor Group hotels; 2) to recognize the extent to which the

quality management practices adopted by the hotels have impact on the performance of the hotels; 3) to study the importance of resources in obtaining competitive advantage; 4) to identify a set of competitiveness factors in the given hotels; 5) to find out factors for raising future hotel competitiveness. In order to achieve the goals of the research General Managers of Pullman Riga Old Town and Mercure Riga Centre hotels have been interviewed and asked to fill out the questionnaires.

Literature review

The quality of service in hotel industry is an important factor of successful business. The existing trend of complete quality management in hotel industry ensures the achievement of competitive advantage of hotel companies and is therefore the subject of contemporary research into service quality in hotel industry (Gržinić, 2007).

Quality management practices may be defined as techniques for achieving objectives related to both consumer satisfaction and continuous improvement (Schuurman, 1997). Quality management practices optimize both the efficiency and effectiveness of a system (e.g., produce only what you need to produce), while traditional management practices are usually only concerned with maximizing the efficiency of the production system (e.g., produce as cheaply as possible). Kotler (2010) states that each system has its own merits and firms can adopt more than one.

Total Quality Management emphasizes quality in every aspect of the business and organization. Its goals are aimed at long-term development of quality products and services. Feigenbaum (1991) defines TQM as a continuous effort to meet the agreed requirements of the customer at the lowest cost through the full involvement of all the employees. It aims to create a corporate quality culture.

Continuous Quality Improvement (CQI) is a quality management practice that came into existence in manufacturing as a different approach to quality and quality systems. The American Society for Quality describes the practice as an ongoing effort to improve products, services or processes (ASQ, 2018). These efforts seek incremental improvement over time or breakthrough

improvement all at once. It does not focus as much on creating a corporate quality culture, but more on the process of quality improvement.

ISO quality standards involve standardization of processes. This practice that is now being adopted by many organizations such as the adoption of the single quality standard ISO 9000 which is the only standard of quality with international recognition (Heizer & Render, 2008).

Six Sigma is another disciplined, statistical-based, data-driven approach and continuous improvement methodology for eliminating defects in a product, process or service.

Lean Operations/Production is a quality management practice originating in the Toyota Corporation. Lean's main philosophy is to concentrate time and effort on identifying and refining steps in an operation that the customer deems valuable, and to eliminate wasteful or unnecessary steps in a process (Lee, Olson, Lee, Hwang, & Shin, 2007).

Benchmarking is one more quality management practice which involves an organization continuously comparing and measuring itself against business leaders anywhere in the world to gain information and provide a guideline for rational performance goals (Agus, 2008).

Methodology

Descriptive survey has been used to establish the quality management practices adopted by Pullman Riga Old Town and Mercure Riga Centre hotels, to study the impact of these practices on hotels performance and figure out the main factors of competitiveness in these hotels. The researcher has assembled the primary data using a structured questionnaire. The author has used a five-point Likert scale in the survey instrument. A self-administered questionnaire has been chosen for this study and the hospitality managers read and responded to questions at their own pace and time. The general managers have been asked to respond on the adoption of each quality management practice and their perception to the extent each of the practices impacts performance on a five-point Likert scale (1 – not at all to 5 –very large extent).There are five key questions in this research.

1) Has the Hotel adopted any of the quality management practices? (See Table 1).

Table 1. Quality Management Practices (made by author, 2018)

Practice	Pullman Riga Old Town 5*	Mercure Riga Centre 4*
Total Quality Management	Yes	Yes
Lean Operations	No	Yes
ISO Standardization	No	Yes
The Six Sigma	No	No
Continuous Quality Improvement	Yes	Yes
Benchmarking	Yes	Yes

2) Please indicate the extent to which the Quality Management practices adopted by the hotels impact the following aspects. Use the following scale: 5= Very large extent 4= Large extent 3= Moderate extent 2= Small extent 1= Not at all (See Table 2).

Table 2. Impact of Quality Management Practices on Performance (made by author, 2018)

	Pullman Riga Old Town 5*	Mercure Riga Centre 4*
Level of Guest Satisfaction	5	4
Willingness of guests to recommend the hotel to others	5	5
Guests willingness to return	5	5
Hotel occupancy rate	5	5
Hotel revenue per room	5	5
Reservations efficiency	3	5
Check in / Check out efficiency	4	5

Staff turnover	4	5
Training and recruitment procedures	5	4

3) Which resources are the major in obtaining competitive advantage? (See Fig.1).

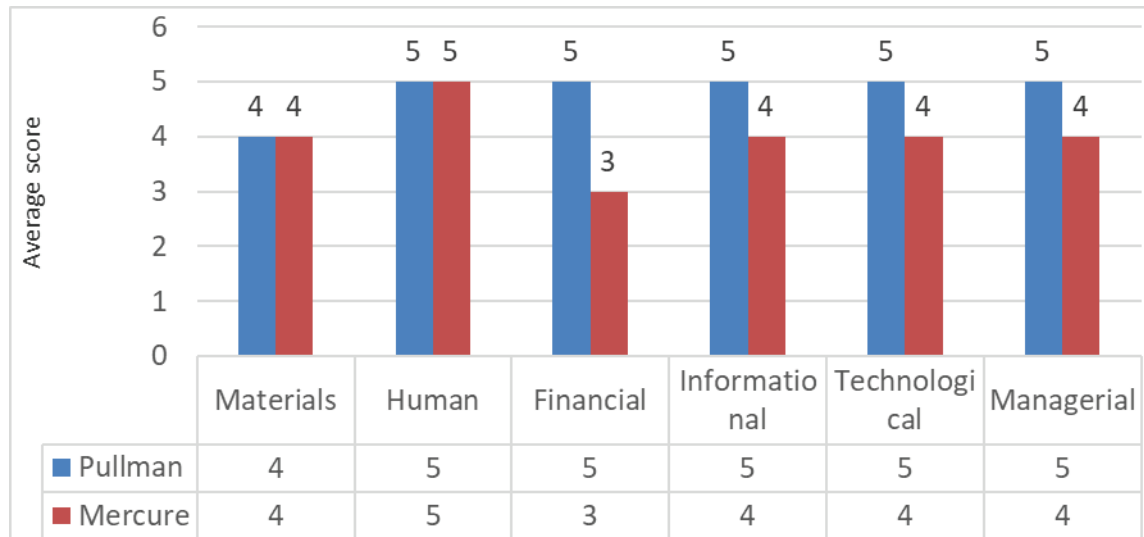|	Materials	Human	Financial	Informational	Technological	Managerial
■ Pullman	4	5	5	5	5	5
■ Mercure	4	5	3	4	4	4

Figure 1. The importance of resources in obtaining competitive advantage (made by author, 2018)

4) Identify, please, a set of competitiveness factors in the given hotels (See Fig.2).
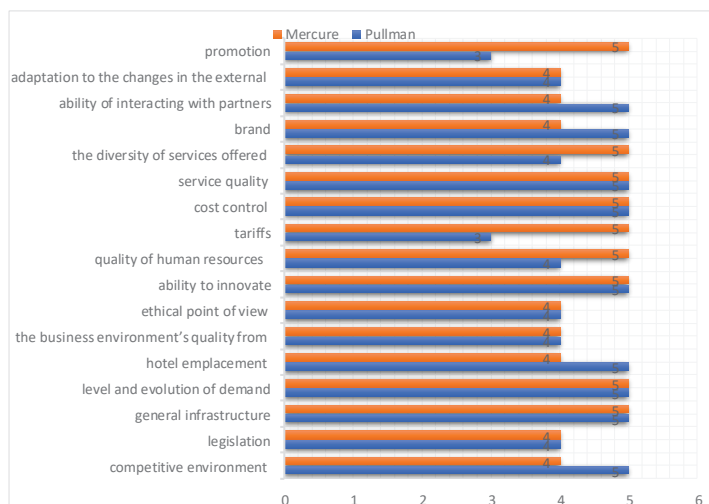

Figure 2. Competitiveness factors (made by author, 2018)

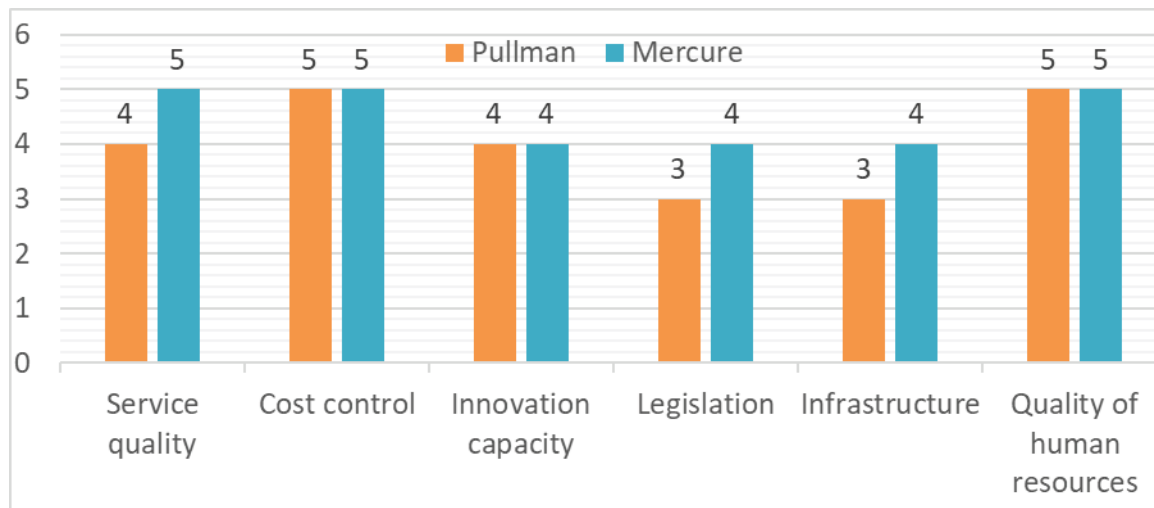5) Which factors are crucial for raising future competitiveness? (See Fig.3)

Figure 3. Factors for rising future competitiveness

Results

The research findings indicate that TQM, Benchmarking and Continuous Quality Improvement have been adopted in both hotels, and the Six Sigma has been adopted neither by Pullman Riga Old Town 5* nor by Mercure Riga Centre 4*. Furthermore, in comparison with Pullman, Mercure has applied Lean Operations and ISO Standardization. The adoption of these practices was found to impact the performance to large, moderate or small extent. In Mercure hotel practices were found to influence the level of guest satisfaction, training and recruitment process moderately, the same as check-in/check-out efficiency in Pullman. In general, adopted quality management practices have positive influence on hotels performance, except for small extent on reservation efficiency in Pullman.

The fact that "human resources" option has obtained the highest score in both hotels shows the type of approach, in which not only material resources are considered truly significant. Moreover, the financial resources for Mercure hotel are the least important factor for now. Managers have confessed that their effort towards competitiveness is concentrated on service quality, cost control, ability to innovate, demand, infrastructure and competitive environment. It can be noticed that internal factors (tariffs, promotion) are less important for the five-star hotel. The key success factors for raising future competitiveness in both hotels are cost control and

quality of human resources, plus service quality for Mercure hotel. Innovation, legislation and infrastructure are not regarded as core factors for raising future competitiveness.

Conclusion

The research has been accomplished and the outcomes have been received. Qualitative (questionnaire) and quantitative (five-point Likert scale) methods were used. Data and results have been obtained for the research of the topic quality management as a means of competitiveness improvement in Pullman Riga Old Town and Mercure Riga Centre hotels. It can seen from the study that quality management practices have been adopted highly and to a large or mainly to a very large extent, with Six Sigma being the only practice not adopted at all, yet it is the quality of product and hotel that give it competitive advantage and is a critical success factor.

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THE EMPLOYEE MOTIVATION IN THE HOTEL INDUSTRY

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Abstract. The research is devoted to employee motivation in the hospitality industry. Employee motivation is important for companies, especially during the current difficult economic conditions. This research aims to examine the motivation level and factors that can be used to motivate workers in hospitality related enterprises (namely, hotels) to find out what managers in this type of organization should do to motivate them to work with their best effort. Motivating employees to work with their best effort is important to the success of small and medium sized firms as it relates to organizational outcome and operations management. At the same time, investigating factors that can motivate workers in this type of organization should also help hotels to find out strategies that can help employees in this segment to reduce the rate of staff turnover, or prevent headhunting practice of other firms. As a result of the study, on the example of two hotels in Latvia, it will be founded out how companies motivate their staff, what methods there exist, and how to better motivate employees.

Keywords: motivation, hotels, employees

Introduction

Employee motivation is important for the competitiveness and success of companies, especially in the current difficult economic conditions. The motivation of the staff is the creation of special working conditions and incentives in the company, encouraging the employee to perform duties of high quality, to achieve goals (Ulanov, 2017). However, motivating employees to do their best at work is not an easy task for managers. This is because managers need to know the factors that can be used to motivate them to make them better or work. In order for the team to work 100%, the manager must create the most favourable conditions in which each employee will work effectively. However, there are various methods of staff motivation, and not only finance-related rewards are a major factor that can encourage employees to do everything possible. Besides, companies may have a policy of motivation, which may not satisfy all workers.

Two hotels Lechevalier in Old Riga and Biplan hotel in Daugavplis have been chosen for the research. The aim of the research is to learn how the hotels motivate their employees and provide ideas for motivating employee for better development and smooth running of the

business. There have been chosen different managers from different departments, to compare the ways they motivate employees with the aim to suggest any improvements to the already existing motivational system at the given enterprises.

Literature Review

Motivation is a procedure that initiates through a physiological or psychological want that stimulates a performance that is intended at an objective. It is the concluding product of interface among personality behavior and organizational distinctiveness. It symbolizes those psychological procedures that foundations the stimulation, route, and determination of deliberate actions that are target oriented (Farhad et al, 2011 cited in Manzoor, n.d.). It is an internal strength that drives individuals to pull off personal and organizational goals (Reena et al, 2009 cited in Manzoor, n.d.). Motivation is a set of courses concerned with a kid of strength that boosts performance and directs towards accomplishing some definite targets (Kalimullah et al, 2010 cited in Manzoor, n.d.). Also motivation is a progression of moving and supporting goal-directed behavior (Chowdhury.M.S, 2007).

Employee motivation is one of the policies of managers to increase effectual job management amongst employees in organizations (Shadare et al, 2009 cited in Manzoor, n.d.). A motivated employee is responsive of the definite goals and objectives he/she must achieve, therefore he/she directs its efforts in that direction.

When motivating, it is necessary to try to meet the different needs of employees, so that they are satisfied, happy and far from the tension. This creates a pleasant environment, in which employees are far more focused on work, have more interest and desire for work, and consequently perform their work more effectively. Motivation is a technique for making business attractive. The motivation process is permanent, constant and useful for both the employer and the employee. This is crucial for improving performance of employees (Gaurav, 2010).

The motivational system in the organization carries out specific objectives, namely it increases employees' willingness to do the job, their performance, retention, as well as makes for job satisfaction (Hawthorne, 2017).

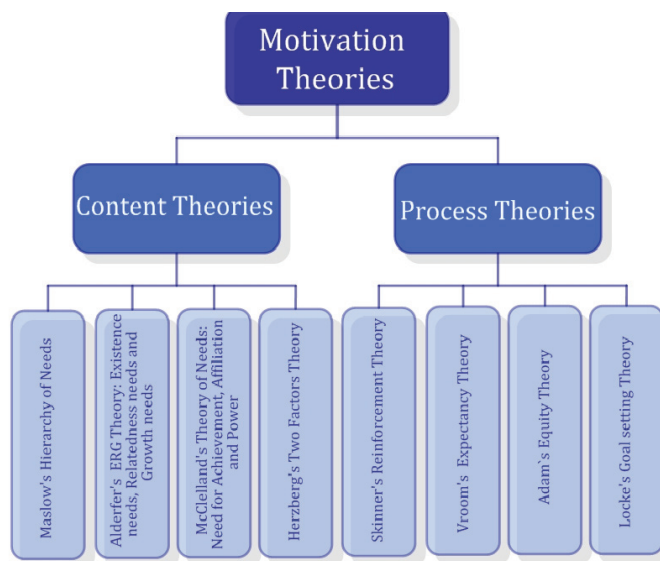There are different theories of motivation (See Fig.1).

Figure 1. Motivation theories (source: https://www.tankonyvtar.hu*)*

The main content theories are: Maslow's needs hierarchy, Alderfer's ERG theory, McClelland's achievement motivation and Herzberg's two-factor theory. The main process theories are: Skinner's reinforcement theory, Victor Vroom's expectancy theory, Adam's equity theory and Locke's goal setting theory. No single motivation theory explains all aspects of people's motives or lack of motives. Each theoretical explanation can serve as the basis for the development of techniques for motivating (Motivation theories, 2018).

Types of motivation of employees can be divided into two main groups - material (economic) and non-material. Throughout time, tangible rewards have been the most common way to motivated and reward good performance (Pink, 2011).

Some of the important types of motivation are as follows:

- Achievement Motivation: It is the drive to pursue and attain goals.

- Affiliation Motivation: It is a drive to relate to people on a social basis.

- Competence Motivation: It is the drive to be good at something, allowing the individual to perform high quality work.

- Power Motivation: It is the drive to influence people and change situations.

- Attitude Motivation: Attitude motivation is how people think and feel.

- Incentive Motivation: It is where a person or a team reaps a reward from an activity.

- Fear Motivation: Fear motivation coercions a person to act against will (Chand, n.d.).

Motivational factors can be extrinsic or intrinsic. Intrinsic motivation comes from within. The action itself moves the person to continue with this activity. Intrinsic motivation is therefore in the execution of the action itself. Extrinsic motivation means giving external incentives to perform an action. A distinction is made between positive reinforcement, i.e. rewards, and negative reinforcement, i.e. punishments. Reinforcement by external stimuli can only happen for a small while, because extrinsic motivation is the means of influencing, which superiors and management can actively use to strengthen the intrinsic motivation of their employees (IONOS, 2018).

Reliable employees who are satisfied with their job are prepared to make greater efforts and to perform more efficiently their work tasks. Rizwan & Mukhatar (2014) state that employees' satisfaction plays a key role in evaluating the success of the organization. The overwhelming satisfaction of employees is crucially important because it is vital for the business success of each organization. This is a basic need for companies to understand what employees want. This should enable employers to have a close relationship with workers and this in turn will help managers to find out factors that can motivate staff to work hard and to gain their commitment. However, many critics suggest that this practice is possible only if the business owner or manager has the right attitude towards human capital (Torrington et al., 2007).

Methodology

In different hotels there are different approaches to motivation of personnel. Each company decides by financial opportunities and solves by what method to motivate people. In the present study qualitative type of research has been used, namely online interviews. In online interviews, data is primarily generated through conversations between a researcher and "respondent". Online Interviews can utilize a selection of formats and employ varying means of computer-mediated communication (Lindlof &Taylor, 2002). The interview is synchronous, if it is conducted in real time. Skype interviews allow participants and researchers to converse in real time. An

asynchronous online interview takes place when the researcher and the participant are not online at the same time. Typically, these interviews will use email but other technologies might also be employed. This can be an advantage for research conducted across time zones or with busy participants, allowing them to answer questions at their convenience (Hanna, 2012). Online interviews can be structured, semi-structured or unstructured. Structured interviews are guided by questions which are prepared prior to the interview. Semi-structured interviews balance the pre-planned questions of a structured approach with the spontaneity and flexibility of the unstructured interview. Unstructured interviews are conversations, where the researcher collects data on a broad topic, however, does have any specific questions prepared (Salmons, 2014).

To find out how managers of concrete enterprises motivate their staff two synchronous structured online interviews with Dmitrij, Manager in Biplanhotel in Daugavpils, and Anna Seimane, Sales Manager in Lechevalier hotel in Riga, have been taken via Skype. Each interview took approximately 10 minutes. These two managers work in different departments, so it seemed interesting to discuss with them what they think in general about motivation. The following questions have been asked:

1. How many employees work in your hotel?
2. How long do you work as a manager?
3. How often do you hold meetings?
4. How do you motivate your employees? Financially or non-materially?
5. What do you do for improvement of quality of employees work?

Results

The answers were mostly similar. Both managers have almost the same number of employees in hotels, i.e. 18 employees in Biplan, and 20 employees in Lechevalier. The manager of the first hotel has been working for only half a year, although he has a big experience. Anna has been working for 1.5 years in the department. For the next question, regarding how often the staff meetings take place, the first respondent said that every day, while the other manager claimed having meetings once per two days. Both respondents mentioned financial rewards, frequent bonuses and privileges, as a number one factor to increase staff motivation. If an employee sells a lot, comes to work on time and does a lot for the company, he/she gets a bonus of 200 Euros.

Various courses help employees improve their performance. Also, there are many trainings and each hotel promises career growth and promotion opportunities. In general, after the interview it became evident, that both managers rely heavily on financial methods, which confirms theory of Maslow. This shows that hotels believe that all problems can be solved and employees can be motivated with the help of money.

Conclusion

The identity of the employee is unique. To effectively manage employees, a manger needs to motivate and advise them. Building a motivating environment in the company is a prerequisite for the management success. If the manager helps an employee with temporary difficulties, speaks and motivates him/her to come and to work with a smile on his/her face, the employee will be more eager to work. There are many methods to motivate an employee, as it has been mentioned before. Two hotels: Lechevalier in Old Riga and Biplan hotel in Daugavplis were chosen for the research. The aim of the research was to know how the hotel works and how they motivate employees. A structured questionnaire comprising 5 questions was prepared. The research showed that the financial method is the most used one in the employee motivation in the given enterprises. There are more creative methods that employees may like and it would be nice to try them at work, as even the most hard-working employee is demotivated when they get the feeling that their effort is worthless and their manpower contributes nothing to the company. For the managers it is essential to always try something new (trainings for the employees, bonuses…) to create competitive, stimulating and motivational working atmosphere for their employees. It would be advisable for the managers to promote intrinsic motivation in their employees as they have the power to shape the work atmosphere so that their employees feel comfortable and motivated.

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CUSTOMER SERVICE QUALITY AND GUEST SATISFACTION

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Abstract. The purpose of this research is to identify how service quality influences customer satisfaction. This article would be beneficial to students or professors of the higher educational institutions, who are interested in quality and owing to the practical part of the research, research results could be useful for the employees of hotel "Grand Poet Hotel" in which a number of quality related problems have been investigated. The article is devoted to the understanding of human needs in terms of hospitality and studying of customer service major aspects valued by the customers. The research reveals that customer reaction could be different: when choosing a location and rest place customers base their point of view, on the one hand, on the affirmative reviews of previous guests; on the other hand, when despite the presence of negative comments, customers choose specific hotel, because of a quantity of bonuses, loyalty programs, discounts etc. The research has been done using: data collected from "TripAdvisor"; "Booking.com"; "Expedia"; the interview with sales manager of "Grand Poet Hotel by Semarah"; the survey of random customers of "Grand Poet Hotel".

Keywords: quality management, customer service, customer loyalty, hospitality industry.

Introduction

The aim of this research is to show to how customer service quality affects guest satisfaction. On the example of "Grand Poet Hotel", situated in Riga, Latvia it will be shown which customer service aspects are mostly valued by the customers. The research results will help Guest Relation department to improve the situation in the hotel. It is important to deal with customers to obtain their feedback, as it is known, if a client is pleased that means that the hotel has met or even exceeded customer expectations. Nowadays, taking into account a global problem faced by enterprises offering services - dissatisfied customers – an entrepreneur should think not only about future profits and early fame, but first of all it is necessary to study what today's potential customers want and need. Farris et al. (2010) states that customer satisfaction provides a leading indicator of consumer purchase intentions and loyalty. More and more hotels are beginning to understand that further development requires a strategy that allows them to gain an advantage over competing hotels in the form of long-term customer relationships and their loyalty, based on

an analysis of the system of consumer values. As customer support consultant and content creator from Vancouver (Canada) Sarah Chambers said: "Customer satisfaction doesn't just impact the business' bottom line, it also impacts team morale and retention rate" (Chambers, 2017). Based on studied literature and taking as an example the situation in the chosen hotel "Grand Poet Hotel", the following hypothesis has been formulated: Service quality can significantly influence customer satisfaction.

Literature Review

In service marketing literature, service quality is generally defined as the overall assessment of a service by the customers, or the extent to which a service meets customer's needs or expectations (Eshghi et al., 2008). Parasuraman et al., (1985) define service quality as "The discrepancy between consumers' perceptions of services offered by a particular firm and their expectations about firms offering such services".

Hotels and restaurants are in the service business primarily and, as such, rely on their staff members to follow numerous procedures, react to customer needs, and deal with many uncertainties. The process of service does not begin until the customer initiates the transaction – for example, when a guest arrives at a restaurant or hotel, or make a reservation before arriving (Rocco & Andrew, 2011). The first successful area of quality improvement is the Ishikawa's method, which emphasized quality throughout a product's life cycle - not just during production. Although he believed strongly in creating standards, he felt that standards were like continuous quality improvement programs - they should be constantly evaluated and changed as well. Standards are not the ultimate source of decision - making; customer satisfaction is. He wanted managers to consistently meet consumer needs; from these needs, all other decisions should stem. Besides his own developments, Ishikawa drew and expounded on principles from other quality gurus, including W. Edwards Deming, creator of the Plan-Do-Check-Act model. W. Edwards Deming's four steps– plan; do; check; act (PDCA) – had been renovated into the next six (See Fig.1):

Figure 1. PDCA Deming cycle (Source: Ishikawa, 1985)

- Determine goals and targets.
- Determine methods of reaching goals.
- Engage in education and training.
- Implement work.
- Check the effects of implementation.
- Take appropriate action (Ishikawa, 1985).

In this case, with the help of constant inspections before the process, during and after its production, raising responsibility for quality and, above all, with the help of a constant audit of the production process, weak points in different processes in the enterprise can be detected.

In his turn, Dr. Juran explained, how every organization makes a three journey processes in quality management, where the first step is Quality Planning:

a) Identify, who are the customers;

b) Determine their needs;

c) Translate those needs into our language;

d) Develop a product that can respond to those needs;

e) Optimise the product features so as to meet our needs and customer needs.

Second step is Quality Improvement:

a) Develop a process which is able to produce the product;

b) Optimise the process.

The last one is <u>Qality Control:</u>

a) Prove that the process can produce the product under operating conditions with minimal inspection;

b) Transfer the process to operations (Hoyle, 2007).

A broader Joseph M. Juran's concept of 10 steps to quality improvement looks this way:

1) Build awareness of opportunity to improve;

2) Set-goals for improvement;

3) Organize to reach goals;

4) Provide training;

5) Carryout projects to solve problems;

6) Report progress;

7) Give recognition;

8) Communicate results;

9) Keep score;

10) Maintain momentum by making annual improvement part of the regular systems and processes of the company (Juran & Godfry, 1998).

Therefore, to measure the quality of a product or process, it is necessary to collect and analyze information, usually coming in the form of measurement results.

According to the Lewis and Booms theory, since 1983 in its contemporary conceptualisation the service quality, is a comparison of perceived expectations (E) of a service with perceived performance (P), giving rise to the equation, where service quality can be measured using the following formula: SQ=P-E (Lewis & Booms, 1983).

Gronroos' (1990) Perceived Quality Service Model is a helpful tool to understand factors that affect customer perceived quality in a company's service. The expected quality is directly influenced by the methods of marketing total tourism experience within an enterprise, the image created for a tourism product, the influence of the "word-of-mouth" advertisement and the customer requirements and needs. If the experienced quality is equal to the expected one, then total perceived quality has been managed holistically in the most successful way.

According to the five gap model, consumers' quality assessment will be influenced by a series of five distinct "gaps" in this co-service process. Quality Management Systems must attempt to close the five gaps in the model and to improve the quality of service as experienced by means of comparison between expected and perceived quality after the customer has received the service (Hoyle, 2007).

To get the key of customer satisfaction since 1985 SERVQUAL instrument, developed by Parasuraman (Parasuraman, et al, 1985) has been used, where: a) *tangible dimension* – appearance of physical facilities, equipment, personnel, and communication materials; b) *reliability* – ability to perform the promised service dependably and accurately; c) *responsiveness* – willingness to help customers and provide prompt service; d) *assurance* – knowledge and courtesy of employees and their ability to convey trust and confidence; e) *empathy* – caring, individualized attention the firm provides its customers with (See Fig.2). All dimensions were designed to identify the gaps between expectation and perception of performance determines the level of service quality from a customer's perspective (Parasuraman et al, 1985). According to dimensions above, customers, as a result, will receive service superiority. Thus, by comparing customer's expected service with customer's perceived service, hotels, for example can determine whether its service standard is appropriate. As Ishikawa put it: "To practice quality control is to develop, design, produce and service a quality product which is most economical, most useful and always satisfactory to the consumer. To meet this goal, everyone in the company must participate in and promote quality control, including top executives, all divisions, within the company and all employees" (Ishikawa, 1985).
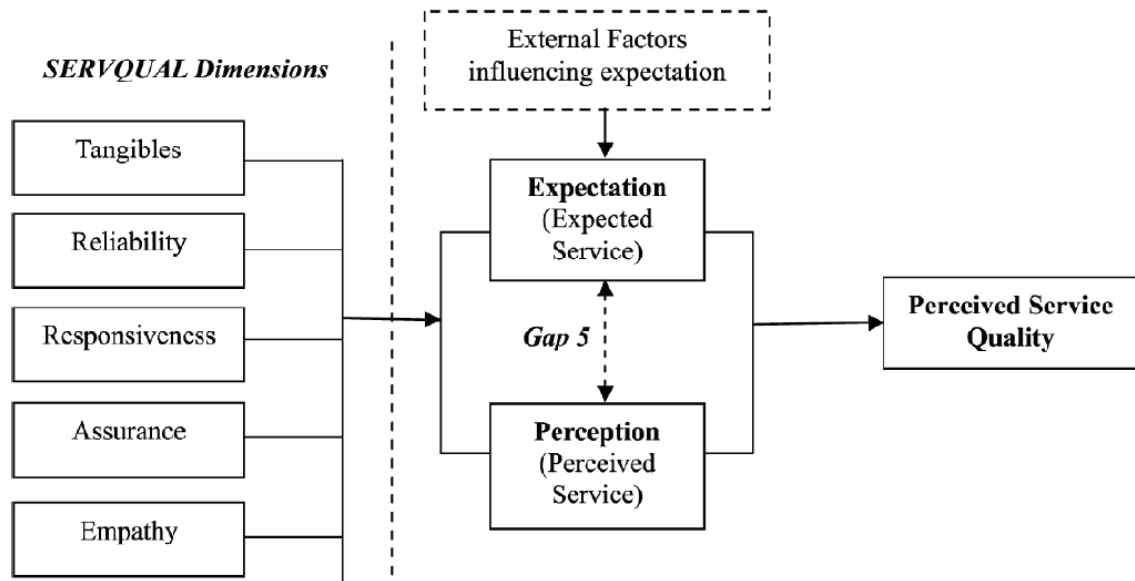
Fi

gure 2. SERVQUAL model of the five dimension of service quality (Source: Kumar et al, 2009)

The Critical Incident Technique (CRIT) attempts to understand what is happening in the various "moments of truth" and the results are collected from small samples investigated in depth over time. With CRIT, the organizations are able to understand customer problems and resolve them in a flexible way (Ng'etich, 2014).

The most efficient and complex model, which is orientated on a long term company improvement and could fulfill customer requirements is TQM (Total Quality Management).   In the area of hospitality, total quality management (TQM) is a participatory process that empowers all levels of employees to work in groups in order to establish guest service expectations and determine the best way to meet or exceed these expectations. A successful property will employ leader-managers who create a stimulating work environment in which guests and employees become integral parts of the mission by participating in goal and objective setting (Walker, 2010).

Another quality management instrument is the ISO 9000 family of standards, which is a set of criteria that when applied correctly, will help organizations develop the capability to create and retain satisfied customers. It is not a product standard – there are no requirements for specific products or services – only criteria that apply to the management of an organization when determining customer needs and expectations and supplying products and services that are intended to satisfy those needs and expectations (Hoyle, 2007).

Methodology

During the research process, the author has applied qualitative research method. To find out how quality related practices are applied in a hospitality related enterprise, the situation has been investigated in a 5-star hotel "Grand Poet" by Semarah chain, which is located in the center of Riga. Firstly, the information was received from the interview with Sales manager of hotel chain "Semarah Hotels" Aleksandra Postojalkina. Secondly, the survey was conducted among random customers (5 persons) of the hotel "Grand Poet". Thirdly, as "customer satisfaction is measured at the individual level, but it is almost always reported at an aggregate level and often is measured along various dimensions" (Farris et al., 2010), the data was collected from global customer feedback websites (such as "Trip Advisor", "Booking.com" and "Expedia").

Results

According to the statistics portal "Trip Advisor" 97% (131 reviews of 249 reviews) of customers are satisfied with quality of the "Grand Poet" hotel, however, only 3% of the customers are disappointed with hotel services (See Fig. 3). The customers of the examined hotel are mostly from neighbourhood countries, such as the United Kingdom, Germany, Italy, France, Sweden, Holland, Norway and also Russia.
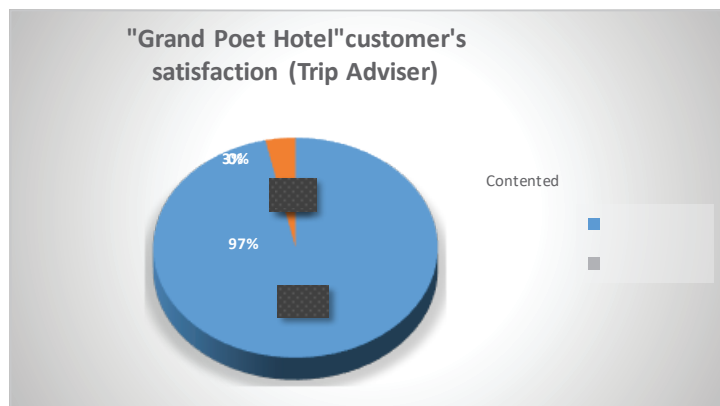
Figure 3. Chart of "Grand Poet Hotel" customer's satisfaction according to "TripAdvisor" (Source: https://www.tripadvisor.com/Hotel_Review-g274967-d13286067-Reviews-or145.html)

On the other hand, at the portal "Booking.com" the average evaluation of customers are 9.5 points (with maximum 10 points), and less than 1% of the customer are dissatisfied with the hotel services (the lowest evaluation is 3.8 points). The portal shows that out of 1172 reviews, the majority are satisfied with hotel's location and comfortable atmosphere (See Fig. 4).

Figure 4. Chart of "Grand Poet Hotel" customer's satisfaction according to "Booking.com" portal (Source: https://www.booking.com/hotel/lv/grand-poet-by-semarah.en-gb.html)

Using "Expedia" resource it can be seen that the guest rating (148 reviews) is 4.8 of 5 points, where 77% are fully satisfied with room cleanliness and the hotel condition (See Fig. 5).
To sum up, it could be noticed that customers of the "Grand Poet Hotel" in total are delighted with the hotel facilities. However, the hotel should undertake some measures with car parking, as many guests complain about this.
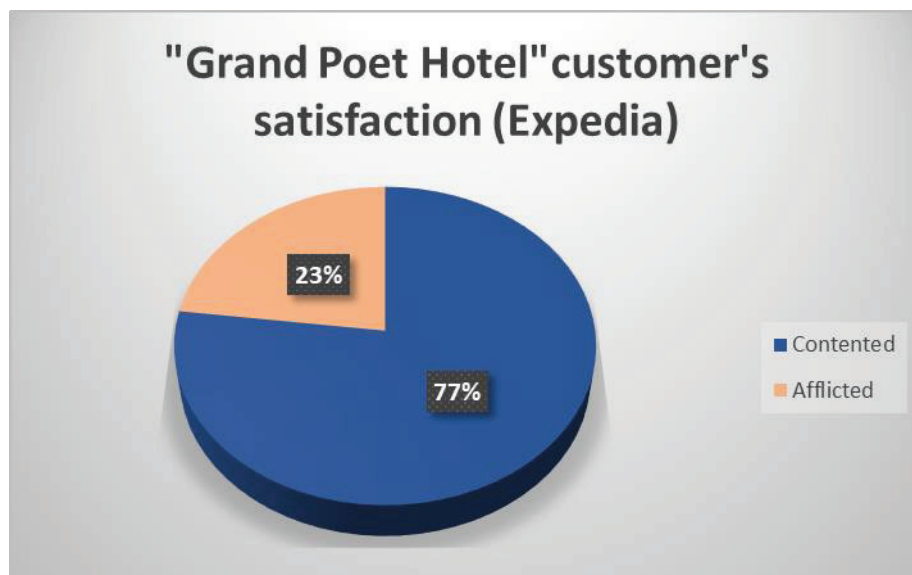
Figure 5.Chart of "Grand Poet Hotel" customer's satisfaction according to "Expedia" portal (Source: https://www.expedia.com/Riga-Hotels-Grand-Poet-Hotel-By-Semarah/)

Sales manager of the hotel "Grand Poet", Aleksandra Postojalkina, mentioned the most attractive services, provided to the consumers:

- various types of accommodation in168 stylish and bright rooms – *Standard; Superior; Junior and Grand Suite;*
- food, beverages and events at the restaurant-bar "SNOB" or at the "Grand Poet" cafe;
- body and face treatment care programs at "Hedonic SPA";
- venues for business or other events at 5 spectacular conference rooms (See Fig. 6).

Figure 6. The facilities in "Grand Poet Hotel" Riga, Latvia (Source: Booking.com, 2018)

According to feedbacks most of "Grand Poet Hotel" guests like the hotel design and the services at breakfast, and only a few customers think that housemaids provide poor cleaning service.

Given that nowadays, most of hotels can buy fake customer feedbacks, the author decided to conduct a survey of the real-time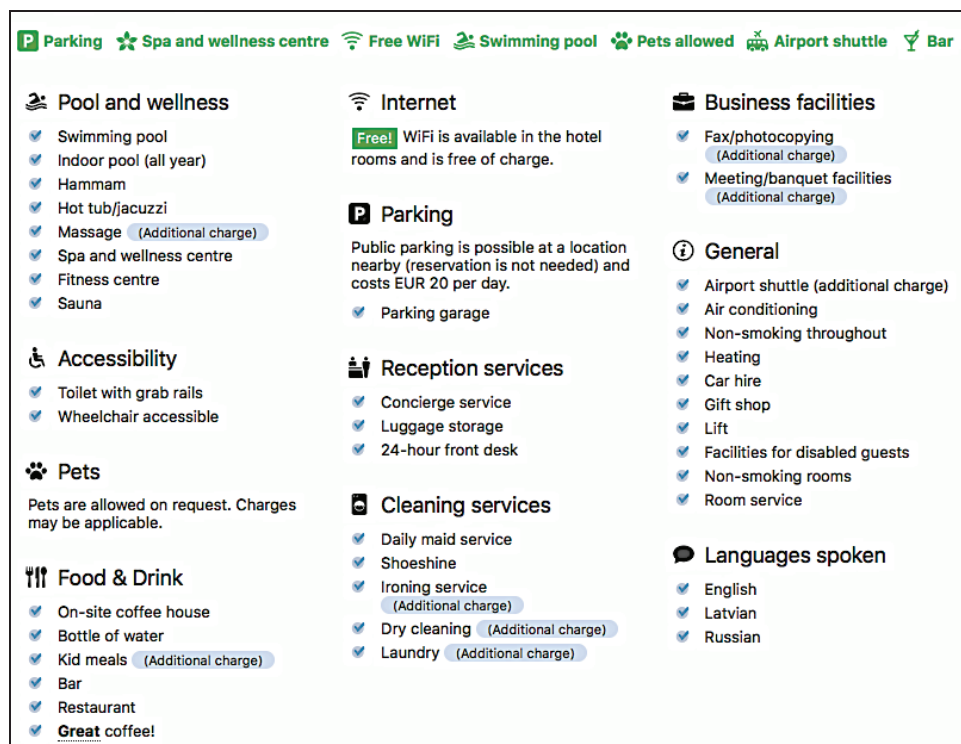 guests of the hotel "Grand Poet", in order to make sure the information from "Trip Advisor", "Booking.com" and "Expedia" official portals is valid. For this purpose, to obtain the information about quality management and customer satisfaction with services provided in "Grand Poet Hotel", a questionnaire comprising 5 questions was prepared and used in a series of interviews with the random guests from "Grand Poet Hotel". Each interview took approximately 5 minutes to complete. After analysis of the information provided it was possible to draw the following conclusions:

1. "Would you recommend this hotel?"

The vast majority of respondents (80%) noted that they would recommend the "Grand Poet Hotel" to their friends, family members, colleagues and etc., however, 20% said that they would not really recommend this kind of hotel because of the problems with parking area and too luxurious interior (See

Fig.7).
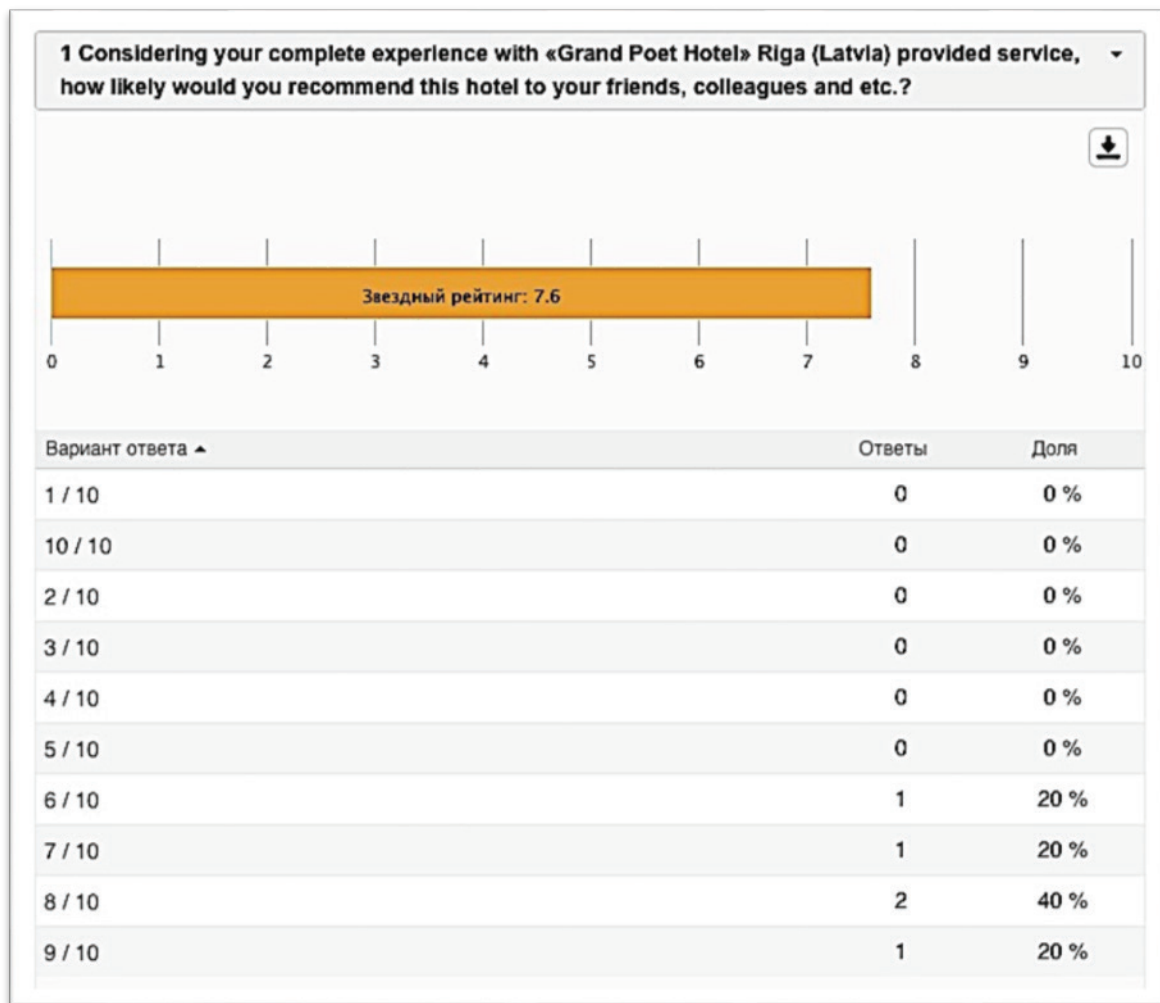
Figure 7. Results of the first question of the survey

2. *"Service experience"*

Three out of five respondents said that they had delightful experience in restaurant, which was provided by food and beverage department. On the other hand, one respondent was satisfied with how front office employees solved their specific problem during stay in the hotel, and one respondent noticed noting special in hotel service (See Fig.8).

Figure 8. Results of the second question of the survey

3. *"Customer satisfaction"*

Three respondents were satisfied with employee's knowledge and competence; however, the other two respondents claimed that level of knowledge of customer service employees was rather average. Besides, the majority (4 customers), consider that the problems were solved on an average level. The same situation was with quality of service – four customers are content and only one displeased (See Fig.9).
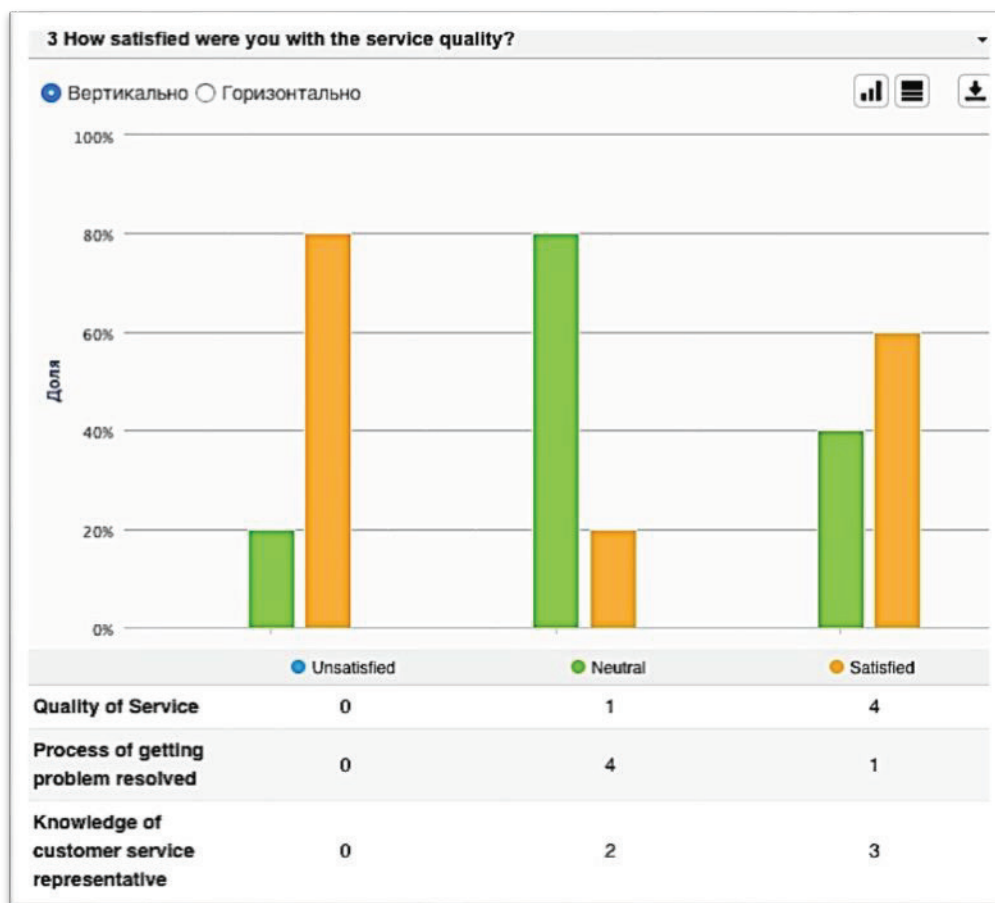
Figure 9. Results of the third question of the survey

4. *"Courteous or horrible customer servic*e"

Approximately 69% of the respondents find that the staff (such as – waiters, receptionists and housemaids) of the hotel "Grand Poet" on the whole is polite, however, only 0.8% had a bad experience in this hotel. Also the survey shows that 30.2% of customers rate the employees as neutral (nothing special, though, at the same time noting awful in the service representative) (See Fig.10).

4 The customer service representative was courteous.		
0,8 %		
30,2 %		
	69 %	

Вариант ответа	Баллы средний	Баллы суммарный
● Agree	69	345
● Neutral	30,2	151
● Disagree	0,8	4
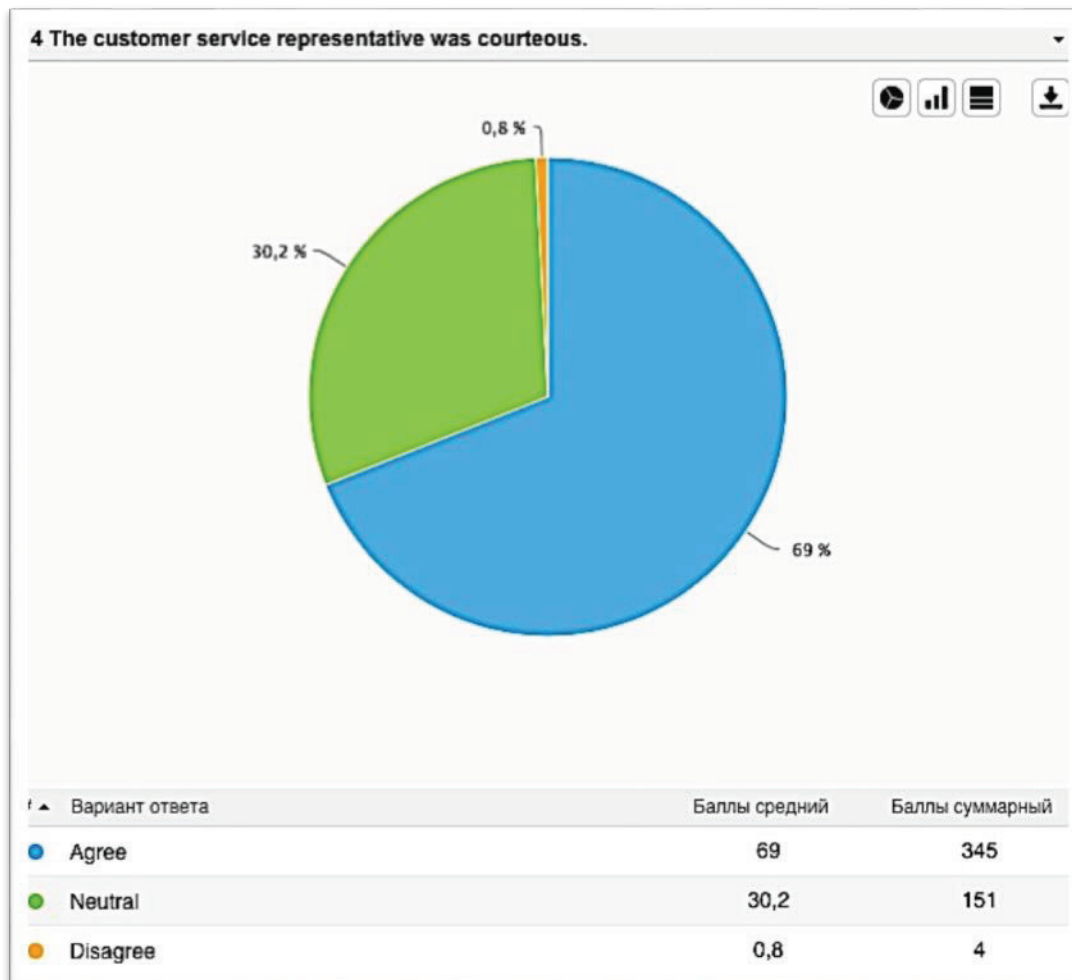
Figure 10. Results of the fourth question of the survey

5. *"Service qualities"*

The responses showed that in general hotel employees have the following merit – responsive (80%); friendly (60%); attentive and patient (20%). Yet, one respondent thinks that staff is not enthusiastic at all (See Fig.11).

5 What qualities of the customer service representative that you have come across?						
	1	2	3	4	5	
Patient ●	1 (20%)	1 (20%)	3 (60%)	0 (0%)	0 (0%)	● Not patient
Enthusiastic ●	0 (0%)	2 (40%)	2 (40%)	0 (0%)	1 (20%)	● Not enthusiastic
Attentive ●	1 (20%)	2 (40%)	2 (40%)	0 (0%)	0 (0%)	● Not attentive
Friendly ●	3 (60%)	0 (0%)	2 (40%)	0 (0%)	0 (0%)	● Unfriendly
Responsive ●	4 (80%)	0 (0%)	1 (20%)	0 (0%)	0 (0%)	● Unresponsivr

Figure 11. Results of the fifth question

To summarize, customers in most cases choose a hotel that is within walking distance of all the main attractions of the city, offers the best price/value ratio and various loyalty programs and renders qualitative services.

Conclusions

Nowadays, service quality and customer satisfaction are very important concepts that companies must understand in order to remain competitive in business and hence grow. It is very important for companies to know how to measure these constructs from the consumers' perspective in order to better understand their needs and hence satisfy them. Service quality is considered very important because it leads to higher customer satisfaction, profitability, reduced cost, customer loyalty and retention (Chingang&Lukong, 2010).
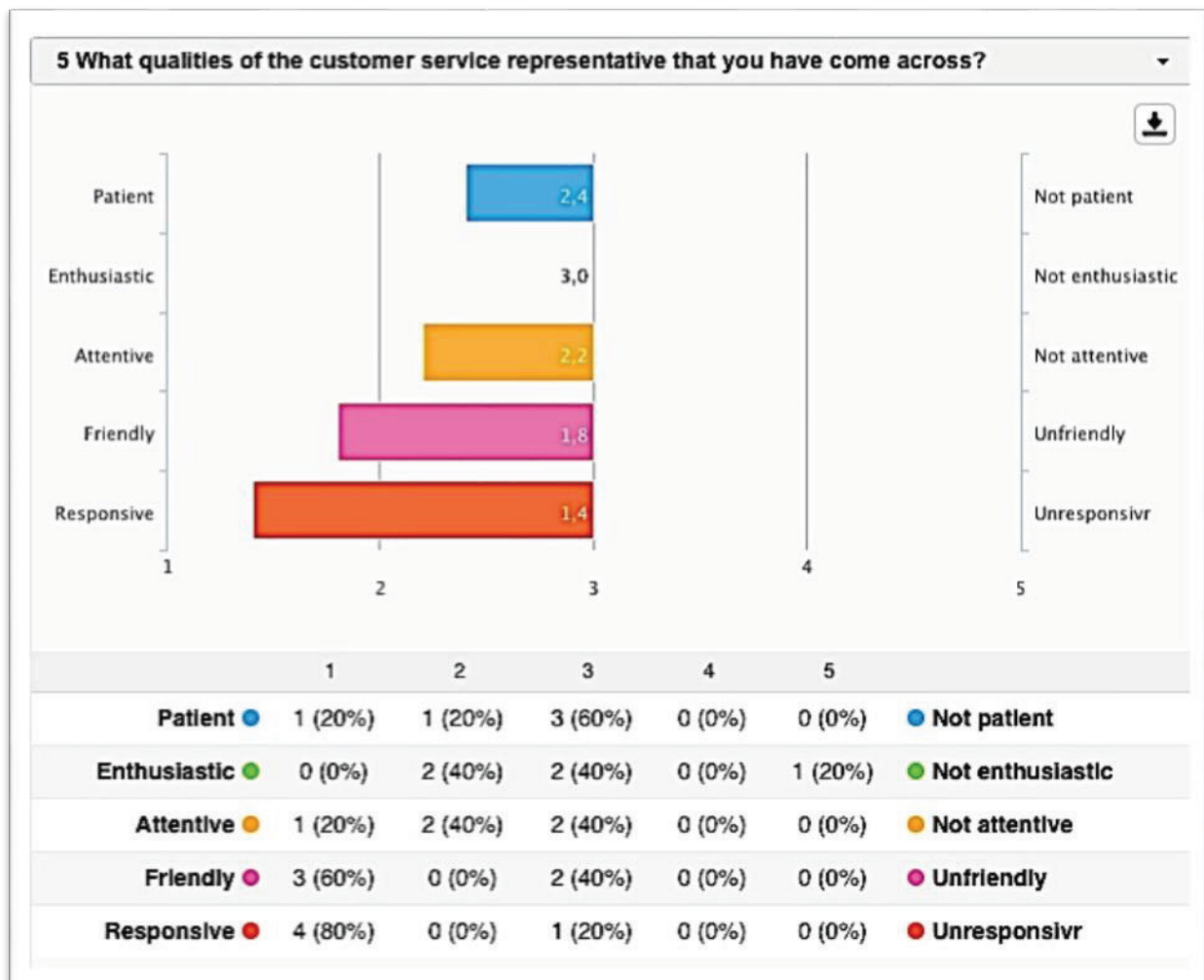
The research requires more time and use of other sources of information. Subsequently, the author will continue to study the topic, but in a more expanded form, which will allow to deepen and to better understand the concept of quality management. However, at this level, by using such resources as analysis of the data from "Booking", "Expedia", "Trip Advisor"; interview with sales manager of "Grand Poet Hotel by Semarah"; an interview on the topic of "Quality services" held in "Grand Poet Hotel" (based on 5 random customer), the author has had an insight into the concept of quality management, as well as the theory of customer satisfaction. The research has shown that about 88% customers of "Grand Port Hotel" rate service quality as high and, as a result, are mostly satisfied with their experience. As a result, of the research the hypothesis has been confirmed and the very research will be useful to the customer service quality department at the Grand Poet Hotel for solving quality-related problems, etc.

Acknowledgements

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EMOTIONAL LABOR IN HOSPITALITY

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Abstract. The purpose of the article is to clarify what emotional labor is and find methods for dealing with emotional labor. Human resources are important assets in hospitality industry, therefore, it is of great importance, apart from managerial support, to identify skills required to successfully perform emotional labor. Hospitality employees are often strained by stress subject to emotional labor in terms of emotional display that is not authentic, but rather the behaviour that satisfies guests' expectations. Such emotional labor leads to emotional exhaustion of the employees. The findings provide practical information to managers in hospitality industry to apply methods to combat emotional labor for their employees.

Keywords: emotional labor, workplace stressor, emotional authenticity, hospitality employees.

Introduction

In service sector, work cannot be fully described by physical, sensory-motor and cognitive demands because emotional labor demands are rather important. Service is, therefore, not denoted only by the intellectual and physical labor, but also emotional labor in terms of sincerely concerning about the guests (Kogovsek, 2016).

With the expansion of service industries, emotional labor has emerged as a new job stressor. When employees regulate or suppress their emotions in exchange for wages, they are considered to be performing emotional labor (Yonsei, 2018). If job requires managing emotions, or the way to express those emotions, to meet organizational expectations, this is called emotional labor. People in a service-oriented role – hotel workers, waiters, airline flight attendants, tour operators – often face the demands of emotional labor.

The object of the research is "MO Liepaja" restaurant. The aim of the research is to know how employees deal with emotional labor with the aim to suggest a list of measures to cope with this problem. The hypothesis of the research: there is a list of measures to cope with emotional labor.

Literature Review

The term 'emotional labor' was first coined by the sociologist Arlie Hochschild in her 1983 book on the topic, The Managed Heart: Commercialization of Human Feeling, to describe the things that service workers do that goes beyond physical or mental duties. In recent years, the term's popularity has grown immensely and it's being mentioned more and more in books and academic articles (Beck, 2018). Showing a genuine concern for customers' needs, smiling, and making positive eye contact are all critical to a customer's perception of service quality. This involves evoking and suppressing feelings. These types of activities, when they're essential to worker performance, are emotional labour. When employees face angry clients, or people who are generally unpleasant, emotional labor can be particularly challenging. A large part of that challenge comes from the need to hide person's real emotions, and continue to 'smile and nod one's head,' even when receiving negative or critical feedback (Hochschild, 1983).

Wilkinson (2018) claims that emotional labour has even become a buzz phrase. Companies often place a great deal of strategic importance on service orientation, not only to external customers, but to colleagues and internal clients as well. While emotional labor is applicable to many areas of business, the consequences are probably greatest in traditional service roles. However, in an increasingly service-oriented marketplace, it's important to understand how emotional labor affects workers, and what organizations can do to support and manage any issues. Hochschild identified three emotion regulation strategies: cognitive, bodily, and expressive. Within cognitive emotion work, one attempts to change images, ideas, or thoughts in hopes of changing the feelings associated with them. For example, one may associate a family picture with feeling happy and think about said picture whenever attempting to feel happy. Within bodily emotion work, one attempts to change physical symptoms in order to create a desired emotion. For example, one may attempt deep breathing in order to reduce anger. Within expressive emotion work, one attempts to change expressive gestures to change inner feelings, such as smiling when trying to feel happy (Hochschild, 1979).

A popular theory to explain this inconsistency in research findings is that individuals vary in their ability to deal with inauthentic, or 'pretend,' emotional expressions. Some workers may be able to identify with the organization's values of positive emotional communication, making them better prepared to express appropriate emotions. Also, people who are generally more

cheerful and pleasant may be able to turn off negative emotions more easily than others. Another factor may be a person's ability to recognize different social situations, and how to behave appropriately. People with more negative personalities and lower social awareness tend to have the hardest time dealing with emotional conflict – and they probably experience emotional exhaustion more easily. It's important for workers to understand the impact that emotional labor has on their performance. However, it's essential that organizations are also aware of this requirement, so they can find ways to provide support to their workers, and help them deal with the impact of emotional labor. Service workers typically need to perform in a certain manner if they're going to provide high quality service. This is usually defined by management, then strictly regulated and monitored. For example, customer service rules might be 'The customer is always right,' or 'Always greet customers with a smile. 'It's reasonable to believe that helping people deal with the consequences of emotional labor will improve staff morale and reduce staff turnover (mindtools.com, 2017).

There are three types of emotional disharmony that an employee might experience in surface acting when employee's feelings are not spontaneously expressed because there is difference between actually felt and expressed emotions. The figure below shows the causes of emotional disharmony effects, namely emotional dissonance, emotional deviance and emotive faking which are the triggers of emergence of negative outcomes (See Fig.1).
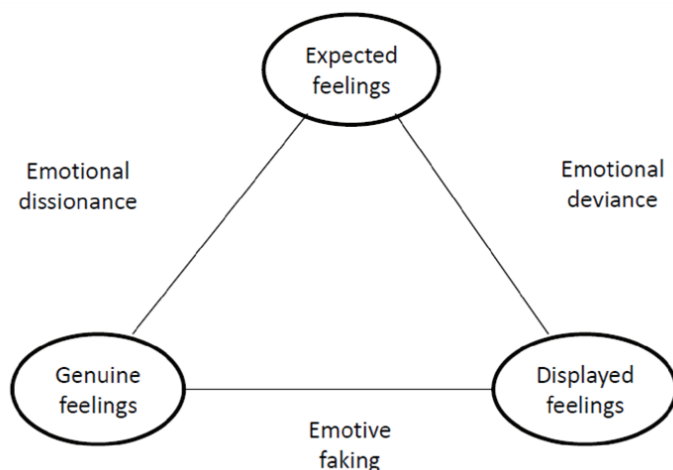

Figure 1. Types of emotional disharmony (Source: adopted by Zerbe 2000)

Emotional dissonance, as the difference between genuine and expected feelings, is considered as a level of emotional labor, others take it a dependent variable, while some deals with it as a stressor. Emotional dissonance is stronger when an individual does not have an inner feeling or the feeling is opposite of the required emotional expression in other words there is a mismatch between felt emotions and required expression of emotions. It is by no doubt problematic since it might cause low self-esteem, depression and psychological strain. High emotional dissonance when feeling inauthentic is obvious when applying surface acting, while when deep acting there can be no emotional dissonance or low emotional dissonance, feeling mostly authentic. However, no emotional dissonance is characteristic for genuine mode where emotion expression is authentic. Emotional deviance is the difference between expected and displayed feelings that occurs when required expressions of emotion are not displayed either intentionally when employees do not agree with the organizational display rules or unintentionally when employees try to express organizationally desired emotional expression but are not able to do so because of the emotional exhaustion. Many researchers report influence of emotional exhaustion on lower job performance and higher turnover intentions. Emotive faking is the difference between genuine and actually displayed feelings and may lead to poor perceptions of service quality by the customers (Kogovsek, 2016).

It's reasonable to believe that helping people deal with the consequences of emotional labour will improve staff morale and reduce staff turnover. Here are some common strategies that organizations use to help their staff deal with the demands of emotional labour:

- *Use buffering* – Companies may assign front-end personnel to manage the emotional demands and needs of customers. By the time customers reach back-end workers, they can concentrate on business.
- *Teach 'display' rules* – These are organizationally approved norms or standards that workers learn through observation, instruction, feedback, and reinforcement. Staff is taught how to act, and they may even be given scripts to use when dealing directly with clients. Combining these display rules with company culture is very important.
- *Offer staff assistance programs* – Organizations invest in the care and development of their workers by providing access to stress management and emotional health services. This strategy recognizes that emotional labor can be hard work.

- *Teach problem-solving techniques* – To move workers beyond using scripts or relying on other display rules, some companies help their staff solve problems more effectively. This helps people build confidence, and reduce their negative reactions to angry or unpredictable situations. The better the workers are able to deal with problems, the more likely they are to resolve interpersonal issues before they lead to negative emotions.
- *Improve emotional intelligence* – The ability to recognize other people's emotions is an effective way to reduce the burden of emotional labor. Building empathy and using other emotional intelligence tools help reduce the likelihood that emotional conflict will lead to emotional exhaustion.
- *Share knowledge* – One of the most effective ways to help people deal with the realities of emotional labor is to share success stories. Allow staff to learn how others successfully deal with the impact of emotional conflict.
- *Bring emotional labor into the performance evaluation process* – Organizations can recognize the importance of emotional labour by measuring workers' emotional effort factors and commitment to customer service. When workers are rewarded for their emotional labour, it provides an incentive for them to show organizationally accepted emotions more often.

Used appropriately, these strategies can take much of the pain out of emotional labour. Indeed, where problems are addressed appropriately, service workers often report tremendous levels of satisfaction when they're able to help clients resolve their problems (mindtools.com, 2017).

Methodology

A questionnaire, consisting of 7 questions has been created and offered to 15 respondents, who are the waiters and cooks of the restaurant «MO Liepaja» to find out their opinion about the emotional labour. The results have been used to provide suggestions on how to deal with emotional labour at a workplace. In average the questionnaire took each respondent 10 min. to complete. The following questions have been asked:

1. Have you had any conflicts at work?

2. How do you cope with emotions after conflict situations at work?

3. Do you feel that you need help from manager in resolving conflict situations?

4. Has the administration ever helped you overcome emotional instability?

5. What do you think would help you cope with the emotional load at work?

6. Have you ever thought that customer service is not your field?

7. What statement helps you cope with emotional overload?

Results

The results of the questionnaire have showed that 80% of restaurant workers had conflicts at work. And in such cases, half of the respondents cope with the emotions themselves, and the other half calls for the manager to help solve the conflict situation. 80% of employees said that the management helps them to solve a conflict situation and cope with emotional consequences by organizing meetings with a psychologist, sharing personal experience, etc.(See Fig.2), which means that *Offer staff assistance programs, Teach problem-solving techniques* and *Share knowledge* tactics are among the most workable and effective methods to cope with emotional labour.

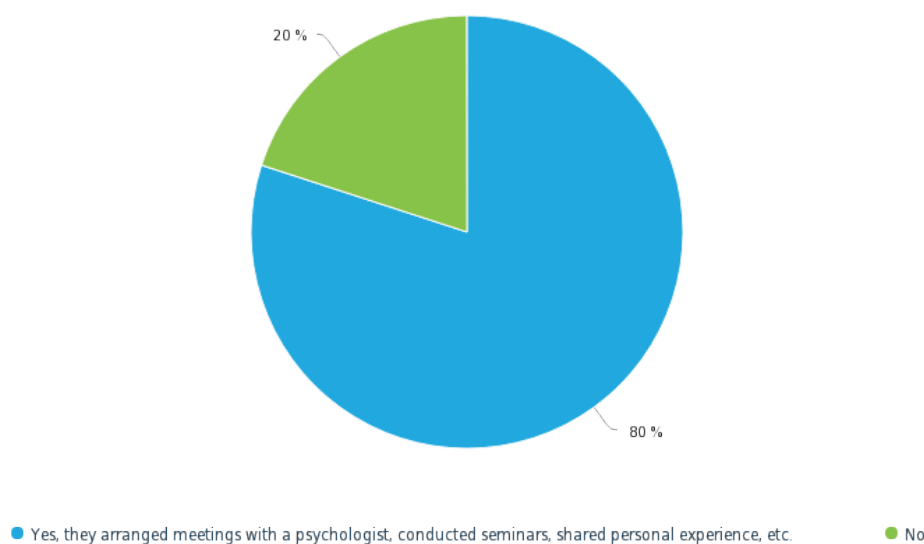Has the administration ever helped you overcome emotional instability?

20 %

80 %

● Yes, they arranged meetings with a psychologist, conducted seminars, shared personal experience, etc.   ● No

Figure 2. Has the administration ever help you overcome emotional instability?

Also, 80% of restaurant employees believe that to better cope with the consequences of emotional labor *Teach 'display' rules* technique might help (See Fig.3). These are organizationally approved norms or standards that workers learn through observation, instruction, feedback, and reinforcement. Staff is taught how to act, and they may even be given scripts to use when dealing directly with clients. Therapists are taught to act neutrally, retail workers are taught to act positively, and bill collectors are often taught to act aggressively (Beck, 2018).
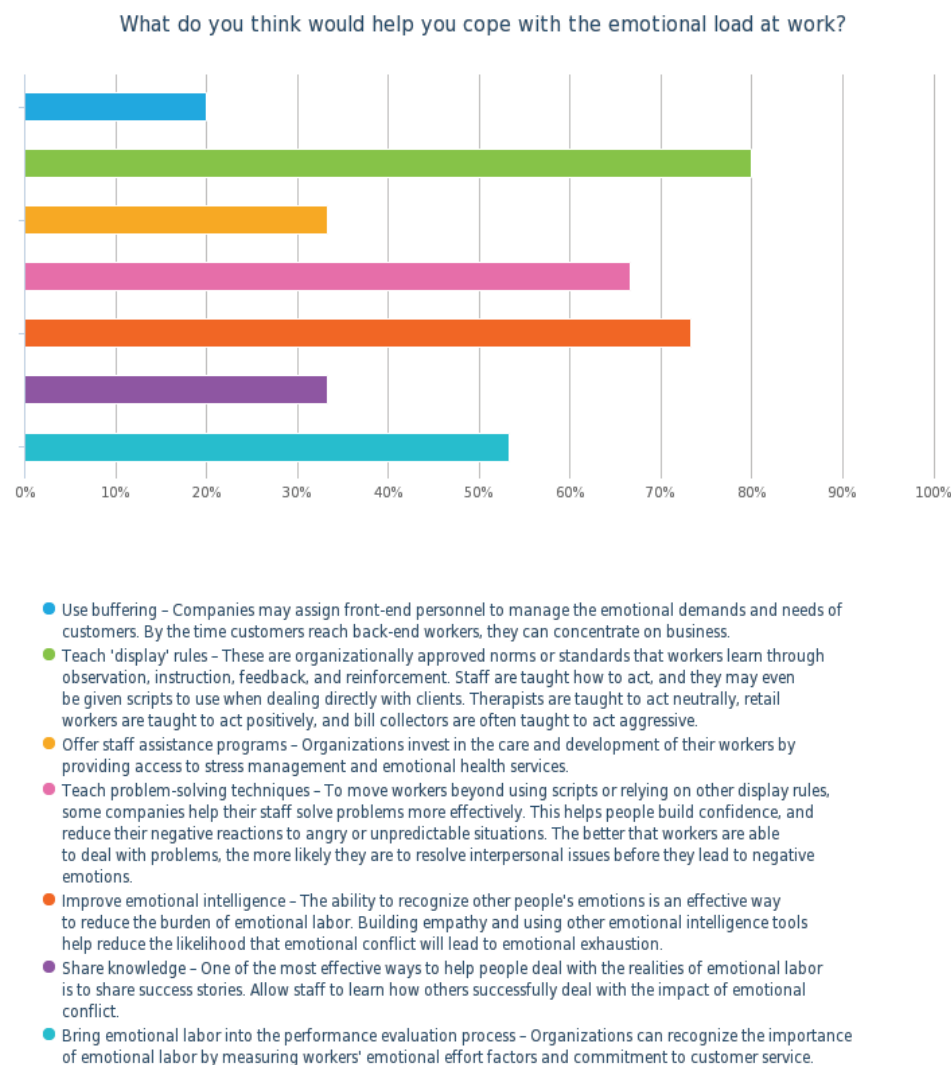

What do you think would help you cope with the emotional load at work?

- Use buffering – Companies may assign front-end personnel to manage the emotional demands and needs of customers. By the time customers reach back-end workers, they can concentrate on business.
- Teach 'display' rules – These are organizationally approved norms or standards that workers learn through observation, instruction, feedback, and reinforcement. Staff are taught how to act, and they may even be given scripts to use when dealing directly with clients. Therapists are taught to act neutrally, retail workers are taught to act positively, and bill collectors are often taught to act aggressive.
- Offer staff assistance programs – Organizations invest in the care and development of their workers by providing access to stress management and emotional health services.
- Teach problem-solving techniques – To move workers beyond using scripts or relying on other display rules, some companies help their staff solve problems more effectively. This helps people build confidence, and reduce their negative reactions to angry or unpredictable situations. The better that workers are able to deal with problems, the more likely they are to resolve interpersonal issues before they lead to negative emotions.
- Improve emotional intelligence – The ability to recognize other people's emotions is an effective way to reduce the burden of emotional labor. Building empathy and using other emotional intelligence tools help reduce the likelihood that emotional conflict will lead to emotional exhaustion.
- Share knowledge – One of the most effective ways to help people deal with the realities of emotional labor is to share success stories. Allow staff to learn how others successfully deal with the impact of emotional conflict.
- Bring emotional labor into the performance evaluation process – Organizations can recognize the importance of emotional labor by measuring workers' emotional effort factors and commitment to customer service.

Figure 3. What do you think would help you cope with the emotional load at work?

And in the respondents' opinion, the most ineffective method is *Use buffering,* which implies that companies may assign front-end personnel to manage the emotional demands and needs of customers. It is interesting that 14 out of 15 respondents thought that the service sector does not really match their aspirations.

Conclusion

The emotional labor in hospitality industry, which is related to outcomes like organizational performance and psychological well-being of the employees, is an important issue. As a result of the research, the author can conclude that customer service will directly depend on the emotional stability of the employees. The more confident the waiter feels the faster and more independently he will be able to resolve the conflict situation with the client. The research paper offers a list of strategies for the company that will help solve the problem of emotional labour, such as *Use buffering, Teach 'display' rules, Offer staff assistance programs, Teach problem-solving techniques, Improve emotional intelligence, Share knowledge* and *Bring emotional labor into the performance evaluation process.* Among the mentioned strategies according to the results of the survey the least effective one turned out to be *Use buffering*, while *Teach 'display' rules, Offer staff assistance programs, Teach problem-solving techniques* and *Share knowledge* tactics are among the most workable and effective methods to cope with emotional labour.

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