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A Distinctive SHRM Approach in the Korean Hotel Industry

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for the degree of Doctor of Philosophy

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ABSTRACT

Most studies on Strategic Human Resource Management (SHRM) have been conducted in Western countries rather than Asian ones (Gould-Williams & Mohamed, 2010); As a result, the debate about the drivers of 'best practice' and 'best fit' have tended to reflect the circumstances of Western countries (Gould-Williams & Mohamed, 2010; Tzafrir, 2006). Therefore this study explores how the theoretical SHRM frameworks interact within the specific Korean context. The study examines how HR practices are enacted in Korea, what the internal and external factors are which influence the Korean hotel industry, and what impact the HR practices have on employees and trade unions. The study is conducted within the deluxe hotel sector (including deluxe and super deluxe hotels) as while these hotels have only a 23% of share of the market, they accounted for 72.9% of all revenue from the hotel industry (Korea Culture & Tourism Institute, 2010). Focusing on the further development of this segment is therefore important to the overall economic success of the South Korean hotel industry. The overall aim is to develop a suitable SHRM framework which is based on best fit quality enhancing HRM, which is also sensitive to Korean culture, Korean legislation and considers the role of trade unions in Korean deluxe hotels.

To accomplish this, the study draws from a range of literature on quality enhancing business strategy, distinctive Korean culture, Korean legislation, and trade unions. This thesis argues that Korean deluxe hotels adopt best fit practices, which are related to their quality enhancing business strategy, but also Korean deluxe hotels respond to external drivers such as Korean legislation, strong trade unions, and Korean culture.

The study follows a pragmatic approach, which uses mixed methods to explore an SHRM framework with the views of management, employees, and trade unions in a single study. This study gathered data from four sources: 11 HR managers by interview; 11 trade union representatives at hotels by interview; 2 trade union representatives at a company level by interview; questionnaire surveys with 14 HR managers; and a questionnaire survey with 502 employees. Hence differing sources are brought together to understand how different actors feel about their hotel's HR practices and whether areas of conflict exist between management and employees.

This study contributes new findings to the research literature. It brings new perspectives in understanding how a combination of 'best fit' and 'best practice' operates simultaneously in Korean deluxe hotels. It shows how Confucianism also plays a predominant role in the understanding of Korean culture, more than suggested in Hofstede's original four dimensions of culture (Kim & Park, 2003). This study has also offered new contributions to the theoretical development of 'aesthetic labour' (Warhurst & Nickson, 2007), which is extended to include the new concept of 'cosmetic employment'. The study also shows the significance of 'Chaebol' hotels, a very distinctive company structure in Korea. This study further contributes to our understanding of the role trade unions in Korea in influencing more paternalistic management practices, pay negotiations, and improving employees' welfare and welfare facilities. This study has developed a new SHRM model by embedding a combination of best fit and best practice, which shows that the specific drivers and type of HR practices relate to employee outcomes. It is argued that this can be more internationally applicable than other traditional SHRM models.

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DEDICATION

This dissertation is dedicated to:

My Parents: Jonghyung Lee and Geumjo An

Without their encouragement, love, and support, this dissertation would not have been possible. Thanks to my parents, I can get my second doctorate degree and I would like to say to them: “Love you Dad and Mum and thank you for your support”.

I also dedicate this dissertation to:

My sister, Nayun Lee

She encouraged me whenever I was struggling physically and psychologically in difficult situations, which influenced my success. I would like to say to her “Thank you for your encouragement and advice”.

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My family members

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CHAPTER 1

INTRODUCTION AND BACKGROUND TO THE RESEARCH

1.1 INTRODUCTION

Previous studies have demonstrated that profit maximisation is the primary driver of human resource management (HRM) in business management (Green, et al., 2006; Horgan & Miihlau, 2006; Chang & Huang, 2005; Paauwe & Boselie, 2005; Guerrero & Barraud-Didier, 2004; Paul & Anatharaman, 2003; Panayotopoulou, et al., 2003; Richard & Johnson, 2001; Truss, 2001). The hotel industry is not an exception to this general rule. The service provider's role in a service business, and the process of service in the field, directly affects the customer service experience (Pine & Gilmore, 1999); this means that hotel employees play a pivotal role in managing a key element of the hotel business. Thus, the question of how to manage employees is directly associated with successful organisational performance. As companies seek to effectively manage human resources within the context of a radically changing global competitive environment, they are compelled to consider how to adopt appropriate human resource management practices to most effectively implement their competitive strategies and achieve better performance in the hotel business.

Many earlier works describe a 'best practice' approach to HRM, whereby a universal HRM practice impacts directly on the performance of the organisation, without any consideration of internal organisational and external environmental factors (Ahmad & Schroeder, 2003; Pfeffer, 1998; Delery & Doty, 1996; MacDuffie, 1995; Terpstra & Rozell, 1993). Alternatively, a 'best fit' approach examines the relationship between HRM and organisational performance, taking contingency factors into account (Fey et al, 2000; Hoque, 1999a; Becker & Gerhart, 1996; Huselid, 1995). Many studies in the area of HRM have been conducted in the United States and United Kingdom (Murphy, et al., 2007; Konrad & Deckop, 2001; Pfeffer, 1998; Delery & Doty, 1996; Huselid & Becker, 1996; Ichniowski et al, 1996; Youndt et al, 1996; MacDuffie, 1995; Wood & Albanese, 1995) whereas studies conducted on this topic in Asian countries are relatively limited (Stavrou, et al., 2010). This study investigates how two major theoretical HRM frameworks interact in practise within the Korean hotel industry.

This study proposes a new Strategic Human Resource Management (SHRM) approach suitable for the Korean deluxe hotel sector. This hotel sector has characteristics that reflect Korean culture in the workplace, Korean employment legislation and Korean employee relationships. The SHRM approach proposed by this study is tailored specifically to this sector and its characteristics.

1.2 BACKGROUND TO THE RESEARCH

South Korea is a country with a population of 50 million in 2012 and the 15th largest world economy by nominal GDP (World Bank, 2013). South Korea has considerable economic power and is one of the major G-20 countries (World Bank, 2013); is a member of the Organisation for Economic Co-operation and Development (OECD); is recognised as one of the *Asian Tigers*, along with Hong Kong, Taiwan, and Singapore; and has achieved fast-growing economic development from the early 1960s to the late 1990s. However, South Korea has experienced a period of economic turbulence, commonly known as the *International Monetary Fund (IMF) crisis*, in 1997. The crisis was due to failed management of foreign exchange reserves; failed management of the exchange rate; high levels of debt; and mismanagement of financial banks. As a result of the crisis, companies in almost every sector downsized and many unionised companies were bankrupted. Also, as a result of the crisis, South Korean companies started to adopt a Western style approach to employment and pay systems (Kim & Kim, 2003). Nevertheless, South Korea recovered faster and more vigorously from the financial crisis through economic reform (OECD, 2011). South Korea has posted a 4% average annual increase in its GDP over the last decade, and posted record lows for both government debt and unemployment (OECD, 2011).

In 2012, South Korea's tourism industry (i.e. hotels, travel agents, airlines and other passenger transportation services) contributed 5.2% to GDP, generating 617,500 jobs and 2.5% of total employment (WTTC, 2013). The total number of employees in the tourism sector is 1,815,000 (WTTC, 2007) and the number of employees in the South Korean hotel industry is 49,559 (KTO, 2009). Leisure travel spending represented 81.1% (KRW56,231.4bn) of the total GDP generated by South Korea's travel and tourism sector in 2012, whereas business travel spending contributed just 18.9% (KRW13,086.2bn). In the same sector and over the same period, domestic travel spending contributed 66.4% whereas foreign visitor spending contributed 33.6% to

travel and tourism GDP in 2012 (WTTC, 2013). The total number of customers who used hotels was 20,747,073 in 2010 and it had increased by 9.4% compared to 2009: the number of those who were foreign customers were 8,746,162 (42.2%) and the number of domestic customers were 12,000,911 (56.8%), which shows that more domestic customers used hotels than foreign customers (Korea Culture & Tourism Institute, 2010). The number of foreign visitors to South Korea in 2009 was 7,817,533, an increase of 13.4% compared to 2008 (Cultural Heritage Administration, 2012). The number of hotel customers increased by 7.7% in 2008, by 19.8% in 2009 and by 9.4% in 2010, demonstrating a continuous rise in numbers despite the global economic slowdown. It is a remarkable fact that deluxe hotel sales represented 72.9% (proportionately super deluxe hotels: 55.6%, deluxe hotels: 17.3%) of total sales in the hotel industry (Korea Culture & Tourism Institute, 2010), despite the fact these hotels have only a 23% share of the overall hotel market in South Korea (KCTI, 2008). This shows that the deluxe segment, whilst not dominating the sector numerically, generated a higher value customer spend and higher sales overall. Focusing on the further and future developments of this market segment is therefore important to an understanding of the economic success of the South Korean hotel industry. Because of the year on year increases in hotel customers, a greater number of hotel rooms were required in the Korean hotel industry (Korea Culture & Tourism Institute, 2010). In addition, the hotel industry was a major strategic focus at national level. Therefore the Korean government carried forward a plan to develop it and established the Tourism Promotion Act, recognising the Korean hotel industry as very important sector for the Korean economy. The government expected an expansion in hotel businesses to bring higher employment and an increase of total sales would contribute to the wealth of the Korean economy.

The radically changing global economy pushes companies to consider all available resources as a means of surviving or making a profit. In this context, HRM is considered key to gaining a competitive advantage (Storey & Billsberry, 2005; Ghobadian, et al., 2004; Boxall & Purcell, 2003). Modern day company managers are expected to develop an understanding of SHRM to a far greater extent than their predecessors. Many studies have demonstrated the importance of SHRM to organisations (Ngo et al., 2008; Chang & Huang, 2005; Jain, 2005; Baker, 1999). In order to improve performance and create a competitive advantage, organisations can design their SHRM policies to “diagnose firm strategic needs and planned talent development, which is required to implement a competitive strategy and achieve

operational goals” (Huselid et al., 1997, p. 173). In other words, a central feature of successful SHRM is that it helps to achieve business objectives by designing and implementing HR practices which match with the firm’s strategy. The concept of strategic human resources can be defined as “a general approach to the strategic management of human resources in accordance with the intentions of the organisation on the future direction it wants to take. It is concerned with longer term people issues as part of the strategic management processes of the business” (Armstrong & Baron, 2002, p.41). By this definition, the aim of SHRM is to provide guidance on the companies’ future management of their employees by way of managerial decisions based on long-term HRM planning. Many researchers have concluded that HRM practices affect organisational performance; therefore this area has remained the focus of a great deal of attention among HR researchers and practitioners (Harries, 2007; Colakoglu et al., 2006; Hartog, et al. 2004; Paul & Anantharaman, 2003; Haynes & Fryer, 2000).

In evaluating the relationship between SHRM and organisational performance, there has been considerable debate over the last two decades as to the relevance of two main theoretical frameworks, ‘best practice’ and ‘best fit’ (Storey & Billsberry, 2005; Ghobadian, et al., 2004; Boxall & Purcell, 2003; Gratton, et. al., 2000). Best practice argues that all organisations will have improved performance through identifying and adopting best practices, regardless of the quality of HR management (Boxall & Purcell, 2000); whilst best fit argues that HR strategy will be more effective when it is tailored to its specific organisational and environmental context (Alleyne, et al., 2006).

Best practice scholars highlight several human resource practices always associated with a positive influence on firm performance (Boselie et al, 2005; Gould-Williams, 2004; Wright et al, 2003; Appelbaum et al, 2000; Pfeffer, 1998; Delery & Doty, 1996). Pfeffer’s (1998) framework of best practice identifies seven dimensions of HR practice: employment security, selective hiring, self-managed teams or team working, high compensation contingent on organisational performance, training, reduction of status differences and sharing information. His findings assert that “the effects of high performance management practices are real, economically significant and general – and thus should be adopted by all organisations” (Pfeffer, 1998, p. 34). An earlier work by Youndt (Youndt, et.al, 1996) identifies four dimensions of HR practice - staffing, training, performance appraisal, and compensation - and asserts that HR practice is predominately related to multiple dimensions of operational performance: employee

productivity, machine efficiency, and customer alignment. Both of these studies emphasise that a particular set of HR practices can influence organisational performance, and both claim that best practice is universally applicable to any organisation irrespective of the context in which it operates (Gould-Williams & Mohamed, 2010; Marchington & Grugulis, 2000). Pfeffer's (1998, p. 69) study highlights the importance of employment security; however, this is excluded by other authors (Wood & de Menezes, 1998; Delaney & Huselid, 1996; Youndt et al., 1996). In a similar vein, Pfeffer's (1998) research misses the 'independent employee voice', whereas Alleyne et al (2006) identify it as best practice for union members. As such, there is no consistency in adopting the same HR practices across theories of best practice. As mentioned, best practice studies have primarily been conducted in Western countries such as the US and the UK (Murphy, et al., 2007; Konrad & Deckop, 2001; Pfeffer, 1998; Delery & Doty, 1996; Huselid & Becker, 1996); and best practice researchers did not consider the potential impacts of differences in national culture and management style (Budhwar & Khatri, 2001; Budhwar & Sparrow, 2002a).

The best fit approach, as opposed to the generalisations of the best practice approach, stresses that HR strategy will be more effective when appropriately integrated with its specific environmental and organisational context (Alleyne et al, 2006; Boxall & Purcell, 2003). The best fit model includes the central concept of external fit (vertical fit) and internal fit (horizontal fit). External fit refers to how well HRM practices and organisational contexts are aligned: "HR strategy should be combined with business strategy such that there is a consistency between the values and aims within each" (Hoque, 1999a, p. 421). Thus, the best fit approach proposes business strategy as a crucial factor in determining what HR system is most appropriate within a specific organisation (Miles & Snow, 1978). Best fit scholars (Miles & Snow, 1984; Schuler & Jackson, 1987) categorise the types of HRM strategy and suggest that organisations should adopt a suitable set of HRM policies and practices combined with a business strategy that is made up of the three strategies of innovation, cost reduction and quality enhancement (Schuler & Jackson, 1987). A number of contingent studies proved the HRM impact and business strategy (Michie & Sheehan, 2005; Khatri, 2000; Hoque, 1999a; Koch & McGrath, 1996; Youndt et al., 1996; Schuler & Jackson, 1987; Miles & Snow, 1984). The Korean hotel industry has an important quality segment; the deluxe hotel sector accounts for 23% of the overall hotel market share in Korea (KCTI, 2008). This fact indicates deluxe hotels may only make up a small proportion of all hotels, but

the sector generates high per-customer income. Deluxe hotels are expected to adopt quality enhancing strategies as opposed to cost reduction strategies because these hotels compete on the basis of quality for customers who expect a high level of service. Hence quality enhancement practice is considered as the key to lead competitive success in deluxe sector (Hoque, 1999a). In addition, the role of service delivery plays a crucial role in service industry, and plays an important part in business success (Ayupp & Chung, 2010; Chiang & Jang, 2008; Klidas et al., 2007). In relation to this, researchers highlight the importance of 'employee empowerment' in particular situations related to service delivery, this emphasis on employee empowerment is considered a key employment strategy in service organisations (Ayupp & Chung, 2010; Amenumey & Lockwood, 2008; Chiang & Jang, 2008; Klidas, et al., 2007; Littrell, 2007; Haynes & Fryer, 2000; Hales & Klidas, 1998; Anastassova & Purcell, 1995; Wynne, 1993). As a result, customers who experience greater satisfaction through hotel employees' actions are more likely to return to the hotel in the future.

Best fit scholars advocate societal fit in relation to national culture (Boxall & Purcell, 2003). Hofstede (1994) stresses that culture has a strong effect on people's behaviour; as such, cultural understanding within companies is crucial, as culture is a core component to the successful performance of companies (Budhwar & Sparaw, 2002a; Budhwar & Sparaw, 2002b). Therefore, for the purpose of this study, it is essential to fully understand the culture of Korea as leading to certain behaviours. Korea has a distinctive national culture as described by Hofstede: South Korea is a collectivist society, with high power distance, a relatively feminine characteristic, and strong uncertainty avoidance, including an adherence to Confucianism. In the case of Korea, the collective approach, as understood by Hofstede, may be related to the concept of collective voice, which is expressed through trade unions (Purcell, 1987).

An essential goal of trade unions is the improvement of employees' welfare by way of mobilising representatives to speak out about current issues on the behalf of union members. The distinctive difference is that trade unions are independently organised and they speak against business organisations. That is, there exists two different concepts of collectivism; firstly an emphasis on strong kinship ties in terms of Hofstede's view; secondly the strong collective voice through trade unions playing an important role in Korean organisations. Furthermore, the reason why this study is very important is that trade unions, which have a high level of union density compared to the

low level in the UK (the level of unionisation in Korean deluxe hotel sector is 39.8% (in Seoul and Busan) whereas the level of unionisation within the accommodation and food service is 3.8% in the UK (National Statistics Publication: Trade Union Membership, 2010)): thus the strong trade unions are likely to impact more on HRM in Korea.

This study focuses on the deluxe hotel sector in Korea where companies are expected to focus on a strategy of quality enhancement. This study expects to demonstrate a new type of HRM that contrasts well with Western countries because Korea is very different in terms of the collectivistic and individualistic nature of HRM derived from national culture. Korean deluxe hotels also recognise trade unions; the sector has a high level of trade union density compared to Western countries (i.e. the UK). In addition, the criteria of how to define what constitutes deluxe hotels is very different to those found in Western countries. This makes an interesting context to explore relationships; it is important to comprehend the variety of characteristics relevant to the make up of Korean hotels, so as to develop a suitable strategic human resource management practice, which can lead to an expansive and successful hotel sector in Korea.

There have been differently identified HRM practices (Michie & Sheehan, 2005; Khatri, 2000; Koch & McGrath, 1996; Youndt et al., 1996; Pfeffer, 1994), bundles of practices (Stavrou et al., 2010; Jiménez-Jiménez & Sanz-Valle, 2005; Purcell, 1999; Dyer & Reeves, 1995) and work systems (Lepak et al., 2006; Huselid, 1995) in order to evaluate the link between HRM and organisational performance in HRM literature. This study identifies HRM practices because many scholars in both best fit (Michie & Sheehan, 2005; Khatri, 2000; Koch & McGrath, 1996; Youndt et al., 1996) and best practice (Boselie et al, 2005; Gould-Williams, 2004; Wright et al, 2003; Appelbaum et al, 2000; Delery & Doty, 1996) literature talk about this area seen as HR practice. Hence this study looks at what HR practices were utilised in previous literature and identifies the importance of human resource management practice to organisational performance. As a result this study has identified eight dimensions of HR practices which are aligned with organisational performance; there is a lot of overlap from previous studies which means there have been many similar areas covered in the quality enhancing HRM and best practice areas, as presented below (See Table 1.1)

Table 1.1 Eight dimensions of HR practice

	HR practices	Authors
Recruitment and selection	<ul style="list-style-type: none"> ■ Importance of good recruitment ■ Use of at least one of the following selection methods: psychometric testing; personality test, aptitude tests 	Michie & Sheehan, 2005; Boxall & Purcell, 2003; Ahmad & Schroeder, 2003; Pfeffer, 1998; Youndt et al., 1996; Koch & McGrath, 1996; Huselid, 1995; MacDuffie, 1995.
Training and development	<ul style="list-style-type: none"> ■ Provide good training to improve skills ■ Investment in training ■ Development of broad range of skills as a quality enhancing strategy 	Ahmad & Schroeder, 2003; Pfeffer, 1998; Koch & McGrath, 1996; MacDuffie, 1995; Schuler & Jackson, 1987.
Performance appraisal	<ul style="list-style-type: none"> ■ Formal performance appraisals ■ Performance measured with objectively quantifiable results ■ Performance appraisal includes goal-setting 	Chow, et al., 2007; & Sheehan, 2005; Khatri, 2000; Youndt et al., 1996; Schuler & Jackson, 1987; Huslid, 1995; Miles & Snow, 1984.
Job design	<ul style="list-style-type: none"> ■ Flexible job descriptions that are not linked to one specific task ■ Deliberate design of jobs to make full use of workers' skills and abilities (i.e. use of job enrichment and/or autonomous work groups) ■ Work organised around teamwork for the majority of staff ■ Job enrichment 	Chand & Katou, 2007; Chow, et al., 2007; Alleyne et al., 2006; Michie & Sheehan, 2005; Hoque, 1999a; Miles & Snow, 1984.
Job security	<ul style="list-style-type: none"> ■ Emphasis on job security ■ It is very difficult to dismiss a permanent employee in this hotel ■ If the hotel was facing economic problems, employees would be the last to be cut 	Chow, et al., 2007; Alleyne et al., 2006; Michie & Sheehan, 2005; Schuler & Jackson, 1987
Compensation and pay systems	<ul style="list-style-type: none"> ■ Use performance-based pay ■ Incentives ■ A merit element in the pay of staff at all levels ■ Formal appraisal of all staff on a regular basis, and at least annually 	Chand & Katou, 2007; Alleyne et al., 2006; Ahmad & Schroeder, 2003; Khatri, 2000; Hoque, 1999a; Pfeffer, 1998; MacDuffie, 1995; Schuler & Jackson, 1987; Miles & Snow, 1984.
Service quality issues	<ul style="list-style-type: none"> ■ Production/service staff responsible for their own quality ■ The majority of workers currently involved in quality circles or quality improvement teams ■ Regular use of attitude surveys 	Chand & Katou, 2007; Alleyne et al., 2006; Hoque, 1999a.
Employee voice and consultation	<ul style="list-style-type: none"> ■ Encouraged a high employee involvement and participation to achieve organisational performance ■ Open communication 	(Michie & Sheehan, 2005; Khatri, 2000) Pfeffer, 1998; MacDuffie, 1995.

Regarding recruitment and selection, researchers agreed on the importance of good recruitment (Boxall & Purcell, 2003; Ahmad & Schroeder, 2003; Pfeffer, 1998; Huselid, 1995; MacDuffie, 1995) and sophisticated selection methods (Michie & Sheehan, 2005; Youndt et al., 1996; Koch & McGrath, 1996) to achieve organisational performance. In order to respond to a rapidly changing business environment, some studies proposed that businesses should provide good training to obtain skills they needed (Ahmad & Schroeder, 2003; Pfeffer, 1998; MacDuffie, 1995) and investment in training (Koch &

McGrath, 1996). Also Schuler and Jackson (1987) require the development of a broad range of skills as a quality enhancing strategy. With regards to the performance appraisal, both best fit and best practice literature highlighted the importance of using it (Michie & Sheehan, 2005; Khatri, 2000; Youndt et al., 1996; Schuler & Jackson, 1987; Huslid, 1995; Miles & Snow, 1984) but best fit literature emphasised more on the performance appraisal than best practice literature. The purpose of job design is to enhance employees' productivity, therefore job enrichment (Miles & Snow, 1984), and teamwork (Michie & Sheehan, 2005; Miles & Snow, 1984) are encouraged for innovation. The innovation strategy would emphasise excellent job security (Alleyne, et al., 2006; Schuler & Jackson, 1987) however Miles and Snow (1984) argue that companies needed to hire temporary employees to achieve an innovation strategy, therefore there was no agreement between the researchers. In relation to compensation and pay systems, some researchers proposed the use of performance-based pay (Khatri, 2000; Pfeffer, 1998; MacDuffie, 1995; Miles & Snow, 1984) and incentives (Ahmad & Schroeder, 2003; Schuler & Jackson, 1987; Miles & Snow, 1984). The hotel industry has a strong reliance on its employees' rapport with customers, so the delivery of personal service plays a very important role in the service industry, and good service delivery is essential for business success (Ayupp & Chung, 2010; Chiang & Jang, 2008; Klidas et al., 2007). Therefore some literature showed that the issue of service quality was very important in the hotel industry (Alleyne et al., 2006; Hoque, 1999a). Regarding employee voice and consultation, previous literature showed that companies encouraged a high employee involvement and participation to achieve organisational performance (Michie & Sheehan, 2005; Khatri, 2000) and also reduced status differences through open communication (Pfeffer, 1998; MacDuffie, 1995).

Previous empirical research into HRM has focused mainly on managements' view in Western countries (Dany et al, 2008; Gooderham et al, 2008; Petrescu & Simmons, 2008; Verburg et al, 2007; Green et al, 2006; Tzafrir, 2006; Ordiz & Fernández, 2005; Tzafrir, 2005; Jiménez-Jiménez & Sanz-Valle, 2005; Long & Shields, 2005; Michie & Sheehan, 2005; Rodríguez & Vntura, 2003; Panayotopoulou et al, 2003; Richard & Johnson, 2001; Christmann, 2000; Delery & Doty, 1996; Youndt et al, 1996; Huselid, 1995; Macduffie, 1995) and some Asian countries (Takeuchi, 2009; Ngo et al, 2008; Wei & Lau, 2008, Wei et al, 2008; Wang & Shyu, 2008; Liao, 2005; Khatri & Budhwar, 2002; Bae & Lawler, 2000; Khatri, 2000). Little research has been conducted on HRM in terms of employees' view (Boselie et al, 2003; Gibb, 2001; Kim & Rowley, 2006;

Chang & Huang, 2005; Paul & Anantharaman, 2003) and in the aspect of trade union's view (Benson, 2000) based on non-hospitality industry (i.e. manufacturing industry, bank, and automobile industry). In a similar vein, most of the empirical research into HRM in the hospitality industry has been conducted by the management view in Western countries (Gannon et al, 2010; Chow et al, 2007; Watson et al, 2007; Alleyne et al, 2006; Maxwell et al, 2004; McGunnigle & Jameson, 2000; Haynes & Fryer, 2000; Hoque, 2000), and very little in Asian countries (Chand & Katou, 2007). Also very little research has been published on HRM in terms of trade unions' view (Lowery & Beadles II, 1996). The HRM literature provides two central arguments: first, these earlier studies clearly show that there is a significant amount of work on managements' view (including HR managers' view), very little on employees' view, and almost none on trade unions' view. The evidence shows that the HRM researchers are more likely to have neglected employees' voice; this is because researchers consider management views more important regarding HR practices in most organisations. Wright et al. (2003) emphasise the importance of the employees as a source because employees are the biggest human resource in companies. In addition, a single view does not play a large role in understanding the HRM in the organisation (Verburg et al, 2007) therefore the previous researchers have demonstrated the different views of HR practices between management and employees (Gould-Williams & Mohamed, 2010; Choi, 2008; Edgar & Geare, 2005; Hope, 2004; Glover, 2001; Kelliher & Perrett, 2001; Sparrow & Wu, 1998; Watson & D'Annunzio-Green, 1996) and between employees and trade unions (Lee, 2004). However, there are actually none on HRM research involving all of the views of management, employees, and trade unions in one combined study; most studies on HRM have been conducted in Western countries than Asian countries and as a result it has highlighted the debate between best practice and best fit approach. Best fit scholars point out that 'fit', includes the concept of 'industry fit', 'organisational fit', and 'societal fit' (Boxall & Purcell, 2011). For example, HRM characteristics vary between the hospitality and manufacturing sectors. Therefore the hotel industry would seek to employ different employment strategies in comparison to the manufacturing industry, because hotel management recognises the importance of employees delivering customer satisfaction for their business (Haynes & Fryer, 2000) (i.e. 'industry fit'). As discussed above, this study focuses on Korean deluxe hotels, hence the deluxe hotels have a business strategy based on quality enhancement strategy and the levels of service; such as investment in training to enhance performance of hotel employees to meet the complex service demands of customers (i.e. 'organisational fit'). Hofstede's cultural

research (2001) shows that national cultures vary country-by-country; the cultural dimensions are widely referenced in the business literature, therefore the cultural values can influence the use of different HR practices in Korea compared to Western country (i.e. 'societal fit'). In addition, more recent research has identified that the differences of national values and attitudes in HRM exist between countries (Gould-Williams & Mohamed, 2010; Stavrou et al, 2010; Hansson, 2007; Budhwar & Sparrow, 2002a; Brewster, 1993).

Currently, debate in the area of cross-national human resource management shows that scholars have proposed different models of HRM within nations (Gould-Williams & Mohamed, 2010; Stavrou et al, 2010; Hansson, 2007; Budhwar & Sparrow, 2002a; Brewster, 1993) to resolve "cultural solutions to social problems" (Crozier 1964 as quoted in Tayeb 1998, p. 335). There currently exist divergent HRM practices among countries because of culture and legislation, the type of ownership, trade union representation, and employee involvement (Brewster et al., 2004; Brewster, 1993). It should be noted that "country clusters formed on the basis of strategic HRM would need" (Stavrou et al., 2010, p.934) to understand distinctive HRM practices within different countries. For example, union involvement is weak in the UK and Ireland, and these countries culturally emphasise individual performance, while practices in Germanic and Nordic countries indicate that uncertainty avoidance and employee voice are quite strong. Stavrou et al (2010) explore the importance of geographic context and find the link between human resource management and organisational performance through business systems theory. The results indicate the importance of combining cultural and institutional antecedents and the correlations with cultural studies (i.e. House et al, 2004; Hofstede, 2001) to adopt cross-national HRM in specific contexts. Fundamentally, most models of cross-national HRM indicate that best fit and best practice are a Western concept (Stavrou et al, 2010; Gould-Williams & Mohamed, 2010). However, this area of HRM has a restricted sample and "such an ethnocentric approach was understandable and unavoidable" (Budhwar & Sparrow, 2002a, p. 378). In addition, it is hard to answer the question of whether the Western concept of national HRM is even applicable in other parts of the world. Therefore, this study explores the context-specific nature of HRM in non-Western countries based on the practices of Korean deluxe hotels.

1.3 RESEARCH AIMS AND OBJECTIVES

The main aim of this study is to develop a framework of SHRM, which takes account of the characteristics of deluxe hotels in the context of Korea, especially its culture and employee relations. Also, the concept of organisational justice will be used to understand the employee perceptions regarding how they feel about the HR practices their hotel adopts. This study seeks to develop a new theoretical conceptualisation of the strategic human resource management in the Korean hotel industry. Based on the above background, the aims and objectives of this research can be defined as follows:

1.3.1 Aims of the investigation

To explore the key strengths of Strategic Human Resource Management (SHRM) in the Korean deluxe hotel industry, to develop a suitable SHRM framework which takes account of the characteristics of deluxe hotels in the Korean context, including the concept of quality enhancing strategy, quality enhancing external standards for deluxe and super deluxe hotels, Korean legislation, Korean culture, and the effects of strong trade unions. This study aims to examine 1) how the HR practice is enacted in Korea; 2) what the internal and external factors which influence the Korean hotel industry are; and 3) what impact the HR practice has on employees and trade unions. Also this study will explore the different views of HR managers, employees and trade unions about the HR practices in deluxe hotels.

1.3.2 Research Objectives

1. To critically review the literature on strategic human resource management, including the concepts of quality enhancing strategy, quality external standards for deluxe and super deluxe hotels, Korean culture, strong trade unions, and to develop a conceptual framework based on the characteristics of deluxe hotels in Korea.
2. To explore the HR practices which are used in deluxe and super deluxe hotels and establish the internal and external factors which influence the Korean hotel industry through the views of hotel HR managers, employees and trade union representatives
3. To evaluate the relationship between the SHRM practices as experienced by employees and how the employees feel about them, utilizing the concept of organisational justice.
4. To evaluate the role of best fit and best practice within the Korean hotel context.

5. To make a contribution to knowledge related to the development of key drivers and employee outcomes which are derived from the Korean context and which can be applied in different international contexts.

1.4 THE STRUCTURE OF THE THESIS

The structure of this research is as follows. Chapter 1 gives a background to the research, aims and objectives and the research framework of the study. Chapter 2 discusses Korean hotel structure, how in Korea hotel ratings are allocated according to quality bands, and discusses national culture based on the view of Hofstede, and Confucianism. Also chapter 2 discusses the role of trade unions in Korean deluxe hotels. Chapter 3 reviews SHRM by comparing two concepts of 'best practice' and 'best fit HRM' within the hotel industry, including organisational justice and employee outcomes.

Chapter 4 discusses why this study has used mixed methods and presents a research design that is composed of a descriptive survey for HR managers, interviews with HR managers, trade union representatives at the hotel and company levels, and questionnaires for employees. Chapter 4 also involves the development of survey instruments and the characteristics of sample and pilot studies.

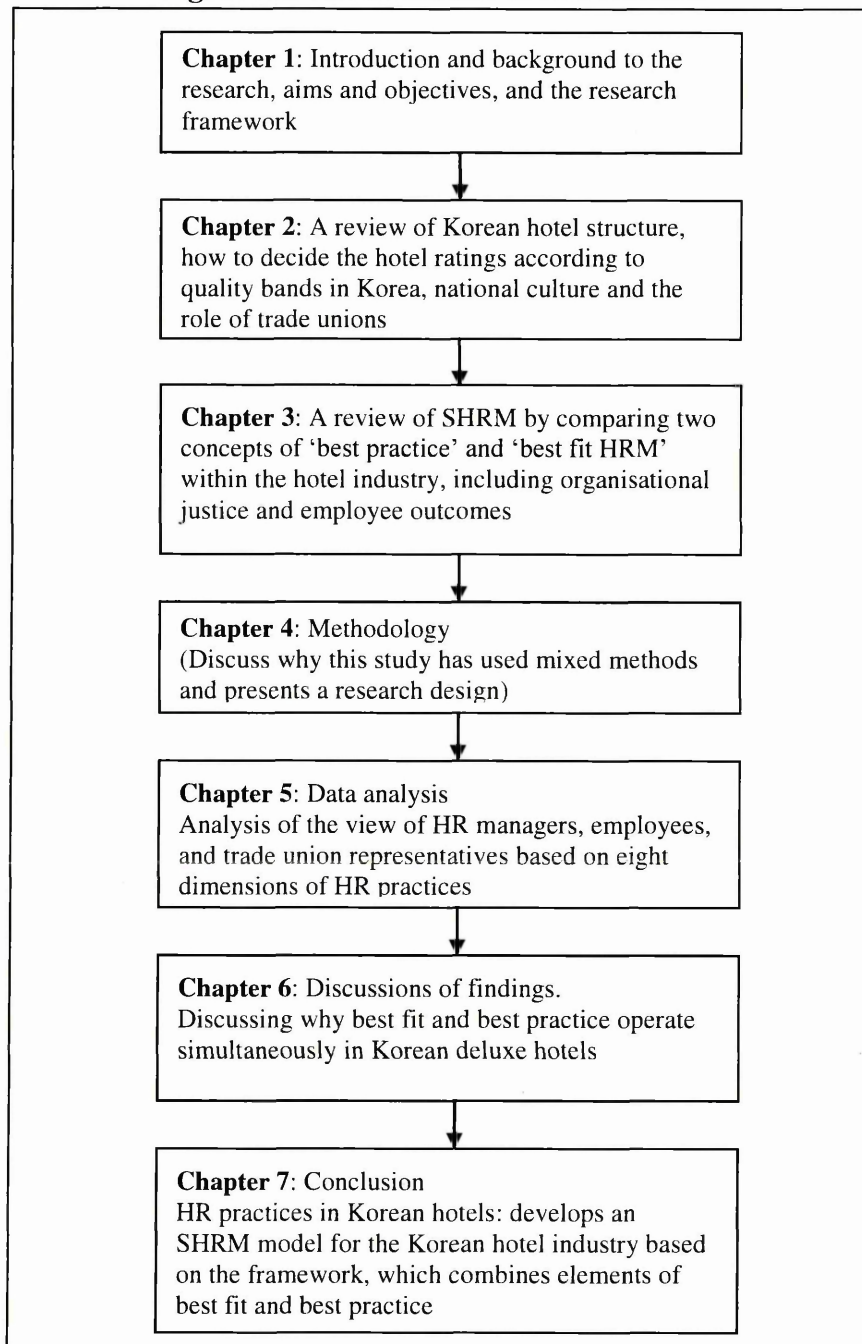
Chapter 5 analyses the view of HR managers, employees and trade union representatives based on eight dimensions of HR practice (i.e. recruitment and selection, training and development, performance appraisal, job design, job security, compensation and pay systems, quality issues and employee voice and consultation). Also this chapter presents the general characteristics of all respondents, and debates on the business strategy of hotels' HR managers, and the HR practices which are aligned with the outcomes from employees' perceptions, including organisational justice.

Chapter 6 discusses a suitable SHRM framework that is well-tailored to the Korean hotel industry. This chapter explores the relationship between best fit and best practice from the findings of qualitative and quantitative analysis. The concept of best fit and best practice is discussed in terms of a global context in chapter 3, however the findings of this study are specifically related to the Korean context. As a result, this chapter discusses why contextual elements such as culture, legislation and trade unions might

drive best practice rather than best fit. The main argument of this chapter is why best fit and best practices operate simultaneously in Korean deluxe hotels. Also this chapter discusses what good practice and bad practice are from the perspective of HR managers and employees.

Finally, chapter 7 provides the key contribution of this study and develops an SHRM model based on framework, which combines a combination of best fit and best practice: the key divers which cover business strategy, culture, legislation, trade unions and financial context. Also this chapter recommends further research in the hotel industry. The structure of the thesis is as depicted in figure 1.1 below.

Figure 1.1 The Structure of this research



1.5 CHAPTER SUMMARY

This chapter has covered the introduction to the research on a distinctive SHRM in the Korean hotel industry by recapitulating the research background, aims and objectives, and research framework. The next chapter provides an overview of the Korean hotel structure, how the hotel ratings are decided by comparison of Tourism Promotion Act and AA (Automobile Association) inspectors in Korea and UK. Also the next chapter discusses the national culture in terms of Hofstede's (1983) view, including Confucianism and the role of trade unions in the hotel industry.

CHAPTER 2

KOREAN HOTEL INDUSTRY: BACKGROUND AND CONTEXT

2.1 INTRODUCTION

This chapter introduces the structure of the Korean hotel industry and the quality standards used to allocate hotel ratings in Korea and the UK. In order to investigate aspects of the Korean context which might impact on SHRM, the chapter explores the concept of collectivism, power distance, the role of femininity within the workplace and uncertainty avoidance in terms of Hofstede's (1983) view, including Confucianism. Also this chapter reviews the different concepts of collectivism both in relation to Hofstede's view and also the collective voice of the trade unions, the role of trade unions in the hotel industry, and the structure of Korean trade unions.

2.2 HOTEL STRUCTURE

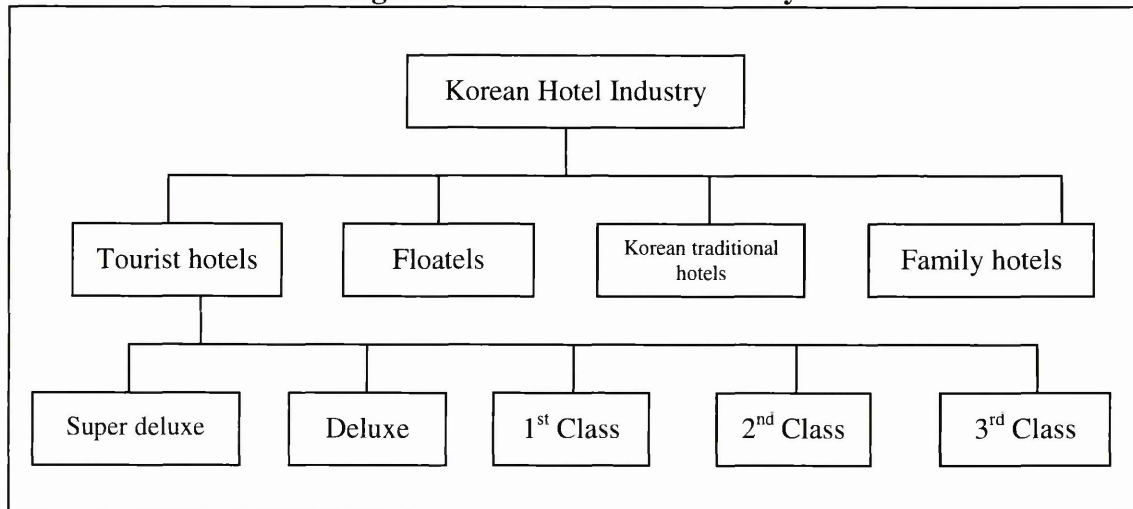
Korea's Gross Domestic Product (GDP) was \$1,338 trillion in 2008, one of the four largest in Asia. The GDP composition by sector was services 57.6%, industry 39.5% and agriculture 3%. Services have a dominant position in Korea (CIA, 2009). Korea's tourism competitiveness index rating was 4.72 in 2009, an improvement of 0.04 over its 2008 rating. It is ranked 31 out of 133 countries (the first ranked country, Switzerland, rated 5.68 in 2009) (World Economic Forum, 2009). The hotel industry is one of the strategic industries at national level in Korea as discussed in chapter 1. Supporting the development plan for the hotel industry, the Korean government has provided regulations in relation to the hotel business. The Tourism Promotion Act (1986) provides a classification of the hotel structure and specifies the differences between the types of hotel in Korea.

The hotel industry in Korea is categorised into the following: tourist hotels, floatels, Korean traditional hotels and family hotels. Tourist hotels should be equipped with over 30 rooms with bathrooms, should have facilities to provide services to foreigners and should have real-estate holdings or licences. The floatels need to get permission from authorities to fulfil the laws of the river, and need sewage treatment facilities to

avoid river pollution. Floatels also must be equipped with over 30 rooms with bathrooms, provide services for foreigners and have real-estate holdings or licences. The appearance of traditional Korean hotels must resemble traditional Korean houses and bathrooms or shower facilities are needed to give convenience for customers. The hotels are required to provide services for foreigners and should have real-estate holdings or licences. Finally, family hotels should be equipped with cooking facilities in each room or have a communal kitchen on every floor. Over 30 rooms are required with bathrooms or shower facilities and each room size must be over 19 square meters. Traditional Korean hotels also need to provide services for foreigners and have real-estate holdings or licences (KCTI, 2010).

Figure 2.1 presents the structure of the Korean hotel industry defined by the government but, in practice, there are virtually no existing floatels operating, there is only one company operating Korean traditional hotels in Jeju and there are not many family hotels in Korea compared to tourist hotels (Tourism Promotion Act, 1986). Thus, there are some relationships between tourist hotels and the Korean hotel industry mainly made up of tourist hotels which are classified as super deluxe, deluxe, 1st class, 2nd class, and 3rd class (luxury hotels mean super deluxe and deluxe properties in Korea). This influences how the Korean hotel industry develops.

Figure 2.1 Korean Hotel Industry



The majority of tourist hotels are in big cities such as the capital, Seoul, and the second city Busan. Table 2.1 shows how many rooms there are in tourist hotels by rating of hotels and region in Korea. There are 18 super deluxe and 22 deluxe hotels in Seoul, whilst there are 4 super deluxe and 5 deluxe hotels in Busan. The number of super

deluxe international chain hotels is 13, and the number of super deluxe Korean owned hotels is 5, whilst the number of deluxe international chain hotels is 9, and the number of Korean owned hotels is 13 in Seoul. The number of super deluxe international hotel chains is 1 and the number of super deluxe Korean owned hotels is 3, the number of deluxe international hotel chains is 1 and the number of deluxe Korean owned hotels is 4 in Busan (See Table 5.1, page 124).

Tabel 2.1 Tourist hotels in Korea (2008)

	Super deluxe		Deluxe		1 st Class		2 nd Class		3 rd Class		Un-classified		Total	
	NC	NR	NC	NR	NC	NR	NC	NR	NC	NR	NC	NR	NC	NR
Seoul	18	9600	22	4792	35	3827	19	891	14	662	9	283	117	20055
Busan	4	1946	5	758	11	937	12	598	11	487	1	48	44	4774
Daegu	2	492	6	422	11	517	1	65	1	33	0	0	21	1529
Incheon	2	700	4	610	3	200	10	471	13	484	3	101	35	2566
Gwangju	0	0	2	172	6	361	5	240	1	32	3	113	17	918
Daejeon	1	174	2	411	5	301	6	231	3	145	0	0	17	1262
Ulsan	2	495	0	0	1	75	1	103	1	43	3	65	8	781
Gyeonggi	0	0	4	393	25	1723	14	653	17	871	9	465	69	4105
Gangwon	4	480	8	1282	10	558	3	97	2	82	4	274	31	2773
Chungbuk	1	328	1	180	12	908	1	30	4	133	0	0	19	1579
Chungnam	0	0	3	467	3	241	5	223	1	37	4	152	16	1120
Jeonbuk	1	118	2	276	4	261	3	165	0	0	0	0	10	820
Jeonnam	1	208	2	104	10	412	3	75	5	50	1	32	22	881
Gyeongbuk	5	1698	2	401	15	564	9	420	10	450	2	144	43	3647
Gyeongnam	1	80	3	419	12	950	6	308	4	199	4	170	30	2126
Jeju	12	3356	3	346	15	1281	4	241	2	96	5	237	41	5557
Total	54	19675	69	11033	178	13116	102	4811	89	3804	48	2054	540	54493

Source: Korea Culture & Tourism Institute (2008)

Footnotes: NC (Numbers of Company), NR (Numbers of Room)

There is a remarkable company in Korea called ‘Chaebol’ which is a large, family-owned, industrial conglomerate, and this has developed by authoritarian rule during the last four decades (Campbell II & Keys, 2002). As a result, Chaebol has sustained fast-growing development due to a back-scratching alliance between government and the business, which has had a significant impact on the Korean economy. Also they have a number of subsidiary companies involved in electrical products, semiconductors, cosmetics, department stores, amusement parks, restaurants, clothing, a petrochemical

The Tourism Promotion Act provides the definition of deluxe hotels in Korea. That is, it defines how to assign a hotel rating using specified criteria in Korea. The Tourism Promotion Act provides the criteria for deciding the hotel rating of tourist hotels. The main criteria consist of 11 parts:

1. Hotel front, lobby and hallway
2. Room sector
3. Restaurants and kitchen sector
4. Management and operation of additional facilities
5. Hotel staff welfare and contribution to tourism industry
6. Parking facilities sector
7. Architecture and equipment sector
8. Electricity and communications sector
9. Fire fighting and safety sector
10. The level of customer satisfaction sector
11. Additional marks

So, the rating of tourist hotels is based on those criteria, and the difference in hotel rating follows the decision criteria (marked on the basis of 1000 points). The hotel rating is decided by the score the hotel receives. For example, super deluxe hotels (over 90 %), deluxe hotels (over 80 %), 1st Class (over 70 %), 2nd Class (over 60%), 3rd Class (over 50 %). Korean tourist hotels have five grades according to the score the hotel obtains, and deluxe hotels and super deluxe hotels are considered as five star hotels. Therefore, both super deluxe and deluxe hotels are marked with five stars, or the rose of Sharon that is regarded as the national flower of Korea. There is a difference between the emblems for super deluxe and deluxe hotels: the super deluxe hotel has a gold rose of Sharon background whilst for deluxe hotels it is green. The evaluation team that examines these items consists of the views of over six people (evaluation of service condition and customer satisfaction is by 3 people, evaluation of architecture and equipment, evaluation of parking facility is by 1 person, evaluation of electricity and communications facility is more than 1 person, evaluation of fire fighting and safety is more than 1 person) and reviewers are appointed by the Secretary of the Ministry of Culture and Tourism. They work for 5 years as a reviewer but the integrity of their decisions is diminished if they unjustly or illegally evaluate a hotel. In addition, they cannot reveal any information related to hotel facilities and operation without the hotel's

permission. The principal criteria are focussed mainly on the facility sector (hotel front, lobby, hallway, room sector, restaurant and kitchen sector) additional facilities, parking facilities sector, architecture and equipment sector, electricity and communications sector, fire fighting safety sector, additional score mark (i.e. if hotels have international conference facilities) and non-facility sector (i.e. customer satisfaction). These criteria will determine what hotel ratings are assigned in the Korean hotel industry.

The Automobile Association (AA) also provides quality standards for hotels and how to decide hotel ratings according to quality bands in the UK. The range of hotel rating is composed of one star (30-46%), two star (47-54%), three star (55-69%), four star (70-84%) and five star hotel (85-100) and the hotel rating is decided by AA inspectors. The AA dictates which are the main criteria for hotel ratings and the main criteria consist of 10 parts:

1. Overall standards
2. Services
3. All meals: dining quality and information
4. Breakfast
5. Other meals
6. Bedrooms
7. En suite bathroom & shower rooms and private facilities
8. Public areas
9. External areas
10. Annexes

The AA guide explains the specific measurement criteria of each level of hotel in the UK. The AA provides a more detailed measurement criterion which means it offers the exact criteria from one star to five star hotels to help understand each hotel's rating by the inspectors, unlike Korean hotel ratings. For example, Korean hotel ratings provides the same criteria to all levels of hotels and the ratings is divided into five classes of hotel rating score by evaluators .

The AA standards also concentrate on the facility sector (rooms, restaurants, public areas, external areas, shower facilities, private facilities and annexes) and non-facility sector (service). However, in contrast to Korean hotel ratings, the AA guide focuses

more on the room and restaurant sectors, and it is likely to be expected that the AA guide will be concentrated on the room and restaurant sector for customer needs.

As previously indicated, the Korean hotel ratings are composed of super deluxe, deluxe, 1st Class, 2nd Class and 3rd Class, whereas the UK, hotel ratings consist of one star, two star, three star, four star and five star hotels. The AA guide shows that similar criteria are required for four star and five star hotels, but there are small differences between them because the five star hotels are more likely to have additional luxury facilities and a higher class of service than four star hotels. Korean deluxe hotels seem to correlate to four star hotels and super deluxe hotels seem to correlate to five star hotels in the UK. Korean deluxe and super deluxe hotels are considered as five star hotels in Korea. The AA guide shows that four and five star hotels are categorised as luxury hotels in the UK. That is, four or five star are categorised as luxury hotels and the strategy is based on emphasising quality enhancement as being key in the UK. Hence, both Korean deluxe and super deluxe hotel and four star and five star hotels are classified as the same standard of luxury hotels.

There are different characteristics for hotel ratings between Korea and the UK. The main difference is that the Korean standards are more demanding in many ways. Firstly, the Korean standards tend to consider the capability of front line staff and how they provide the specific services for customers. For example Korean standards take into account several aspects: staff knowledge of their role, language capability, the installation and operation of a hotel safe and the management status of room keys. It also takes into account the booking services of cultural event tickets, trains, buses, flights, car hire, shuttle buses and computerisation of check in and out. While UK standards also provide a booking service (i.e. theatre, sightseeing trips, taxis, travel etc.) it seems less specific and all encompassing than in Korea. Furthermore, the UK standards do not require language capability of staff and do not suggest front staff have foreign language capability for their work. In addition, Korean standards evaluate how to harmonise between the hotel theme and its interiors, plus they examine the customers' overall impressions. Standards in the UK consider guest needs and provide good space and a comfortable atmosphere in terms of the hotel front, lobby and hallway sector. Korean standards focus on harmony which provides a good impression to the customers. UK standards seem to consider more practical aspects, which are divided

into two guest categories of business and leisure, in which they offer comfort and space in the hotel front.

Secondly, Korean standards normally expect the operation of a Korean restaurant in deluxe hotels because if the hotels manage the restaurant, they can get a higher score, which means Korean standards tend to encourage running a restaurant in the hotel. Additionally, Korean standards consider the restaurant atmosphere including there are flowers on the table and pictures on the wall.

Korean standards take into account the overall harmony in the restaurant in the restaurants and kitchen sector. The distinctive feature is that restaurant staff are well-groomed (i.e. consider the status of staff hair, shaving, nails, uniform), having a good knowledge about the menu, attitude towards guests, a command of foreign languages. Furthermore, Korean standards emphasise the importance of hygiene, therefore it tends to specify strict criteria for kitchen staff; unlike UK standards that consider hygiene but do not provide any specific criteria.

Thirdly, Korean standards include using of additional facilities (i.e. fitness club, saunas, swimming pool, performance hall and arcade) while, the AA guide does not provide additional facilities in terms of management and operation of additional facilities. In addition, Korean standards provide international conference facilities in the hotel but the AA guide does not require it. Furthermore, the AA guide provides an annexes sector for customer convenience, such as how easy it is to get to the main building of the hotel.

Fourthly, Korean standards take into account the beauty or character of hotel's appearance, and the harmony between the hotel and its surroundings, while UK standards do not include the criteria of architectural appearance, but both standards consider how they should keep a very good level of maintenance and temperature control systems in terms of architecture and equipment sector. In addition both standards deal with fire fighting and safety, however Korean standards include particular criteria such as fire drills for employees within the past year, and knowledge of emergency procedures for employees, which means Korean standards are likely to include preparation for emergency situations for added customer safety.

Fifthly, Korean standards provide more concrete criteria in the aspect of customer satisfaction. Basically both standards seem to suggest various criteria for customer satisfaction, but Korean standards tend to also include particular criteria such as employee attitudes (i.e. greeting attitude, appearance, uniforms and manner of speaking), phone etiquette, how to respond to complaints from customers, and degree of satisfaction with various online booking systems on the hotel website, travel sites and by telephone. Furthermore, Korean standards tend to encourage the hiring of staff who have a license, such as hotel general managers or cooks that have proven their qualities and who have a license from the Korean government.

The second main difference is that Korean standards are appreciably more concerned with staff welfare: for example, provision of a staff restaurant, staff welfare facilities, and employee benefits (i.e. scholarships, rewards, holidays, go on a picnic, have a company track meet, and social gatherings for friendship, such as climbing, and a choir). In addition, Korean standards involve contributions to the tourism industry (i.e. international conferences, academy, performances, concerts and festivals) and also take account of employee education conditions (i.e. commissioned education related to hotel association, guest speakers, using hotel instructor) and education systems (i.e. provision of job training, general education, service education and foreign language instruction), where the hotel should consider the harmony between hotel staff and local people through events or community services, to gain a greater hotel rating score. The Korean standards seem more concerned with the welfare of employees, the relationship between the hotel and the local community, and contributing to the tourism industry.

On the other hand, there is a similarity between Korean and UK standards. Both standards distinguish between facility and non-facility aspects and explain the specifics of each criteria. In other words, hotels must provide very good facilities and a high level of service in achieving quality standards. For example, staff follow more particular criteria such as the need to be dressed appropriately, maintain their service skills and also to pay attention their speaking manner, greetings, phone etiquette and attitude towards customers. The role of staff in providing quality service is directly connected to the overall hotel image and this influences the future success of the hotel. As a consequence, the role of staff is considered an essential part of luxury hotels.

Previous studies also provide tangible criteria on how to distinguish quality enhancement hotels in terms of facilities aspects (Lewis, 1987; Nightingale, 1985) and intangible quality standards (Hoque, 2000). Lewis (1987) suggests criteria, such as providing soap in the wash rooms, clean rooms, providing quality of meals, serving meals at the proper temperature, appropriate number of bars. Nightingale (1985) also includes the following criteria, such as the quality of facilities, quality of food in a restaurant, and the quality of information in luxury hotels. Hoque's (2000) study distinguishes quality enhancing hotels based on the AA criteria and outlines the following criteria for a competitive strategy in terms of non-facility aspects: reception staff are required to deal with customers while standing; front-line staff are empowered with the authority to ensure a high standard of service, as well as for settling customer complaints; providing a prompt procedure for check in and check out; and hotel service is evaluated via the use of mystery customers (i.e. booking procedures, and service delivery). The specific criteria used for grading luxury hotels in Korea and by the AA are explained in Appendix 1 (See page 279).

The main point is that Korean luxury hotels demonstrate distinctive characteristics which take into account how to improve employee welfare and indicates there are more selective requirements for staff in these hotels. In addition, the criteria based on Tourism Promotion Act are demanding compared to the AA (Automobile Association). As stressed above, the Korean luxury HRM hotels show certain distinct characteristics: for example, hotels using foreign language scores as a selection requirement have been affected by the Tourism Promotion Act. Additionally, the key aspect of Korean Labour Law does not allow staff recruitment from outside the Korean labour market, with the exception of general managers and chefs. Also Korean hotels must follow other requirements such as conducting the appropriate legal level of fire training as set by Occupational Safety, hygiene education as set by the Health Act, and sexual harassment prevention education under the Equal Employment Opportunity Act. This evidence highlights the important regulations have on managing HR practices in Korean hotels.

2.4 NATIONAL CULTURE IN KOREA

National differences should be considered in operating companies because nationality is very important to management in terms of political, sociological and psychological views (Hofstede, 1983). The importance of national culture is a common element

accepted by most members of each country (Adler, 1991). That is, most countries have their own culture that presents different types of behaviour. Furthermore the employees' specific ways of working, according to each country, influence its organisation, thus cultural differences have become an essential issue in operating management (Sparrow & Wu, 1998). Recently, cross-cultural researchers have criticised that it would be difficult to capture "today's new cross-cultural management environment characterized by change and paradox in borderless and wireless cultural learning, knowledge transfer, and synchronized information sharing" from the paradigm of Hofstede (Fang, 2009, p. 155). However Hofstede's model (1980) has been widely used to understand national cultural differences which includes value and behavioural variations among scholars and practitioners (Jones, 2007; Furrer et al., 2000, Ross, 1999). Also his work was the most widely cited because the author found that Hofstede's 1980 study received 31,760 citations from researchers using the Google scholar system, that implies many researchers agreed with his cultural view and therefore this evidence reinforces the use of Hofstede's paradigm in this study. Related to national culture difference, Hofstede (1994) categorises four dimensions which emphasise organisational behaviour: power distance; individualism versus collectivism; masculinity versus femininity, and uncertainty avoidance.

"All societies are unequal, but some are more unequal than others" (Hofstede, 1983, p. 81). Power distance refers to the extent to which a culture accepts that organisations and institutions distribute power unequally. Power distance is associated with the degree of centralisation of authority and autocratic leadership. For example, some country's employees are less afraid of their managers, and these managers are not often too paternalistic or autocratic, so they consult with their employees about company problems before reaching a decision. Alternatively employees from other countries are afraid to disagree with their managers and the managers are seen as autocratic or paternalistic; thus managers make decisions autocratically or paternalistically. The power distance can be classified into high and low power distance cultures. The basic assumption of high power distance is an unequal relationship between managers and subordinates. A high power distance implies managers should be respected for authority based on a hierarchical system. In such societies, managers are entitled to privileges with strong power, which means managers ask employees to carry out their instructions, but at the same time they should take full responsibility for all instructions given, including employee welfare. The characteristic of high power distance is more

focusing on one-way communication and centralised decision-making by managers, while subordinates are required follow their managers' directions with few questions in the work place (Sparrow & Wu, 1998). That is, most employees tend to depend on their managers in high power societies. The employees who work in high power societies involve the following attributes: "subordinates expect to be told what to do; there is a lot of supervisory personnel, structured into tall hierarchies of people reporting to each other; salary systems show wide gaps between top and bottom in the organisation; workers are relatively uneducated, and manual work has a much lower status than office work" (Hofstede, 1991, p. 55). Low power distance societies assume managers and employees have equal rights, which means managers are expected to be less powerful. Therefore, the characteristics of low power distance societies are emphasising more decentralised decision making and mutual communication based on lower hierarchical pyramids. Basically, employees accept the decisions made by managers, but employees expect to be consulted before managers make a decision that will influence their work. The employees who work in low power societies have the following attributes: "workers are highly qualified; high-skill manual work has a higher status than low-skill office work; privileges for higher-ups are basically undesirable; all should use the same parking lot, toilets and cafeteria; salary ranges between top and bottom jobs are relatively small" (Hofstede, 1991, p. 56).

The degree of power distance is measured from 0 (small power distance) to 100 (large power distance). Asian countries such as South Korea (60) and Japan (54) show a high value of power distance, while Western countries such as the US (40) and UK (38) show a low value of power distance. Furthermore, there is a relationship between collectivism and power distance because collectivist societies are always associated with high power distance, while individual societies do not always expect to show low power distances. In other words, Asian societies have a tendency to be collectivist with high power distances, while Western societies tend to combine low power distance with individualism. Examples of a combination of high power distance and an individualistic society are France, Italy, Spain and South Africa (Hofstede, 1983).

Hodgetts, et al. (2006) emphasise that South Korea is a high power distance society. They illustrate, as an example of power distance, the fact that managers demand hard work from their employees, and employees have little chance to talk about their organisation, although they contribute many ideas from the broad use of quality circles,

as in Japan. Korea and Japan are both high power distance societies, thus managers have a tendency to be respected and their opinions accepted by their employees. Table 2.2 summarises the differences between high and low power distance and shows the specific HR practices related to high power distance.

Table 2.2 High/Low Power distance and HRM practices

	Low Power Distance	High Power Distance
Basic conception	<ul style="list-style-type: none"> ▪ Assume managers and employees have equal rights ▪ Emphasise more decentralised decision making and mutual communications based on flat hierarchical pyramids ▪ Employees accept the decision by managers, but employees expect to be consulted before making a decision that will influence their work ▪ Privileges for managers are unacceptable ▪ Related to Western countries such as US and UK 	<ul style="list-style-type: none"> ▪ An unequal relationship between managers and subordinates ▪ Focus on one-way communication and centralised decision making by managers ▪ Managers should be respected for authority based on hierarchical systems ▪ Managers are entitled to privileges with a stronger power ▪ Managers that ask employees to carry out their instructions also need to take all the responsibility for the instructions ▪ Most employees tend to depend on their managers ▪ Related to Asian countries such as Korea and Japan
Job design		<ul style="list-style-type: none"> ▪ Managers ask hard work of their employees (Hodgetts, et al., 2006)
Employee voice and consultation		<ul style="list-style-type: none"> ▪ Employees are commanded by managers to answer 'YES' (i.e. ignore employees' opinion) (Hodgetts, et al., 2006)

Individualism and collectivism are opposite concepts; for example, individualism focuses on personal goals whilst collectivism seeks group goals. The collectivist view indicates that an individual is required to follow group needs rather than individual needs (Triandis, 1994). Individualistic people have a tendency to leave a group and seek their own personal goals if the group does not satisfy their needs as a group member. Previous studies support the hypothesis that "individualism encourages individual interests and competitiveness, while collectivism encourages collective interests and cooperative behaviours" (Ramamoorthy & Carroll, 1998, p. 573). Related to this, members of collectivistic oriented groups have a greater tendency to cooperate more than individualistic oriented members in a group (Cox et al., 1991) and cooperative behaviour demonstrated during a task by group members can be positively

related to collectivism (Wagner, 1995). Unlike Hofstede's other three dimensions, several studies have been conducted into the specific HR practices associated with individualism and collectivism.

Ramamoorthy and Carroll (1998) examine the usefulness of conceptualizing individualism and collectivism between job seekers' attitude and HRM practices. They divide HR practices into five dimensions such as employee selection, performance appraisal, reward systems, promotion, and job security. The basic assumption is that individualism and collectivism are different in the degree of use of cognitive ability tests to hire employees. Bernardin and Russell (1993) report that cognitive ability tests are used more commonly in the US and UK than in most other countries. The main purpose of the selection test is to measure an individual's ability to perform well in their job. Thus, in terms of individualism, selection practices should consider the individual's rights, interests and job compatibility as selection's sole criteria. In contrast, a collectivism organisation would not consider ability as the sole criteria for performing the job, but would also consider extended families and loyalty (Ramamoorthy & Carroll, 1998). Individualism suggests formal performance appraisal systems rather than informal appraisal systems, and this evidence is more prevalent in the US than collectivistic countries (Kim et al., 1990). Previous studies involve the following appraisal practices, such as clear performance objectives, the process of target setting, performance against pre-set objectives, performance evaluation and feedback processes (Lawler, 1992; Murphy & Cleveland, 1991; Carroll & Schneier, 1981). Collectivist organisations emphasise group objectives, rewards, and informal appraisal system (i.e. bosses do not give formal feedback or formally evaluate employees) (Taylor, 1991; Pucik & Katz, 1986). Individualism stresses the relationship between pay and performance based on the concept of equity, whilst collectivism points out job security which promotes employee commitment to the organisation and encourages teamwork and group accomplishments (Gomez-Mejia & Welbourne, 1991) in terms of reward system practices. Finally, collectivist organisations emphasise group harmony, intragroup cooperation and collective interests (Ibid) with a focus on seniority-based promotions and employee loyalty by career systems; this differs from individual organisations which have less focus on seniority and are based on job achievements. Thus, individualist organisations generally emphasise personal goals, individual needs, individual interests and competitiveness, use of cognitive ability tests, consider ability as a selection's sole criteria, formal performance appraisal systems, and focusing less on

seniority. Collectivist organisations, however, pursue group goals, group needs, collectivistic interests, cooperative behaviours, group harmony, do not consider ability as sole criteria, use informal performance appraisal systems, recognise job security, have seniority-based promotions and believe in employee loyalty. Ramamoorthy and Carroll (1998) find specific individualism and collectivism dimensions influence the effectiveness of specific human resource management practices (i.e. job security, equality in reward allocations) which are positively associated higher collectivism orientation. In a similar vein, Sparrow (1995) finds some distinctive national patterns of HRM and this is associated with the average size of organisations, national business systems, and management styles. Table 2.3 explains how there are differences between individualism/collectivism and specific aspects of HR practices. Korea is a collectivist society; thus Korean organisations mainly have an emphasis on group goals, group needs, collectivistic interests, cooperative behaviours, group harmony, informal performance appraisal systems, job security, seniority-based promotions and employee loyalty in organisations (Hofstede, 1994).

Table 2.3 Individualism/Collectivism and HRM practices

	Individualism	Collectivism
Basic conception	<ul style="list-style-type: none"> Individualism organisations generally emphasise personal goals, individual needs, individual interests and competitiveness 	<ul style="list-style-type: none"> Collectivism organisations pursue group goals, group needs, collectivistic interests, cooperative behaviours and group harmony
Recruitment and Selection	<ul style="list-style-type: none"> Use of cognitive ability tests to measure individual ability as a selection's sole criteria (Bernardin & Russell, 1993) Less focus on seniority and more focus on job achievements (Ramamoorthy & Carroll, 1998) 	<ul style="list-style-type: none"> Consider extended families and loyalty to the organisation, not considering cognitive ability test as a sole criteria (Ramamoorthy & Carroll, 1998) Hiring by considering their loyalty and seniority (Ramamoorthy & Carroll, 1998; Gomez-Mejia & Welbourne, 1991)
Training and development		<ul style="list-style-type: none"> Promoting by considering their loyalty and seniority (Ramamoorthy & Carroll, 1998)
Performance appraisal	<ul style="list-style-type: none"> Suggests formal performance appraisal systems (Lawler, 1992; Murphy & Cleveland, 1991; Kim et al., 1990; Carroll & Schreire, 1981) Formal appraisal process with feedback about performance (Ramamoorthy & Carroll, 1998) Emphasis on individual achievements (Ramamoorthy & Carroll, 1998) 	<ul style="list-style-type: none"> Emphasise informal appraisal system (i.e. bosses do not give formal feedback or formally evaluate employees) (Taylor, 1991; Pucik & Katz, 1986) Emphasis on group incentives (Ramamoorthy & Carroll, 1998)

Job design	<ul style="list-style-type: none"> ■ Individual focused (Ramamoorthy & Carroll, 1998) 	<ul style="list-style-type: none"> ■ Group focused (Ramamoorthy & Carroll, 1998)
Job security		<ul style="list-style-type: none"> ■ Point out job security which promotes employee commitment to the organisation and encourages teamwork and group accomplishments (Ramamoorthy & Carroll, 1998; Gomez-Mejia & Welbourne, 1991)
Compensation and pay systems	<ul style="list-style-type: none"> ■ Stresses the relationship between pay and performance based on the concept of equity (Ramamoorthy & Carroll, 1998) ■ Monetary success (Ramamoorthy & Carroll, 1998) ■ Performance-based (Ramamoorthy & Carroll, 1998) 	<ul style="list-style-type: none"> ■ Emphasise on group rewards (Ramamoorthy & Carroll, 1998; Gomez-Mejia & Welbourne, 1991; Sekaran & Snodgrass, 1986) ■ Seniority based on pay (Ramamoorthy & Carroll, 1998) ■ Pay based on hierarchical status (Ramamoorthy & Carroll, 1998) ■ Long-term employment relationships (Ramamoorthy & Carroll, 1998) ■ Seniority or loyalty based rewards (Ramamoorthy & Carroll, 1998)

In order to explain the role of each sex in society, Hofstede (1983) labelled it masculinity versus femininity. Hofstede's masculinity index refers to the extent to which a culture accepts the division of roles between the genders according to indigenous society. The societies are classified by the sex roles based on a division of how they are controlled in society. Some countries tend to allow quite a different divide between the sexes, for example men are given more dominant roles and women 'more service-oriented and caring roles' (Hofstede, 1983, p. 85). Masculine societies emphasise that men should be assertive and ambitious and so they tend to pursue personal accomplishment and aspire to be respected. The characteristics of individuals who live in such a society show that they have a more speculative lifestyle with more time being spent learning, obtaining or exploring qualifications which are transferable in the work place (Sparrow & Wu, 1998).

Masculine societies place an emphasis on results and try to reward people based on equity in the organisations. In addition, industrially developed masculine societies tend to be more developed on the manufacturing side which generates substantial production and equipment used is based on efficiency and speed. In comparison women are more focussed on the importance of relationships and quality of life in society. Feminine societies are more concerned with the dominant values which are associated with the

feminine role: “not showing off, putting relationships with people before money, minding the quality of life and the preservation the environment, helping others, in particular the weak and small is beautiful” (Hofstede, 1983, p.85). Individuals from such a society tend to be more conservative and have less need to seek new qualifications because they more likely to stay in their current job (Sparrow & Wu, 1998). The organisations considered giving rewards that are based on equality in feminine societies. Feminine societies have a competitive advantage in service industries such as consulting and transport rather than manufacturing industry.

The degree of masculinity index is measured from 0 to 100: a high score indicates a very male oriented society, while a low score means a more female oriented society. The masculine index shows that the country with the most masculine society is Slovakia, closely followed by Japan, Austria, Italy, Switzerland, Ireland and UK. Countries with a moderately male oriented society are Australia, New Zealand, Greece and Hong Kong. The feminine oriented societies are in countries such as Denmark, the Netherlands, Norway and Sweden. The masculinity index shows that the UK (66) has a more masculine society than Korea (39), and that is Korea has a relatively feminine society. In relation to the masculinity, Still (1994) emphasises that women employees are still given less opportunities for promotion than men. Therefore, the more masculine societies tend to see companies give men priority in terms of promotion than women. Table 2.4 explains the characteristic of masculine and feminine societies.

Table 2.4 Masculinity/Femininity and HRM practices

	Feminine Society	Masculine Society
Basic conception	<ul style="list-style-type: none"> ▪ Focussed on the importance of relationships and quality of life in society ▪ Concerned with the dominant values which are associated with the feminine role ▪ More conservative and have less need to seek new qualifications ▪ Organisations considered rewards based on equality ▪ Have a competitive advantage in service industries such as consulting and transport ▪ The feminine countries are Denmark, Netherlands, Norway and Sweden 	<ul style="list-style-type: none"> ▪ Men should be assertive and ambitious so they tend to pursue personal accomplishment and want to be respected ▪ Have a more speculative lifestyle with more time being spent learning, spending or perusing qualifications ▪ Emphasise results and try to rewar based on equity in the organisations Industrially developed masculine: <ul style="list-style-type: none"> ▪ Societies tend to be more developed in manufacturing ▪ Masculine countries are Japan, Austria, Italy, Switzerland and Ireland

Training and development		■ Men are given more priority in terms of promotion than women (Still, 1994)
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Uncertainty avoidance is associated with the extent to which society members feel threatened by uncertainty in their environment and human behaviour. Some societies have a higher level of anxiety and nervousness in situations of uncertainty. Hofstede (1983) calls it ‘uncertainty avoidance’, and divides it into two concepts of strong and weak uncertainty avoidance. Societies with strong uncertainty avoidance people tend to have high stress and high anxiety levels in an ambiguous situation. These sorts of people are more prone to adopting less formal rules, which allow more flexibility, whilst also allowing them to pursue more short-term initiatives and goals (Sparrow & Wu, 1998). However, weak uncertainty avoidance society members think they can control their life and environment, and those people have a tendency to play it safe by seeking to apply more formal rules, make longer term plans and have less risky ideas/behaviours. Hofstede (1991) explains that a drinking culture as an example of anxiety. In those countries who strongly avoid uncertainty, such as Asian countries (i.e. Korea, Japan and Taiwan) employees express their emotions, such as pent-up aggression between colleagues and even toward managers, after getting drunk. However, the next day the employees keep working as normal and as if the night before had not happened. Such drinking bouts can mean that they are accustomed to be institutionalised towards anxiety. However, people who live in countries with weak uncertainty behave without aggression and emotion, and their anxiety levels are rather low. On the other hand, Hofstede (1983) shows that societies with a strong level of uncertainty consider creating more security and avoid risks, therefore, he emphasises three ways of creating security. Firstly, people use technology for security. People feel safe by protecting themselves by using technology, for example they build a dam for flood control, and dykes for preventing natural disasters. Secondly, people create laws that is we protect ourselves against antisocial human behaviour through the creation of law. The passing of laws and formal rules describes not willing to accept different opinions and defiant behaviours. The third way of creating security is religion. All human societies have their religions, and they want to be protected by their religion against uncertainty. In societies which strongly avoid uncertainty, religion claims absolute truth in their beliefs, therefore one religion cannot tolerate another religion. In a similar vein, such a society considered absolute truths from a scientific tradition unlike in the weak uncertainty avoidance societies. “The uncertainty avoidance dimension,

thus, implies a number of things, from aggressiveness to a need for absolute truth, that we do not usually consider as belonging together. They appear to belong together in the logic of culture patterns, but this logic differs from our own daily logic. Without research we would not have found that, on the level of societies, these things go together” (Hofstede, 1983, p. 83). The degree of uncertainty avoidance index is measured from 0 to 100, though some countries scored greater than 100: the high score indicates a very strong uncertainty avoidance country, while a low score means a more weak uncertainty avoidance country. The uncertainty avoidance index shows that the strongest uncertainty avoidance country is Greece, closely followed by Japan, Slovenia and Korea, whilst Denmark, Jamaica, Singapore and UK are classed as weak uncertainty avoidance countries. Hofstede’s study (1994) proves Korea (85) is a strong uncertainty country where anxiety levels are relatively high. Therefore Korean employees feel more anxiety and stress in pressurised situations within their organisations than employees in the UK (35). Table 2.5 summarises the differences between strong and weak uncertainty avoidance societies.

Table 2.5 Strong/Weak Uncertainty Avoidance and HRM practices

	Weak Uncertainty Avoidance	Strong Uncertainty Avoidance
Basic conception	<ul style="list-style-type: none"> ■ Control their life and environment ■ Stay safe by seeking to use more formal rules, longer term planning and less risky ideas/behaviours ■ Behave without aggression and emotion, therefore anxiety levels are rather low ■ Weak uncertainty avoidance countries are Denmark, Jamaica and Singapore 	<ul style="list-style-type: none"> ■ Have high stress and high anxiety in an ambiguous situation ■ Adopt less formal rules ■ Consider creating security and avoiding risk by using three means of creating security (i.e. technology, law and religion) ■ Strong uncertainty avoidance countries are Greece, Japan, Slovenia and Korea
Job security		<ul style="list-style-type: none"> ■ Feel more anxiety, stress, urgency in situations in organisations (Hofstede, 1994)

There is another view about Korean national culture: “Koreans have respect for family authority, formality and class... Koreans are quite aggressive and hardworking, demonstrative, friendly and very hospitable. For the most part they do not subscribe to participative management. Family and personal relationships are important, and connections are vital for business introductions and transactions. Business is based on honour and trust and most contracts are oral. While achievement and competence are important to Koreans, a driving force in relationships is the priority of guarding both

parties' social and professional reputations. Thus praise predominates, and honest criticism is rare" (Dereski, 1997, p. 88). As stated in previous research, Korean culture is related to a collectivist society, which means South Koreans feel more comfortable in groups, high power distance contributes to the authority of managers and executives who want to be respected and have their opinions accepted by their employees. Korea is a feminine society that exhibits the tendency of such societies to concern themselves with dominant values associated with the role of femininity. Korea is a strong uncertainty country therefore anxiety levels are relatively high, which means Korean employees feel more anxiety, stress, and urgency in certain situations in organisations (Hofstede, 1994). Tables 2.2 – 2.5 show the basic conception of each dimension taken from Hofstede's model, and where possible provide examples of HR practices from different existing studies. In practice most previous studies focused more on individualism and collectivism than the other dimensions: as a result this study will expect to show how specific aspects of SHRM are different in Korea and how there are differences compared to other countries. Table 2.6 summarises that these HR practices show national culture differences based on the eight areas of HR practices from the previous literature.

Table 2.6 National culture differences and HRM practices

Strategic HR practices	Collectivism	Power distance	Masculinity/Uncertainty avoidance
Recruitment and selection	<ul style="list-style-type: none"> Consider extended families and loyalty to the organisation. (Ramamoorthy & Carroll, 1998) Hiring by considering their loyalty and seniority (Ramamoorthy & Carroll, 1998; Gomez-Mejia & Welbourne, 1991) 		
Training and development	<ul style="list-style-type: none"> Seniority-based promotions and employee loyalty (Ramamoorthy & Carroll, 1998; Sparrow & Wu, 1998) 		Masculinity <ul style="list-style-type: none"> Men are given more priority in terms of promotion than women (Still, 1994)
Performance appraisal	<ul style="list-style-type: none"> Emphasise informal appraisal system (i.e. bosses do not give formal feedback or formally evaluate employees) (Ramamoorthy & Carroll, 1998; Taylor, 1991; Pucik & Katz, 1986) Emphasis on group incentives (Ramamoorthy & Carroll, 1998) 		

Job design	<ul style="list-style-type: none"> ■ Prefer to work with others rather than working alone (Ramamoorthy & Carroll, 1998) ■ Employees who belong to group should realize that they sometimes are going to have to make sacrifices for the sake of the group as a whole (Ramamoorthy & Carroll, 1998) 	<ul style="list-style-type: none"> ■ Managers ask hard work of their employees (Hodgetts, et al., 2006) 	
Job security	<ul style="list-style-type: none"> ■ Emphasise job security (Ramamoorthy & Carroll, 1998; Gomez-Mejia & Welbourne, 1991) 		Uncertainty avoidance <ul style="list-style-type: none"> ■ Feel more anxiety, stress, urgency situations in organisations (Hofstede, 1994)
Compensation and pay systems	<ul style="list-style-type: none"> ■ Emphasise on group rewards (Ramamoorthy & Carroll, 1998; Gomez-Mejia & Welbourne, 1991; Sekaran & Snodgrass, 1986) ■ Pay increase by group performance (Sparrow & Wu, 1998) ■ Seniority based on pay (Ramamoorthy & Carroll, 1998) ■ Pay based on hierarchical status (Ramamoorthy & Carroll, 1998) ■ Long-term employment relationships (Ramamoorthy & Carroll, 1998) ■ Seniority or loyalty based rewards (Ramamoorthy & Carroll, 1998) ■ Pay decided by age and seniority (Sparrow & Wu, 1998) 		
Employee voice and consultation		<ul style="list-style-type: none"> ■ Employees are commanded by managers to answer 'YES' (i.e. ignore employees' opinion) (Hodgetts, et al., 2006) 	

2.5 CONFUCIANISM

Hofstede (1991) adds the new dimension of Confucianism, which is later termed 'long term oriented national cultures'. Kim and Park (2000, p. 232) define Confucianism as "morality and virtue must be reflected in a person's behaviour and actions" and "a virtuous person should be respectful in the manner which he conducts himself, reverent in the service of his lord, care for the common people, and be generous while being just" (Confucius 1979, V.16, cited in Kim & Park, 2000, p. 232). The findings show that traditionally, and in keeping with Confucianism, there is a widespread view in

Korea that younger people should respect their elders; therefore age is a very important method in the ranking of people in Korean organisations.

Confucianism has highlighted the importance of traditional values which aim to maintain “social order, harmony in the family or self-cultivation” that the emphasis on “respect authority and elders, loyalty (were transformed into company loyalty) and the importance of diligence for self-cultivation (was changed to working hard for one’s workplace)” (Kim & Park, 2003, p.44). It also involves cultural aspects such as sincerity and sacrifice that enable Koreans, at all levels in the organisation, to work hard for the sake of the organisation and the nation (Ibid). Confucianism is closely associated with family relationships based on the different role of family members (Kim & Finch, 2002) that imply Confucian traditions remain strong, and impact on gender roles in Korea (Sung, 2003). For example, women carry out domestic tasks and child-care while men are encouraged into economic activity outside the home for their family. This shows Korean society as being reflective of a male-centred society, such a traditional value promotes that “women were far easier to dismiss than their male counterparts, and they were expected to willingly relinquish their jobs so that more jobs could be preserved for men” (Kim & Finch, 2002, p. 48). Namely, this study has applied to Hofstede’s (1983) original four dimensions of national culture (i.e. collectivism, power distance, masculinity, uncertainty avoidance) and the new dimension of Confucian dynamism (Hofstede, 1991) to describe Korean culture. Also this study will look at how differences exist in HR practices among international chain hotels and Korean owned hotels, considering the elements of national culture.

2.6 TRADE UNIONS IN KOREA

In order to help better understanding about the management of employees, it is necessary to view the different approaches between individualism and collectivism. First of all, it is necessary to compare the definition of the conception of collectivism in terms of Hofstede’s view, and the other collective approaches, by considering the collective voice of trade unions. The collectivism of Hofstede’s perception is focused on group harmony, cooperative behaviour, group goals, collective interests, seniority-based promotions and employee loyalty. Therefore this concept has been approached to explain how those factors influence the way organisations achieve their goals, whilst the other collective approach is associated with the concept of a collective voice which is

from trade unions (Purcell, 1987). This notion demonstrates the relationship between employers and employees, because employees deliver their messages concerning the improvement of labour condition and employee welfare through elected representatives who speak out for employees. In summary, the collective approach, which involves trade unions, has different meanings to Hofstede's conception, and trade unions tend to stand together against common issues faced by employees. The distinctive characteristic of trade unions is that they are independent of the organisation.

Purcell (1987) divides management style into two dimensions, individualism and collectivism. Individualism is defined as "the extent to which personnel policies are focused on the rights and capabilities of individual workers" (Purcell, 1987, p. 533). That is, individualism is related to what extent employee policies are directed without any interference from collective organisations (i.e. trade unions). By comparison, collectivism is defined as "the extent to which management policy is directed towards inhibiting or encouraging the development of collective representation by employees and allowing employees a collective voice in management decision making" (Purcell, 1987, p. 533). The concept indicates that employers are associated with employees that have a collective voice through elected representatives. On the other hand, Fox (1974) suggests one dimension of management style such as pluralism and unitarism unlike Purcell. The unitary perspective emphasises an organisation's harmony and integration, and all members share the organisation's objectives and interests. The unitary approach supports management's prerogative in making decisions, and its right to operate is considered legitimate and accepted without opposition; that is, conflict is seen as irrational. Unitarist managers have a tendency to reluctantly accept the existence of trade unions in terms of the trade union's role. The trade unions are considered as "an intrusion into the organisation from outside", that surely means managers do not have any role (i.e. decision making and authority) for trade unions within the organisation (Salamon, 2000, p. 7). The pluralistic perspective assumes that there exists different groups within an organisation and can result in conflicts between employer and employees. In addition, the pluralism perspective emphasises co-operation between interested groups and is based on a collective relationship. The distinction of pluralistic perspective is that "the organisation is multi-structured and competitive in terms of groupings, leadership, authority and loyalty" (Salamon, 2000, p. 7). The employee group's concerns include the following personal terms, such as better pay and working conditions, better jobs and greater job security, and the specific situations that may

bring about an employee's conflicting behaviour. The pluralistic perspective ensures the legitimacy of employees' interests and their objectives through trade unions, which provide a counterbalance power to managers. There is a connection between the two management styles. Related to this, Storey and Bacon (1993, p. 670) mention that "the terms individualism and collectivism are used as near equivalents of the unitarist and pluralist approaches respectively". Further collectivism is associated with trade unionism and a pluralist approach whereas individualism is associated with a non-unionism and a unitarist approach.

The trade union function is classified by six categories such as power, economic regulation, job regulation, social change, member service and self-fulfilment (Salamon, 2000). The power function is related to collective strength which protects the individual and provides a countervailing power to managers. The economic regulation is to maximise the wages of employee members within the organisation. The job regulation is associated with establishing a joint rule-making system for protecting their members from arbitrary manager's behaviours and for getting an opportunity that participates in decision making within the organisation. The function of social change is reflected by the conception of social cohesion and political ideology of their members. A wide range of benefits is provided to the individual members in terms of member services. Finally, individual members may achieve self-fulfilment through the processes of decision making within the organisation. That is, trade unions have an important role in labour management relationships (Gordon et al., 1980).

HRM is associated with an organisation's policies and activities and management of labour. Previous studies have attempted to examine the relationship between performance of HRM approaches and trade unions (Benson, 2000; Bacon & Storey, 1996; Kessler & Purcell, 1995; Storey, 1992; Guest, 1987). Studies related to trade unions focus on the relationship between trade unions and commitment (Snape & Chan, 2000; Gordon & Ladd, 1990; Gordon et al., 1980; Porter et al., 1974). Gordon et al. (1980) indicate that there is a correlation between the definitions of union commitment and company commitment. In this respect, employee relations literature has argued that the adoption of the HRM paradigm provides employees with an appropriate voice mechanism. In order to approach the issue, Benson (2000) examines the comparison of the employees' voice between union and non-union Australian workplaces. The study is divided into seven dimensions of voice mechanisms, such as collective organisation,

negotiations, consultation, appraisals, procedures, committees and representatives. The result shows that union employees have significantly more voice mechanisms than non-union employees. In addition, alternative voice mechanisms are also significant in union workplaces and some forms of collective voice are significantly related to management initiatives. Concerning trade unions, the previous study focused on the relationship between HRM and collectivism versus individualism (Bacon & Storey, 1996), there coexists both individualism and collectivism by matrix of management style (Kessler & Purcell, 1995). Furthermore, Guest (1995) suggests that unions are encouraged and protected in the conduct of high quality management practices at work places in the UK. However, mainstream HRM literature tends to considerably disprove the relationship (Guest, 1995). There is likely to be a limitation to testing the impact of trade unions on HRM in the hotel context because there is little attention is paid to trade unions within the industry (Hoque, 2000). Hoque's (2000) study proves that weak unions exist because trade union density is only 4% in the UK (Culley et al., 1999). Also, more recent work (Jane, 2005) shows that trade union density is only 5% in the hotel and restaurant sectors in the UK. As a result, trade union impact can be considered negligible in the approach taken to HRM in the hotel industry. That is, managers have a prerogative, for example, to require their employees to unilaterally accept their decisions in the UK hotel industry, which would be subject to consultation and negotiation in other industries. By comparison, the Alleyne, et al.' study (2005) demonstrates that the trade union density in the Barbados hotel industry is 36%, which shows that the Barbados Worker's Union (BWU) (the main union) delivers a collective voice, unlike that in the UK. For example, BWU has drawn good results such as a collective agreement that covers basic pay, hours of work, grievance and disciplinary procedures. In comparison to the UK, the employee context shows that there is a strong collective voice through trade unions in the Barbados hotel industry. Korean deluxe hotels recognise 39.8% of trade unions density in Seoul and Busan, as mentioned in the first chapter. This fact is indicative of the strong collective voice obtained through trade unions, and a very different dynamic in terms of collectivism and individualism within HRM. Therefore, this study is very important in examining, for example, the reasons why Korean deluxe hotels have a high trade union density, as well as how the trade unions impact on HRM and the roles of trade unions in Korea.

Korea is composed of 7 cities and 9 provinces. The total number of deluxe hotels is 123 in Korea and there are 49 deluxe hotels in two cities such as Seoul, which is the capital,

and Busan which is the second city and a very famous tourist destination in Korea (See Figure 2.2). The two cities occupy 69% of all hotel rooms in deluxe hotels over other cities (See Table 2.1). The number of trade unions recognised by international chain hotels is fourteen, whereas the number of trade unions recognised by Korean owned hotels in Seoul and Busan, is fifteen (See Figure 2.2). This figure indicates that the level of unionisation in deluxe hotels is 39.8% in Seoul and Busan: the level of unionisation in international chain hotels is 19.5% while the level of unionisation in Korean owned hotels is 20.3%. Therefore, Korean owned hotels occupy a higher rate of trade union membership over international hotel chains, but the figures show no difference between them in the deluxe hotels. Since the early 1970s, trade unions established international chain hotels first and this influences Korean owned hotels. The deluxe hotels will have more collective voice than cut-price hotels in Korea.

Figure 2.2 Focus on two major cities of the study in the Korean hotel industry

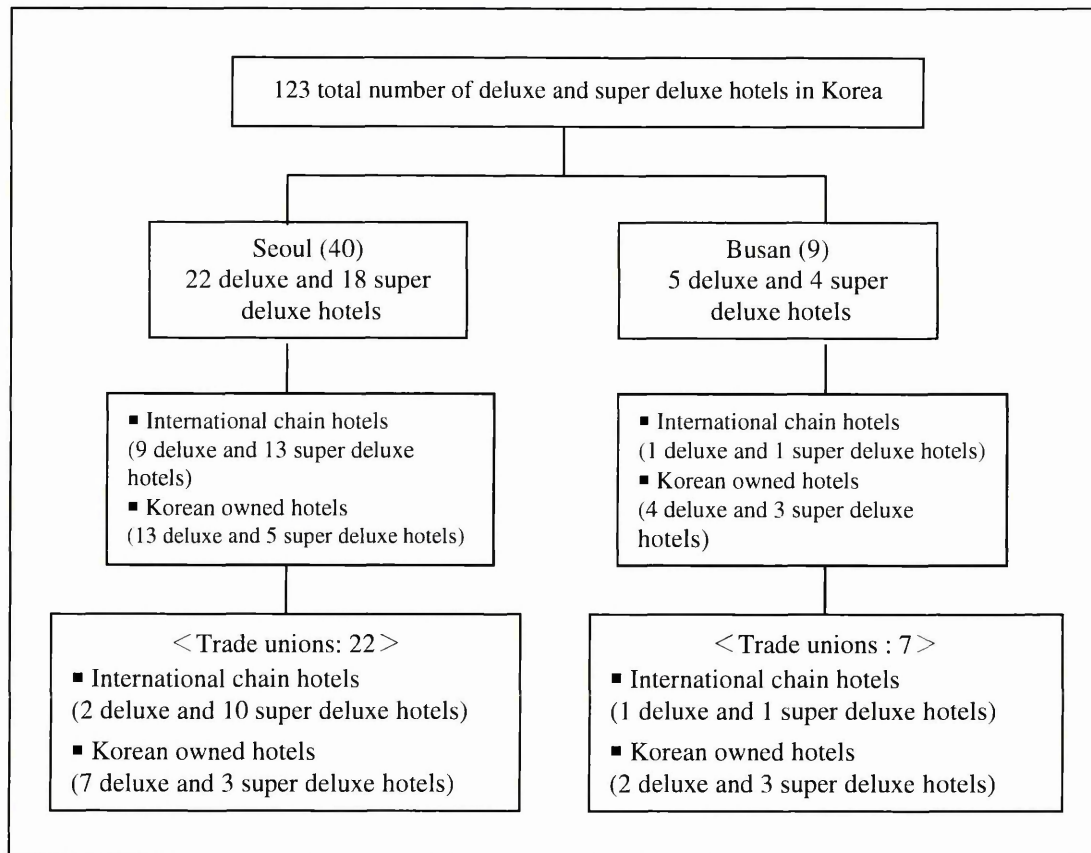


Table 2.7 shows the number of trade unions in the hotel industry as well as the different levels of trade union density by each hotel. However, both international hotel chains and Korean owned deluxe hotels prioritise negotiations between employee members and the hotels more than UK hotels do, irrespective of enterprise unions. This collective bargaining through the high density of trade union membership may influence hotels'

approach to HRM. In order to explain trade union density by each size of hotel, the table is made based on the Korea Ministry of Labour (KLO) and the Korea Tourism Organisation (KTO). The source of the information regarding the total trade union number and type was drawn from the KLO in 2008 and the source of total hotel staff is basically taken from KTO in 2010. However, the KTO did not provide the source of total hotel staff in the PJ Hotel and Astoria Hotel, therefore the author phoned the company in person. It was found the Astoria Hotel has about 50 employees. However, the problem is the KLO figure of total trade union member is 54 in 2008. Therefore, the author decided to not include the hotel because of the lack of reliability of the data. The PJ hotel did not provide the total number of employees because of their company policy, so these two hotels are not included in the measurements of the trade union density.

Table 2.7 Trade union membership in the Korean hotel industry

			Hotels	Trade union density	Type
Seoul	International Chain Hotels	Super Deluxe	Grand Hyatt Seoul (1978)	74%	KFTSIWU
			Seoul Plaza Hotel (1977)	71%	KFTSIWU
			Sheraton Grand Walkerhill and W Seoul – Walkerhill (1971)	38%	KFTSIWU
			Grand Ambassador Seoul (1987)	35%	KFTSIWU
			Millennium Seoul Hilton (1987)	71%	FCS
			The Westin Chosun Seoul (1971)	46%	KFTSIWU
			The Ritz-Carlton Seoul (1988)	56%	KFTSIWU
			Grand Hilton Seoul (1988)	36%	FCS
			Renaissance Seoul Hotel (1988)	58%	KFTSIWU
		Deluxe	Best Western Premier Seoul Garden Hotel (1985)	47%	KFTSIWU
			Novotel Ambassador Gangnam (1997)	1%	KFTSIWU
	Korean Owned Hotels	Super Deluxe	Lotte Hotel Seoul (1979)	33%	FCS
			The Shilla (2003)	0.1%	Labour council
			Lotte Hotel World (1989)		KFTSIWU
		Deluxe	Koreana Hotel (1993)	5%	KFTSIWU
			Seoul Royal Hotel (1975)	58%	KFTSIWU

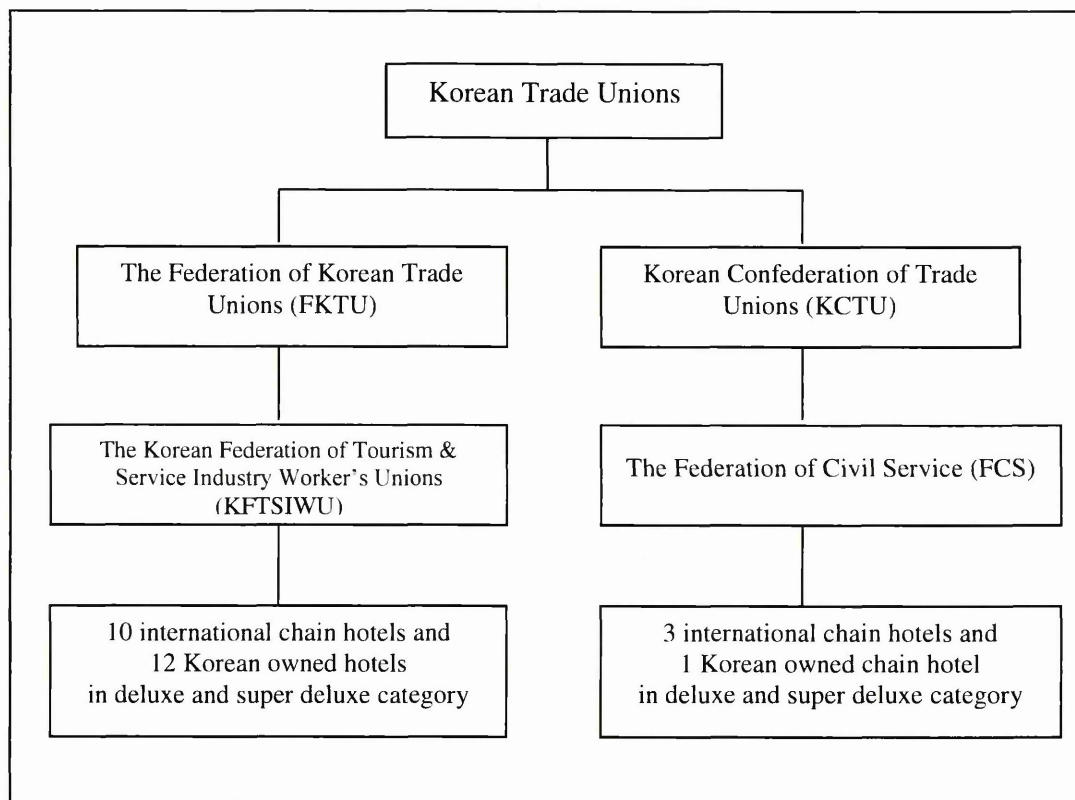
Busan			Seoul Sejong Hotel (1975)	50%	KFTSIWU
			Pacific Hotel (1976)	87%	KFTSIWU
			Hotel President (1987)	47%	KFTSIWU
			Seoul Palace Hotel (1988)	70%	KFTSIWU
			Hotel Samjung (1996)	31%	Non-union membership
		1 st Class	Green World Hotel (1995)	22%	Non-union membership
			New Kukje Hotel (1989)	36%	KFTSIWU
			Hotel Crown (1987)	51%	KFTSIWU
			PJ Hotel (1971)		KFTSIWU
			Hamilton Hotel (1989)	9%	KFTSIWU
			Hotel SeoKyo (1997)	5%	KFTSIWU
		2 nd Class	Astoria Hotel (1990)		KFTSIWU
	International Chain Hotels	Super Deluxe	The Western Chosun Busan (1984)		KFTSIWU
		Deluxe	Novotel Ambassador Busan (1988)	65%	FCS
	Korean Owned Hotels	Super Deluxe	Paradise Hotel Busan (1988)	66%	KFTSIWU
			Haeundae Grand Hotel (1997)	85%	KFTSIWU
			Lotte Hotel Busan (1998)	69%	KFTSIWU
		Deluxe	Nongshin Hotel (1999)	53%	KFTSIWU
			Commodore Hotel Busan (1985)	50%	KFTSIWU
		1 st Class	Hotel Kukje (1985)	37%	KFTSIWU
			Hotel Arirang (1979)	75%	KFTSIWU
			Hotel Busan (1987)	57%	KFTSIWU
			Hotel Phoenix (1987)	13%	KFTSIWU
			Hotel Riviera (2001)	7%	FCS

Source: Korea Tourism Organisation (KTO), 2010. & Korea Ministry of Labor, 2008.

Korean trade unions are classified into two categories. The Federation of Korean Trade Unions (FKTU) and Korean Confederation of Trade Unions (KCTU) at the national level union (Kim & Kim, 2003). There are a large number of trade unions

predominantly based on enterprise unions. The trade unions are mainly categorised as follows; the Korean Federation of Tourism & Service Industry Worker's Unions (KFTSIWU) is a member of the FKTU whereas the Federation of Civil Service (FCS) is a member of the KCTU in terms of company-level collective agreements. The 26 hotels operating trade unions and the majority of the hotels are a member of the KFTSIWU in Seoul and Busan. For example, the members of KFTSIWU include; 10 internationally recognised chain hotels and 12 Korean owned hotels in deluxe and super deluxe categories. Whilst, the members of FCS include 3 international chain hotels and 1 Korean owned chain hotel in deluxe and super deluxe categories. In addition, there are 2 hotels with recognised non-union membership in Seoul and Busan (See Figure 2.3).

Figure 2.3 The structure of Korean trade unions



The origin of the FKTU, which was established in 1960, can be traced back to the collapse, by force, of the communist labour movement in 1949. The Korean government provides financial support to the FKTU and it can be politically connected with Korean government by every new government throughout the recent history. As a result, there is a subordinate relationship between the FKTU and the government that controls its policies and activities. There was a strong labour movement responsible for wildcat strikes in the late 1970s, and there was a strong opposition over management controlled company unions in the early 1980s. The era of the “Great Labour Struggle”

implies a time of the greatest labour turmoil. As such, there were 3749 strikes in 1998, 13 times more than in the previous year (KLI: Korean Labour Institute, 1998). Against the social situation the KCTU, established in 1987, was finally altered to form a legitimate union federation under the Trade Union Law. The FKTU conducted the following activities: enactment and revision of labour relations act, national economy policy study, analysis and establishing of business policy, jurisdiction, unity of organisational activities, unification, education policy development or seminar of labour-management dispute, collective bargaining, a collective action, women related to business and worker's compensation. Whilst, the main activities of the KCTU involved the following: higher wages, the improvement of minimum wages, employment stability, reduction of working time, management participation, re-instatement of employees, conduct and anti-corruption, ensuring the right to organise and strike by the standards of the International Labour Organisation (ILO), the publication of 'Labour and World' and participation of the tripartite commission. There is a difference between the FKTU and KCTU, because the FKTU tends to approach a macro view such as considering unification, while the KCTU focuses on a micro view, such as specific labour conditions. Table 2.8 explains trade union membership in Korea. The number of trade unions was 5,099 in 2007 and this had decreased by 790 compared to 2006. The reason why the number of trade unions declined is that many enterprise unions transferred to industrial unions and regional trade unions. The FKTU occupies a higher number of trade union members compared to the KCTU, however there is not a big difference in terms of trade union numbers because the KCTU includes big factory unions and also many industrial unions have changed to become a member of the KCTU in 2007 (KML: Korea Ministry of Labour, 2007). There would be a political issue concerning FKTU and the government if corruption occurred involving the representative within the FKTU, which is a reason why they are member of the KCTU. Therefore, the KCTU tends to have greater power than FKTU in Korea.

Table 2.8 Trade union membership in Korea

		Total	FKTU	KCTU	Non-union membership
The number of trade unions	2006	5,889(100.0)	3,429(58.2)	1,143(19.4)	1,317(22.4)
	2007	5,099(100.0)	2,872(56.3)	690(13.5)	1,537(30.2)
		-790	-557	-453	+220
The number of trade	2006	1,559,179(100.0)	755,234(48.4)	627,274(40.2)	176,671(11.3)
	2007	1,687,782(100.0)	740,308(43.9)	682,418(40.4)	265,056(15.7)

union members		+128,603	-14,926	+55,144	+88,385
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Source: Korea Ministry of Labour, 2007.

Kim and Kim (2003) indicate that most Korean unions are organised by an individual enterprise. The main characteristic of enterprise unions is the involvement of full-time blue collar and some white collar workers, with the exception of temporary or part-time employees. The activities of the unionised sector includes: determination of working hours, wages through collective bargaining between enterprise unions and individual employers. There still exists however, in multi-employers, bargaining practices in the textile industry and transportation in Korea. There are a large number of trade unions because these are mainly composed of many enterprise unions. However the trend has transferred to developing industrial unions, so the result is that the industrial unions have become stronger than enterprise unions (KML, 2007).

The Korean HR practices mainly focused on loyalty and the commitment of employees based on long term employment and seniority-based pay (Bae & Rowley, 2001). Companies usually hire recent school graduates, provide training to the new employees, and once their training is complete they tend to stay at the same company for the rest of their career. Since the early 1990s, traditional Korean HR management has changed by adopting American-style practices (i.e. performance-based relatively short term employment, and market-oriented methods of managing HR) because of intense economic competition. That is, the impacts of globalisation on industrial relations have resulted in the cutting of labour costs and accomplishing greater numerical and external flexibility by using HR. Most private companies tend to not offer long-term employment. Furthermore, this trend is made possible because governments make companies strengthen management control over employment issues. As a result, trade unions are weakened and employment stability is mitigated (i.e. collective dismissals and layoffs) by the increase of the labour market flexibility (ILO 1999; Lee, 1997). Since the financial crisis in 1997, companies in almost every sector conducted downsizing and bankruptcy affected many unionised companies, so the numbers of unions decreased. The main aim of collective bargaining was a pay increase including a bonus system. The companies provided appropriate bonuses, establishing it through a collective bargaining agreement. However, the bonus system was not adopted during the financial crisis but it resumed again in 1999. This shows that the bonus system is likely to be flexible in responding to economic fluctuations and employees also make

adjustment for the crisis. This sense influences the collective bargaining issue and has more focus on employment security to stabilize unstable situations. Some unions achieved an agreement for employment security through collective bargaining (Kim & Kim, 2003). Recently, a wage system focussing on individual ability and performance has been adopted within Korean firms (Kim & Briscoe, 1997; Kim & Park, 1997). The evidence shows only 5 % of Korean companies had adopted a merit pay system before the financial crisis, but 23 % of Korean companies had adopted it by 2000 (Korea Ministry of Labour 2000). However, the previous study emphasised the HR practice of seniority-based pay systems is still widely accepted in Korea (Kim & Kim, 2003).

Frenkel and Peetz (1998) discuss the negative outcomes of globalisation in terms of labour. However, the power and labour activities have not been reduced since the financial crisis and globalisation in Korea. This is because 7.4 % of the unionisation ratio has increased compared to 1997, the small and medium-sized companies were more enhanced after the economic crisis and the strike activity that took place after 1997. In addition, the movement of transforming from traditional enterprise to industrial unionism was also strengthened. After the financial crisis in 1997, unorganised employees realised that they needed the trade unions to fight against arbitrary layoffs because non-union employees were the first victims of layoffs over union employees. In this sense, trade unions have been increased for non-union employees to protect employment security. Korean trade unions show different patterns of union activities compared to the declining trend of countries such as US, UK and Japan. The development of Korean trade unions involve: “a slight increase in union membership and unionisation ratio, an increasing trend of grass-roots organising and strike activity, and a movement to transform enterprise unions to industrial unions” (Kim & Kim, 2003, p. 365). The intensified competition makes employees depend on trade unions, and this in effect creates stronger trade unions in Korea. The successful collective bargaining has resulted in managers giving union leaders some degree of participation for decision making and the collective voice is reflected in these decisions. The main content of collective bargaining includes “non-wage monetary benefits, such as bonuses, paid holidays and vacations, maternity leave and pension funds” (Jeong, 2001, p.61). The level of industrial collective bargaining focuses on “the whole industry and unification in working condition and struggles against employers” while, the level of enterprise collective bargaining deals with “diversification in working

conditions, organisation and struggles against employers” (Professional Unions, 1996, pp. 33-34).

The main role of trade unions is to improve working conditions and to guarantee basic human rights for their members. Labour agreements cover the pay rates and increases, as well as other incentives, guaranteed job security and staff welfare, including paid holidays and vacations, maternity leave and pension funds. Unions are visibly integrated into business operations; for example, the union members of an organisation may participate in making decisions on hiring staff (i.e. the change of part time workers to full time). As a result, hotel employees are expected to become members of the union if they are hired as a full time worker.

The details of current issues (Table 2.9) are taken from their trade union web sites and these show what employees are expected to do from their organisation and what they have carried out for employees through the trade unions in the Korean hotel industry. For example, they have dealt with issues such as pay negotiations, guarantees of job security, required pay increases, adoption of regular promotion of union members, delayed retirement to age 58, the improvement of labour conditions of a long-term employed person and employee welfare (i.e. the expansion of a comprehensive medical testing over age 40, increasing support for educational expenses at university- if members have children at university, subsidy for nursery school, construction of employee shower facilities and bathrooms, a staff lounge and table-tennis room, support for overseas trips for employees who have given 15 years of continuous service). In this respect, the strength of Korean trade unions in the hotel industry is indicative of significant differences in the employment contexts between Korea and the UK. Korean trade unions show more paternalistic and old-fashioned management practices regarding family and their members, and collective bargaining is widely accepted in the Korean hotel industry; in the UK however, the hotel industry has very little collective voice which means that aspects of industrial relations will be part of the employment relations context as well as aspects of HRM.

Table 2.9 Current trade union issues in the Korean hotel industry

			Hotels	Issues taken from trade union websites
Seoul	Internati onal Chain Hotels	Super Deluxe	Grand Hyatt Seoul	<ul style="list-style-type: none"> Require hiring optimal hotel employees by department Pay negotiations (i.e. pay increase, incentive for the achievement of goal) Adopt regular promotion of union members Guarantee of job security
			Sheraton Grand Walkerhill and W Seoul – Walkerhill	<ul style="list-style-type: none"> Pay negotiations Require the improvement of reasonable appraisal, promotion and compensation Delay retirement to age 58 The improvement of labour conditions of a long-term employee Birthday cake up-grade The expansion of comprehensive medical testing if over age 40 Guarantee of job security
			Millennium Seoul Hilton	<ul style="list-style-type: none"> Go on a general strike for pay increase including requiring transportation expenses at night and early in the morning and guaranteeing human rights of part time workers in 2009
			The Westin Chosun Seoul	<ul style="list-style-type: none"> Pay negotiations including incentive of the improvement of marketing Require the resignation of executive for sexual harassment Guarantee of job security
			The Ritz-Carlton Seoul	<ul style="list-style-type: none"> Require pay increase Guarantee of job security
			Renaissance Seoul Hotel	<ul style="list-style-type: none"> Pay incentive for the achievement of goals Increasing of support of educational expenses of university (if members have university children), subsidy of nursery school, transportation expenses at night and buying a gift for New Year's day
		Deluxe	Best Western Premier Seoul Garden Hotel	<ul style="list-style-type: none"> Require continuous pay increasing and recruit more workers to meet the needs Guarantee of job security
	Korean Owned Hotels	Super Deluxe	Lotte Hotel World	<ul style="list-style-type: none"> Pay increase Guarantee of job security Not equal promotion opportunities for both sexes
Busan	Internati onal Chain Hotels	Super Deluxe	The Western Chosun Busan	<ul style="list-style-type: none"> Pay increase for staff but cut of pay of company executives The plan for construction of employee shower facilities and bath rooms A staff lounge and table-tennis room Support for petrol expenses for the union's car Support for overseas trip for employees who work 15 years in continue service Ensure security of front desk staff (02:30-04:00) Require the improvement of food quality in staff restaurant Guarantee of job security
		Deluxe	Novotel Ambassador Busan	<ul style="list-style-type: none"> Have a strong union which is given to participation of making decisions of hiring staff (i.e. the change of part time workers to the full time) HR managers are encouraged to attend trade union meetings at national level and are

2.7 CHAPTER SUMMARY

Korean standards based on the Tourism Promotion Act are more demanding than AA standards in the UK. The strict legal requirements require hotel management to provide a variety of training programmes including legal training in Korea. AA standards are operated at a non-governmental level therefore they are not as strict as Korean standards. This chapter also found that Korea is highly collectivist, strong in uncertainty avoidance; relatively female orientated, and is a high power distance society and more closely aligned with Confucianism than the UK and US. As a result, Korean employees prefer group work, but they have to work hard, resulting in much work-related stress; also women have less opportunity for promotion in an organisation. The role of trade unions is to improve working conditions, guarantee job security and conduct pay negotiations through collective agreements. Also unions require companies to provide expenses and paid holidays for family events, which implies that Korean trade unions demonstrate more paternalistic management practices.

The next chapter discusses the difference between best practice and best fit, compares quality enhancing best fit and best practice, and explains the relevance of best fit, a best fit HRM model regarding the concept of employees' empowerment that can be applied in Korean deluxe hotels. Which drivers between quality enhancing business strategy and external drivers (i.e. Korean legislation, trade unions) are more important to explore an SHRM framework in Korean deluxe hotels.

CHATER 3

STRATEGIC HUMAN RESOURCE MANAGEMENT IN THE KOREAN HOTEL INDUSTRY

3.1 INTRODUCTION

This chapter discusses why internal quality enhancing and external drivers push towards adopting best fit as well as best practice in Korean deluxe hotels. In order to develop a framework for shaping expectations of appropriate HRM for deluxe hotels in Korea, this chapter will define SHRM and explain why SHRM plays a pivotal role in business operations. In addition, this chapter will discuss the different views between 'best practice' and 'best fit' approaches. Also this chapter will discuss why the hospitality industry is required to have a different employment strategy depending on the service offered. Dexlue hotels provide high quality service in comparison to other service areas and that means employees' empowerment is considered as the most important in handling a particular situation in relation to customer's complaints. Additionally, this chapter will discuss the limitation about why Lashley (1998)'s model may not be suitable for Korean deluxe hotels in terms of cross-national HRM. Finally, this chapter will discuss employee outcomes, including the concept of organisational justice within the hotel industry.

3.2 DEFINITION OF SHRM

Wright and McMahan (1992, p.298) define SHRM as "the pattern of planned HR deployments and activities intended to enable a firm to achieve its goals". Jain (2005) indicates that SHRM should consider overall procedures to deal with long-term human resource issues as part of the strategic management of the organisation. He also asserts that SHRM has two main perspectives: HRM as a necessary element of an organisational strategy in order to achieve its business objectives, "which is chiefly about ensuring that the organisation has the skilled, committed and well-motivated workforce it needs to achieve its business objectives. It can be achieved by linking HR strategies to basic competitive strategies" (Armstrong, 2000, p. 45); and human resource management as a strategy in itself because developing staff is associated with

organisational performance. Moreover, Armstrong and Baron (2002, p.41) regard the concept of strategic human resources as “a general approach to the strategic management of human resources in accordance with the intentions of the organisation on the future direction it wants to take. It is concerned with longer term people issues as part of the strategic management processes of the business”. In order to improve business performance, SHRM is defined as the link between HR functions with strategic goals and organisational objectives (Truss & Gratton, 1994). In this respect, SHRM aims to provide guidance on a company’s future direction in the management of employees through more general managerial decisions, and in actions specifically regarding long-term HRM planning.

Many previous studies have concluded by showing how important SHRM is to an organisation (Ngo et al., 2008; Chang & Huang, 2005; Jain, 2005; Baker, 1999). Empirical studies have found a significant relationship between HRM practices and organisational performances such as financial performance (Harris, 2007; Colakoglu et al., 2006; Hartog, et al. 2004; Paul & Anantharaman, 2003; Haynes & Fryer, 2000). Indeed, organisational financial performance has attracted a great deal of attention in HRM research. Previous studies examining financial performance have focused on productivity (Hoque, 1999a; Youndt et al., 1996; Huselid, 1995), profits (Khatri, 2000; Lau & May, 1998; Delery & Doty, 1996), sales (Harel & Tzafrir, 1999; Lau & May, 1998), market value (Harel & Tzafrir, 1999; Becker & Huselid, 1998), and return on investment (Sivasubramanyam & Venkataratnam, 1998). However, other studies have focused on non-financial performance, such as job satisfaction through employee feelings and behaviour (Petrescu & Simmons, 2008; Chow et al., 2007; Green et al., 2006). Chow et al (2007) demonstrate that there is a positive relationship between HRM (i.e. employee voice, job security, and training and development) and job satisfaction, this shows that it is important to understand employee feelings to succeed in human resource management.

Most researchers in the field have debated two concepts of how firms should select strategic choices in their management, namely ‘best practice’ and ‘best fit’. The universal perspective is termed ‘best practice’ and scholars of this approach posit that some sets of HR practices are always better than others and, so all organisations should adopt them regardless of such factors as firm size, industry, or business strategy (Boselie et al, 2005; Gould-Williams, 2004; Wright et al, 2003; Appelbaum et al, 2000;

Delery & Doty, 1996). As a result, several HRM practices are always positively associated with firm performance (Delery & Doty, 1996; MacDuffie, 1995; Huselid, 1995). The contingency perspective is termed 'best fit' and scholars with this perspective argue that HR strategy is more effective when the SHRM-performance link is appropriately integrated with its specific organisational and environmental fit (Chang & Huang, 2005; Boxall & Purcell, 2003). The following section will discuss the different views between 'best practice' and 'best fit' approach. Both approaches have still remained trapped in endless debates over which approach is more appropriate in the literature.

3.3 DEBATE BETWEEN BEST PRACTICE AND BEST FIT APPROACH

Over the past few decades there has been considerable debate over the relevance of two main theoretical frameworks: best practice and best fit. Best practice research is mainly conducted in Western countries (Long & Shields, 2005; Rodríguez & Ventura, 2003; Christmann, 2000; Huselid, 1995; Macduffie, 1995) but it can be argued that the contemporary environment is different for each country or organisation and that this supports the best fit argument (Takeuchi, 2009; Wang & Shyu, 2008; Chang & Huang, 2005; Jiménez- Jiménez & Sanz-Valle, 2005; Liao, 2005; Panayotopoulou et al., 2003). Therefore there is a distinct difference between the concepts of best practice and best fit. The argument of the countries' contextual fit is associated with best fit, when actually best fit is usually connected with the concept of strategic fit (Chang & Huang, 2005; Jiménez-Jiménez & Sanz-Valle, 2005). Thus it will be more appropriate to think about best practice being influenced by circumstances.

The best practice model advocates universalism and the basic premise that all organisations should see an improved performance if best practice is implemented. This approach assumes that some human resource practices always relate to a positive influence on firm performance (Boselie et al, 2005; Gould-Williams, 2004; Wright et al, 2003; Appelbaum et al, 2000; Delery & Doty, 1996). Delery and Doty (1996) support this approach that "some HR practices are always better than others and that all organisations should adopt these best practices" (p. 803). In addition, some scholars advocate the best practice approach to show the universal applicability of the best practice model in strategic human resource management (McKenna & Beech, 2008; Huselid, 1995).

Based on empirical studies, best practice management provides a core element in achieving successful performance for an organisation. Studies indicate that best practices can be seen as the set of human resource management practices otherwise considered 'high performance work practices' (Delaney & Godard, 2001; Pfeffer, 1998; Huselid, 1995), 'high commitment HRM practices' (Gould-Williams, 2004), 'innovative human resource practices' (MacDuffie, 1995), 'high-performance practices' (Godard, 2004) and 'high involvement work practice' (Guthrie, 2001) to establish how HR practices are associated with firm performance.

Boxall and Purcell (2003) offer the following characteristics of best practice: 'enhancing employee abilities' or 'knowledge and skills' through 'good recruitment' and 'training'; 'motivating desired behaviour' from 'strong incentives' (i.e. incentive pay and employee ownership); and 'giving opportunities' to contribute employee ideas through 'employee participation' and 'work redesign'. In a similar vein, Pfeffer (1994) emphasises that firms should establish appropriate human resource investments to develop employees for better skills and capabilities in a rapidly changing business environment. From this perspective, the best practice model draws on providing opportunities for obtaining better skills and capabilities than their competitors in order to achieve a competitive advantage in their market, therefore encouraging employees to better themselves by constantly undertaking internal (i.e. career development) and external training (i.e. professional exams). Table 3.1 gives various best practices as determined by different scholars. These studies emphasise that human resource practices should be considered best practices and indicate the importance of activities, such as having sophisticated recruitment and selection processes, investment in training, and a structured salary scheme. As aforementioned, previous studies show that best practice HRM supports a diverse mix of core HR practices in order to improve competitive performance. In general, the meaning of best practice is that management provides good pay, good training, and employees are looked after in the aspect of welfare. However, we need to think about who suggested best practice? The hospitality industry provides low pay in hotels and catering (Price, 1994; Guerrier & Lockwood, 1989) and restaurants (Lashley, 1999) compared to other industries. It implies the management wants to pay less to the employees and is less considerate towards employees' welfare.

Table 3.1 HRM best practice

	Recruitment and selection	Training and development	Performance appraisal	Job design	Job security	Compensation and pay systems	Employee voice and consultation	Other HRM practices
Terpstra & Rozell (1993)	<ul style="list-style-type: none"> ■ Use of structured interviews for selection ■ Cognitive aptitude and ability tests ■ Emphasis on selection procedures 							
MacDuffie (1995)	<ul style="list-style-type: none"> ■ Selection criteria (i.e. applicant's existing skills, job requirements and learning interpersonal skills) 	<ul style="list-style-type: none"> ■ Intensive training at all levels ■ Obtain skills (i.e. training in group problem solving, job rotation, off-the-job and on-the-job training) 				<ul style="list-style-type: none"> ■ Contingent compensation (performance-based pay, rewards from participating in decision-making and good job design) 	<ul style="list-style-type: none"> ■ Reducing of Status differentiation 	
Huselid (1995)	<ul style="list-style-type: none"> ■ Internal hiring ■ Employee test for hiring ■ Intensity of recruiting efforts (selection ratio) 	<ul style="list-style-type: none"> ■ Provide regular training ■ Quality of work-life programs ■ Encourage participation in team 	<ul style="list-style-type: none"> ■ Formal performance appraisals (appraisal ratio) 	<ul style="list-style-type: none"> ■ Job analysis 		<ul style="list-style-type: none"> ■ Incentive plans, profit-sharing and gain-sharing plans 	<ul style="list-style-type: none"> ■ Formal information sharing ■ Formal grievance procedures and complaint resolution system 	
Pfeffer (1998)	<ul style="list-style-type: none"> ■ Selection of sophisticated techniques 	<ul style="list-style-type: none"> ■ Extensive training 			<ul style="list-style-type: none"> ■ Provide some degree of security for their employees 	<ul style="list-style-type: none"> ■ Based on individual performance of pay: higher than average, compensation and performance-related reward 	<ul style="list-style-type: none"> ■ Reduction of status differences through open communication ■ Sharing information 	<ul style="list-style-type: none"> ■ Self-managed teams or team work: based on better decision making and achievement of more creative solutions
Ahmad & Schroeder (2003)	<ul style="list-style-type: none"> ■ Emphasis on job descriptions ■ Selection of appropriate selection methods 	<ul style="list-style-type: none"> ■ Training on job skills ■ Training in multiple functions (highly skilled individuals) 				<ul style="list-style-type: none"> ■ Contingent compensation ■ Incentives to meet objectives 	<ul style="list-style-type: none"> ■ Communication of strategy ■ Feedback on performance ■ Existing status differences 	<ul style="list-style-type: none"> ■ Team activities ■ Interaction facilitation

If we accept this idea, we can call those HR practices best practice in terms of managements' view. In another example, Alleyne et al.'s study (2006) shows that the Barbados hotel industry adopts best practice in relation to trade unions, such as job security, fair treatment, to be listened to from the HR managers' view. In case of UK hotels, do managers really guarantee job security? The hotel industry has traditionally hired part-time and casual staff. For example, "in practice, 80 per cent of hotel vacancies were filled from the external labour market" (Guerrier & Lockwood, 1989, p.14). It shows that UK hotel management prefers hiring peripheral employees to core employees in order to reduce employment cost. Also this shows that management is not likely to guarantee job security, unlike the Barbados research. As a result we can conclude that the meaning of best practice is different for different countries, employees, managers and trade unions.

The reason why previous studies have not provided sufficient evidence is that different countries have different business environments; the prohibitive cost of conducting HRM studies in terms of time and money makes it difficult to gather all different views to one study. This study makes a contribution by looking at the nature of best practice in Korea which allowed for the obtaining of a contemporary insight and this will provide an opportunity to explore whether there are elements of best practice specific to the country. As discussed in chapter 1, the majority of best practice mainly focuses on managers' perceptions to investigate the relationships between best practice human resource management and performance. As such, this study focuses on employees' views, i.e. how they feel about their organisations, as well as the view of HR managers and trade union representatives within the Korean hotel industry.

Purcell (1999) has a particularly critical view of universalism and argues that it takes us 'down a utopian cul-de-sac'; he finds that "the search for bundles of high commitment work practice is important, but so too is the search for understanding of the circumstances of where and when it is applied, why some organisations do and others do not adopt HCM and how some firms seem to have more appropriate HR systems for their current and future needs than others" (p. 36). This idea points out the best practice approach is not reasonable to apply to all firms because each firm has different characteristics between general industry and the hotel industry and besides, most firms do have exposure to different environments such as national culture and business strategy.

The best practices put forward are generally based on a Western style of management (i.e. US or UK), which means the previous best practice approach has been conducted without considering the differences in national culture and institutional background (Boselie et al., 2005; Budhwar & Khatri, 2001). Related to this, Arvey et al. (1991) support the recognition of different cultures that “there is a need to understand more thoroughly the differences in HRM systems across a wider range of cultural and nationalistic boundaries” (p.369). Therefore, the following factors are considered: national culture, economic conditions, government intervention, management styles and labour laws; these factors play a crucial role in the emerging area of cross-national human resource management (Budhwar & Sparrow, 2002a; Budhwar & Sparrow, 2002b). Also core national factors (i.e. national culture, national institutions, dynamic business environment and industrial sector) have an impact on HRM; hence the study suggests that the framework proposed can apply in different regions as well as in Anglo-Saxon nations (Budhwar & Sparrow, 2002a).

Chang and Huang (2005) fail to prove best practice in their research and find out that business strategy is consistent with the best fit: quality enhancement strategy has a positive impact on firm performance, otherwise a cost reduction strategy is negatively related to firm performance in an Asian context because Taiwan has a very different cultural and institutional environment in comparison to Western countries. In this respect, the best fit model argues that firms should consider what is relevant in achieving organisational performance by adapting in order to align with particular organisational and operational strategies. First of all, it requires the analysis of business needs of the firm within its environmental context. This makes it possible to select between various HR practices and develop an approach that appropriately applies to the identified business needs (Armstrong, 2006). A number of previous research studies show why best fit is the more desirable approach and should be adopted or developed in organisation to evaluate performance (Takeuchi, 2009; Wang & Shyu, 2008; Chang & Huang, 2005; Jiménez-Jiménez & Sanz-Valle, 2005; Liao, 2005). The best fit approach emphasises that the HR strategy will be more effective when appropriately integrated with its specific organisational and environment context, including its culture, operational processes and external environment (Boxall & Purcell, 2003).

Armstrong (2006) points out that HR strategies should be tailored to the particular needs of both the organisation and their employees, consequently all organisations have to

recognise that putting emphasis upon best fit is more important than the best practice approach. If we accept his idea, we need to define 'fit' and what this concept implies, and how this concept will be dealt with within its specific organisation in the SHRM. There are two main research streams, such as external fit (vertical fit) and internal fit (horizontal fit) in HRM literature. The external fit is used to measure the alignment between HRM practices and organisational context. Firms should evaluate environmental aspects and develop strategies to meet changing market needs in the specific organisation. The fit is linked to the firm's competitive strategy. In this concept, the basic direction for SHRM involves combining an HR strategy with a competitive business strategy. Consequently, the best fit approach proposes that the business strategy is the critical factor used to decide what type of HR systems need to be combined for it to be most appropriate for the firm and adopted (Miles & Snow, 1978). Furthermore, this approach posits that "the impact on organisational performance of sets or bundles of interrelated HR practices can be greater than the cumulative impact of all the individual practices comprising the bundle" (Jiménez-Jiménez & Sanz-Valle, 2005, p. 365). Following this view, firms should establish the most appropriate HRM practices based on business strategy with matching organisational and environmental context in order to develop a competitive advantage.

The best fit models are proposed by Miles and Snow (1984) and Schuler and Jackson (1987). Miles and Snow (1984) categorise the types of HRM strategy and suggest each organisation should seek a suitable set of HRM policies and practices to advocate the organisation's business strategy. Schuler and Jackson (1987) establish different strategy types for the relationship between HRM practices and three strategies of innovation, cost reduction and quality enhancement, based on Porter's (1985) classification of competitive strategy. They indicate that HRM practice and policies vary according to five dimensions (planning, staffing, appraising, compensation, training and development) of each different strategy. Firstly, the cost-reduction strategy relates to lowering the price of products or services below that of competitors, therefore, this strategy would minimise employee costs (i.e. providing little training, little job security and minimal emphasis on promotion). Secondly, organisations pursue an innovative organisational strategy that highlights the development of products and services which have become differentiated from those of their competitors. The innovation strategy would emphasise "teamwork, creativity, flexibility, and excellent job security" (Alleyne et al, 2006, p. 97). Finally, a quality-enhancement strategy focuses on enhancing the product

and service quality. That is, how to increase quality of the product and service of the firm (i.e. providing appropriate training, development, job security, and selecting good staff). Table 3.2 shows that a business strategy based on cost reduction and the quality enhancement strategy of Miles and Snow (1984) and Schuler and Jackson (1987). These practices show how much difference there is between cost leadership and quality enhancement.

Table 3.2 Business strategy

	Cost reduction		Quality enhancement	
	Miles & Snow (1984)	Schuler and Jackson (1987)	Miles & Snow (1984)	Schuler and Jackson (1987)
Recruitment and Selection	<ul style="list-style-type: none"> Emphasis on external recruitment 	<ul style="list-style-type: none"> Relatively fixed, explicit job descriptions Narrowly defined jobs External Recruitment 	<ul style="list-style-type: none"> Sophisticated recruiting at all levels 	<ul style="list-style-type: none"> Selection of highly skilled individuals (i.e. appropriate behaviours)
Training and Development	<ul style="list-style-type: none"> Limited training programmes 	<ul style="list-style-type: none"> Minimal training and career development 	<ul style="list-style-type: none"> Skill identification and acquisition 	<ul style="list-style-type: none"> Multi-skilling, Development of a broad range of skills
Performance appraisal		<ul style="list-style-type: none"> Short term and results-oriented 		<ul style="list-style-type: none"> Long-term and group focused
Job security	<ul style="list-style-type: none"> Very little job security given 			<ul style="list-style-type: none"> High job security given
Compensation and pay systems		<ul style="list-style-type: none"> Close monitoring of market pay levels for compensation Emphasis on little promotion 		

There have been a number of studies of contingent approach that demonstrate the HRM impact on business strategy; as a result the researchers have found that both organisational performance and HRM effectiveness had increased significantly in a wide range of industries (Michie & Sheehan, 2005; Khatri, 2000; Hoque, 1999a; Youndt et al., 1996; Koch & McGrath, 1996; Schuler & Jackson, 1987; Miles & Snow, 1984).

Recently, a number of studies (Gould-Williams & Mohamed, 2010; Stavrou et al, 2010; Hansson, 2007; Budhwar & Sparrow, 2002a; Brewster, 1993) have demonstrated that there exist differences in HRM across countries, classified by contingency factors (i.e.

culture, legislation, the type of ownership, trade union representation, and employee involvement) (Brewster et al., 2004; Brewster, 1993), and have proposed different models of HRM within nations. Stavrou et al's study (2010, p. 944) found that "the relationship between performance and the training and development bundle is highest in the Anglo-Irish region, second highest in the North-Western region and lowest in the Central-Southern region". The results demonstrate that the HRM-performance relationship differs according to regions. Similarly, Aycan's study (2005) examines the interaction between cultural/institutional factors and HRM. Latin and Southern European countries are seen to have more paternalistic cultures, as well as high power distance, and these impact their institutions at all levels. Interestingly, most models of cross-national HRM are themselves Western concepts (Stavrou et al, 2010; Gould-Williams & Mohamed, 2010); hence it is hard to answer whether or not the Western concept of national HRM is applicable in a non-Western country. Table 3.3 summarises HR practices of best fit as applied in quality enhancing organisations based on earlier studies (Michie & Sheehan, 2005; Khatri, 2000; Koch & McGrath, 1996; Youndt et al., 1996). The findings of the best fit approach show why firms should consider their specific environment in this radically changing society, and the importance of applying appropriate HR practices in order to improve organisational performance. Also, companies should manage their resources more efficiently by applying the concept of strategic fit, therefore reducing the operational costs in management.

Table 3.3 Quality enhancing organisation

	Recruitment and selection	Training and development	Performance appraisal	Job design	Job security	Compensation and pay systems	Employee voice and consultation	Other HRM practices
Miles & Snow (1984)	<ul style="list-style-type: none"> ■ Sophisticated recruiting at all levels ■ Emphasis on external recruitment and internal recruitment ■ Selection test (psychological testing) 	<ul style="list-style-type: none"> ■ Skill identification and acquisition 	<ul style="list-style-type: none"> ■ Results-oriented ■ Identify staffing needs of division/corporate performance, cross sectional comparisons 	<ul style="list-style-type: none"> ■ Implicit job analysis ■ Job enrichment ■ Team building ■ Job rotation 		<ul style="list-style-type: none"> ■ Performance oriented and incentives driven by recruitment needs ■ External competitiveness and towards incentives, driven by recruitment needs 		<ul style="list-style-type: none"> ■ Extensive socialisation ■ Manpower planning
Schuler & Jackson (1987)	<ul style="list-style-type: none"> ■ Selection of highly skilled individuals (i.e. appropriate behaviours) ■ External recruitment ■ Careful selection methods, average interview and recruiting sources ■ Evaluate its selection and staffing policies 	<ul style="list-style-type: none"> ■ Multi-skilling, cross-functional ■ Require development of a broad range of skills ■ Formal training given ■ Investments in planning: formal plans for skilled employees 	<ul style="list-style-type: none"> ■ Long-term and group-focused ■ Process and results criteria 	<ul style="list-style-type: none"> ■ Implicit job analysis ■ Job enrichment ■ Cross-functional teams 	<ul style="list-style-type: none"> ■ High job security given 	<ul style="list-style-type: none"> ■ Emphasis on incentives and internal equity based on low pay rates- employees decide the make up of their package 	<ul style="list-style-type: none"> ■ Communication: feedback on new product sales 	<ul style="list-style-type: none"> ■ High employee participation
Koch & McGrath (1996)								
Youndt et al (1996)	<ul style="list-style-type: none"> ■ Selectivity in hiring ■ Selection of physical, technical, problem-solving skilled individuals 	<ul style="list-style-type: none"> ■ Comprehensive training ■ Technical skills ■ Problem-solving skills 	<ul style="list-style-type: none"> ■ Developmental behaviour-based and results-based appraisal 			<ul style="list-style-type: none"> ■ Emphasis on individual equity and external equity, hourly pay, salary, individual and group incentives 		

plant, galleries, museums, shipping industry and construction. This means one big company alone operates all those businesses. Examples of Chaebol companies include Samsung and Hyundai, and Chaebol manages a chain of hotels as a subsidiary of the company as well. Consequently, hotels can be divided into Chaebol hotels and non-Chaebol hotels in terms of company structure in Korea: 20.4% of hotels (See Table 4.1) are operated by the Chaebol subsidiary and 79.6% of hotels are operated by Non-Chaebol hotels in Seoul and Busan. Also there are two different types of international hotel chains and Korean owned hotels in the aspect of ownership: 49 % of hotels are operated by international hotel chains whereas 51% of hotels are operated by Korean owned hotels. The figures show that the ownership structure between international hotel chains and Korean owned hotels occupies almost all the same percentage (See Table 4.1).

The Korean deluxe hotel sector takes 23% of the market share of tourism hotels in Korea (KCTI, 2008). This means that the deluxe sector is not a massive proportion, however deluxe hotels accounted for 72.9 % (super deluxe hotels: 55.6%, deluxe hotels: 17.3%) out of all revenue from the hotel industry (Korea Culture & Tourism Institute, 2010). This means that the Korean hotel industry has developed deluxe hotels, and focusing on the deluxe segment is important if it is to maintain or develop deluxe hotels in the Korean market. Furthermore, it is associated with the Korean hotel industry's development in the future. The demand for this type of hotel highlights the nature of the customer and the demand for high level service. Within existing research on the hotel industry, it is in these high quality establishments (see Hoque, 1999a, for example) that clear links between sophisticated HRM practices and performance benefits are shown.

2.3 HOTEL QUALITY AND EMPLOYMENT LEGISLATION IN KOREA

As mentioned in the previous section, Korean deluxe hotels control a high market share. This section will address how hotels are ranked in Korea and also address the criteria used to define deluxe and super deluxe hotels. It will then compare the Korean approach with that of the Automobile Association (AA) in the UK, because previous studies have defined deluxe hotels based on the AA criteria (Hoque, 1999a). In order to establish a reasonable definition of a deluxe hotel in Korea, this study will also look at, and compare, the similarities between quality enhancing standards in the UK and Korea.

Table 3.3 Quality enhancing organisation (continued)

	Recruitment and selection	Training and development	Performance appraisal	Job design	Job security	Compensation and pay systems	Employee voice and consultation	Other HRM practices
Khatiri (2000)	<ul style="list-style-type: none"> ■ Use of employee tests and job previews ■ Structured and standardised interviews 	<ul style="list-style-type: none"> ■ Formal training and training programme ■ Evaluation of training programme 	<ul style="list-style-type: none"> ■ Result-oriented ■ Supervisors discuss performance with subordinates ■ Include goal setting 			<ul style="list-style-type: none"> ■ Performance-based compensation 	<ul style="list-style-type: none"> ■ Employee relation/participation: make decisions and participation encouraged 	
Michie & Sheehan (2005)	<ul style="list-style-type: none"> ■ Use of a selection of methods and job previews ■ Provide a major selection criteria 	<ul style="list-style-type: none"> ■ Formal induction programme ■ Usually off the job training 	<ul style="list-style-type: none"> ■ Based primarily on objective, quantifiable measures and non-managerial staff focused 	<ul style="list-style-type: none"> ■ Broadly defined jobs: team work 	<ul style="list-style-type: none"> ■ Long-term employment security 	<ul style="list-style-type: none"> ■ Emphasis on internal or functional flexibility 	<ul style="list-style-type: none"> ■ Communication: employees encouraged to suggest improvements and are informed about market position, strategic objectives and targets 	<ul style="list-style-type: none"> ■ Harmonized terms and conditions

Best practice emphasises the importance of building employee ability from good recruitment and training, and these practices are associated with quality enhancement to achieve better organisational performance (Huselid, 1995; Pfeffer, 1998). For example, best practice and quality enhancing HRM include the same practices, such as use of selection criteria and methods, selection of good staff, and selection of highly skilled individuals in terms of recruitment and selection. Another common practice is training and development, which involves formal continuous training, and which provide a range of skills at all levels of staff, between best practice and quality enhancing HRM. Moreover, best practice and quality enhancing HRM involve formal performance appraisals, giving employees job security and good communication through information sharing. Hence, best practice and quality enhancing best fit are very similar, that is, the specific HR practices of best fit are associated with best practice and those are also related to employee performance. More evidence is found in Hoque (2000), who demonstrates that among the quality enhancing hotels he examined, there is very little difference between best fit and best practice. Table 3.4 summarises the similarities between best practice and quality enhancing best fit from previous studies.

The findings from previous studies help to show why this study has chosen quality enhancing HR practices in terms of business strategy, and that Korean deluxe hotels focus on improving service quality rather than cost (See Table 3.3). This study explores the context-specific nature of HRM in non-western countries based on Korean deluxe hotels. The specific nature of HRM in the Korean hotel context is further discussed in section 3.4. In addition, this section discusses best practice and best fit in a global context. Is the Western concept of best practice applicable in the Asian context? There are key drivers such as culture, legislation and trade unions. Are those key drivers related to the global contexts or country-specific contexts? The answers are found in chapters 5 and 6 when the findings of this study are presented and discussed.

Table 3.4 Similarity between best practices and quality enhancing best fit

Strategic HR practices	Best practice	Quality enhancing HRM
Recruitment and selection	<ul style="list-style-type: none"> Internal hiring (Huselid, 1995) Employee test for hiring (Huselid, 1995) Intensity of recruiting efforts (Huselid, 1995) Selection of sophisticated techniques (Ahmad & Schroeder, 2003; Pfeffer, 1998) Selection criteria (MacDuffie, 1995) Emphasis on selection procedures (Terpstra & Rozell, 1993) Emphasis on job descriptions techniques (Ahmad & Schroeder, 2003) 	<ul style="list-style-type: none"> Sophisticated recruitment at all levels (Schuler & Jackson, 1987; Miles & Snow, 1984) External recruitment (Miles & Snow, 1984) Careful selection methods (employee tests), average and structured interview, and recruiting sources (Khatri, 2000; Koch & McGrath, 1996) Selection of highly skilled individuals (i.e. problem-solving skilled individuals) (Youndt et al., 1996; Schuler & Jackson, 1987) Use of job previews (Michie & Sheehan, 2005; Khatri, 2000) Provide a major selection criteria (Michie & Sheehan, 2005) Evaluate its selection and staffing policies (Koch & McGrath, 1996) Formal training and training programme (induction) (Michie & Sheehan, 2005; Khatri, 2000; Koch & McGrath, 1996) Provide comprehensive training programme (i.e. technical skills, problem-solving skills and off the job training) (Michie & Sheehan, 2005; Youndt et al., 1996) Require development of a broad range of skills (Schuler & Jackson, 1987) Evaluation of training programme (Khatri, 2000) Investments in planning: formally plans for skilled employees (Koch & McGrath, 1996) Skill identification and acquisition (Miles & Snow, 1984) Individual-based, based on formal appraisals (Michie & Sheehan, 2005)
Training and development	<ul style="list-style-type: none"> Provide regular training (Huselid, 1995) Quality of work-life programs (Huselid, 1995) Participation team encouraged (Huselid, 1995) Extensive training (Pfeffer, 1998) Intensive training at all levels (MacDuffie, 1995) Obtain skills (MacDuffie, 1995) Training on the job skills and training in multiple functions (Ahmad & Schroeder, 2003) 	
Performance appraisal	<ul style="list-style-type: none"> Formal performance appraisals (Huselid, 1995) 	
Job security	<ul style="list-style-type: none"> Provide some degree of security for their employees (Pfeffer, 1998) 	<ul style="list-style-type: none"> High job security given (Schuler & Jackson, 1987) Long-term employment security (Michie & Sheehan, 2005)
Compensation and pay systems	<ul style="list-style-type: none"> Contingent compensation (Ahmad & Schroeder, 2003; MacDuffie, 1995) Incentive plans, profit sharing and gain-sharing plans (Huselid, 1995) Pay based on individual performance (Pfeffer, 1998) Incentive to meet objectives (Ahmad & Schroeder, 2003) 	<ul style="list-style-type: none"> Performance based compensation (Khatri, 2000) Emphasis on internal or functional flexibility (Michie & Sheehan, 2005) Emphasis on individual equity, internal and external equity, hourly pay, salary, individual and group incentives (Youndt et al., 1996; Schuler & Jackson, 1987) Performance oriented and incentives by recruitment needs (Miles & Snow, 1984)
Employee voice and consultation	<ul style="list-style-type: none"> Formal information sharing (Pfeffer, 1998; Huselid, 1995) Formal grievance procedures and complaint resolution system (Huselid, 1995) Communication of strategy (Ahmad & Schroeder, 2003) Feedback on performance (Ahmad & Schroeder, 2003) Reducing of status differentiation (Ahmad & Schroeder, 2003; Pfeffer, 1998; MacDuffie, 1995) Sharing information (Pfeffer, 1998) 	<ul style="list-style-type: none"> Communication: feedback on new product sales (Schuler & Jackson, 1987) Communication: employee encouraged and informed about market position, strategic objectives and targets (Michie & Sheehan, 2005) Employee relation/Participation: make decision and participation encouraged (Khatri, 2000) Extensive socialisation (Miles & Snow, 1984)
Other HRM practice	<ul style="list-style-type: none"> Job analysis (Huselid, 1995) Self-managed teams or team working (Ahmad & Schroeder, 2003; Pfeffer, 1998) Interaction facilitation (Ahmad & Schroeder, 2003) 	<ul style="list-style-type: none"> Implicit job analysis (Schuler & Jackson, 1987; Miles & Snow, 1984) Job enrichment (Schuler & Jackson, 1987; Miles & Snow, 1984) Broadly defined jobs: team work, harmonized terms and conditions (Michie & Sheehan, 2005)

3.4 SHRM: APPLICATION TO KOREAN HOTEL INDUSTRY

The normative HRM model was mainly developed in the manufacturing industry (Dany et al., 2008; Gooderham et al., 2008; Petrescu & Simmons, 2008; Verbarg et al., 2007; Green et al., 2006; Tzafrir, 2006; Ordiz & Fernández, 2005; Jiménez-Jiménez & Sanz-Valle, 2005), and so there may be limitations in applying it to service industries. The hospitality industry, including the hotel industry, is a labour-intensive service industry; this means that the industry has a strong reliance on its human resources. Previous studies have demonstrated that the role of service delivered plays a crucial role in service industry, and is associated with business success (Ayupp & Chung, 2010; Chiang & Jang, 2008; Klidas et al., 2007). This is because customers who experience greater satisfaction from hotel employees are more likely to return to the hotel in the future. As such, management of human resources can be considered a crucial strategic aspect of management within the hotel industry.

As discussed in chapter 1, deluxe hotels accounted for 72.9 % (super deluxe hotels: 55.6%, deluxe hotels: 17.3%) out of total of all sales in the hotel industry (Korea Culture & Tourism Institute, 2010), although when measured as market share of all tourist hotels in Korea, it only makes up 23% of the market (KCTI, 2008). This implies that the Korean hotel industry has developed a small but significant deluxe sector. Maintaining and developing deluxe hotels are very important considerations in the Korean market. The criteria needed to be met to become a deluxe hotel under the Tourism Promotion Act are shown in chapter 2, Korean standards require a high level of the tangible (i.e. the beauty or character of hotel appearance, good condition of facility) and intangible quality category (i.e. employee attitude for customer satisfaction). As discussed in chapter 2, the quality of facilities and service is a very important criterion for deluxe hotels by the Tourism Promotion Act and the AA in UK. Moreover, customer quality expectation is gradually becoming a more important issue than cost reduction competition in the manufacturing industry (Kokko & Moilanen, 1997; Callan, 1994; Pye, 1994). This trend suggests that the hotel industry should improve its service quality to be more competitive. Supporting this, an earlier study emphasised that “success is increasingly dependent on awareness of consumer tastes and on quality of service” (Rajan, 1987, p. 93). Hoque (2000) indicates that the service quality seems difficult to define, however previous studies involved the tangible quality category (i.e. clean rooms, quality bed and meal, the quality of consumable physical goods, the quality of facilities, the food, beverages, and atmosphere) and intangible quality

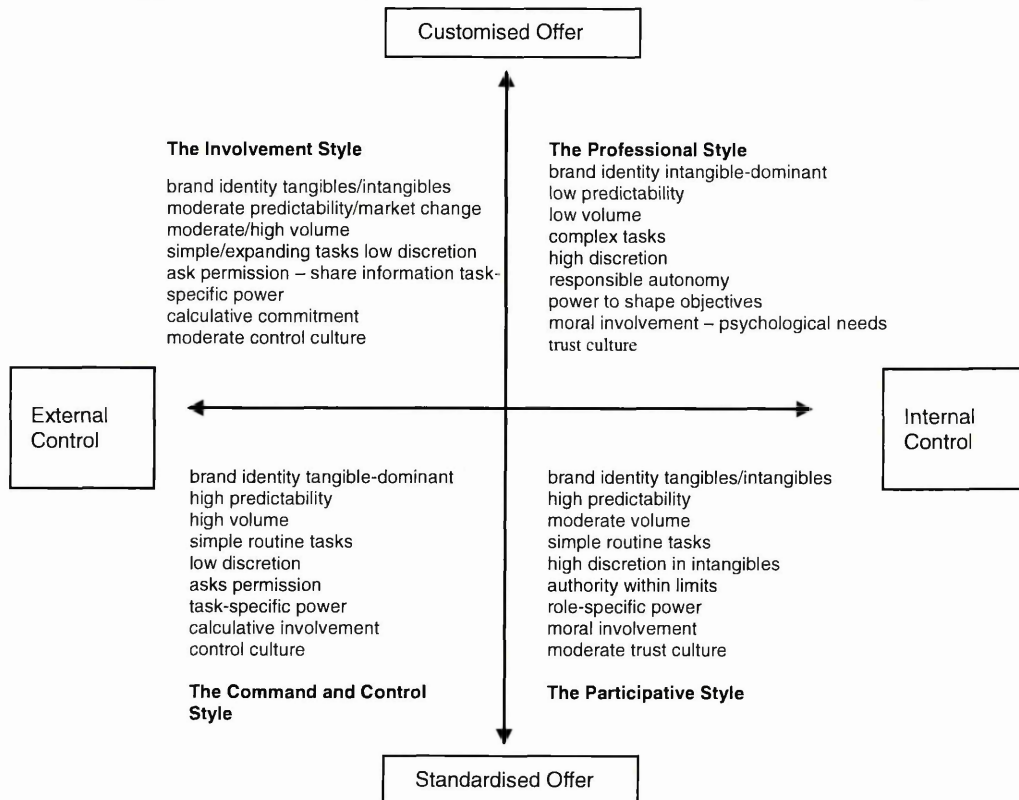
category (i.e. the quality of the service procedure, the quality of interactions between customer and staff through service, customer perception about service staff provision) (Lewis, 1987; Nightingale, 1985; Jones, 1983). Namely, service quality is likely to be measured by both the tangible and intangible quality category for customers in the hotel industry.

As discussed in section 3.3, there are differences between cost leadership and quality enhancement. These differences suggest why quality enhancement practice might be viewed as more appropriate for adoption among deluxe hotels. The deluxe hotels provide service quality for all the products based on the tangible quality of hotel facilities rather than the cost reduction mentioned above. Furthermore, The AA hotel guide in 1995 demonstrated why quality enhancement is more likely to be viewed as an important issue in the deluxe hotel industry, which involves two issues, such as a star rating of the hotel and the price of a standard double room per night. The results show that the four or five star hotels follow the characteristics of quality enhancement rather than cost reduction in terms of HR strategy. The literature for the HRM approach emphasises that the deluxe hotels should consider a business strategy which focuses on quality enhancement and HR strategy in the specific context, because the business strategy is the critical factor to match what type of HR strategy is most appropriate for the deluxe hotels. Related to this, Hoque (2000, p. 89) states that “An HRM approach is more likely to be found within hotels emphasising quality enhancement as the key to business strategy than within hotels emphasising cost reduction”. Namely, an HRM approach requires a focus on quality enhancement for a competitive strategy in the hotel industry (Hoque, 2000; Mattsson, 1994; Lewis, 1987; Haywood, 1983). This is because quality enhancement practice is considered as the key to lead competitive success in quality enhancing hotels (Hoque, 1999a). In addition, deluxe hotels should provide a high quality of service to improve organisational performance in terms of customers (Katou & Budhwar, 2008; Kim & Cha, 2002). It is very important that the quality interaction is also dealt with during situations of uncertainty between the customer and staff at the point of service (Mattsson, 1994) because the customers expect service delivery without failure and want compensating if it is not achieved. If not satisfactory, the overall perception of a hotel’s quality or the dissatisfaction factors which occur between the hotel and customers, suffer if this is not settled quickly (Haywood, 1983). Thus, early studies point out the important role of front-line staff because their job is connected with improving and maintaining a competitive advantage (Kokko &

Moilanen, 1997; Mattsson, 1994; Nailon, 1989). In relation to improving service for customers, scholars emphasise the importance of employees' empowerment, which refers to the extent and degree of involvement in decision making in particular situations (i.e. dealing with customers' complaints) (Ayupp & Chung, 2010; Amenumey & Lockwood, 2008; Chiang & Jang, 2008; Klidas, et al., 2007; Littrell, 2007; Haynes & Fryer, 2000; Hales & Klidas, 1998; Anastassova & Purcell, 1995; Wynne, 1993). Thus, empowerment is considered as an employment strategy depending on the service offered.

Lashley (1998) proposes a best fit HRM model regarding the concept of employees' empowerment in service industries. He used the degrees of external control/internal control and standardisation/customisation to establish a best fit empowerment model for four different markets within the service industry in the UK (See Figure 3.1). Also he categorises four different services: the involvement style, the professional style, the command and control style, and the participative style. These categories suggest the criteria of the degree of discretion for different types of service operation, and different requirements to find out the most appropriate HRM practices in the service sector. According to his view, the Marriott hotel brand is categorised as 'a mass service organisation' in the context of Schmenner's (1995) service operations functions and process (by the degree of customisation and the degree of labour intensity), and the concept of the mass service organisation is associated with the participative style quadrant in terms of predicting customer service needs and requirement of some degree of employee participation for customers. Again, Marriott is a quality brand within the hotel market and it fits into the participative style quadrant. This study is based on deluxe hotels in Korea and the initial assumption and expectations of the author was that the Korean quality segment would also fit into this quadrant.

Figure 3.1 Approaches to the management of human resource in service organisation



Source: Lashley, 1998, p. 28

However, as discussed in chapter 2, previous studies have demonstrated that Korea has a high power distance, and is a collectivist, feminine and strong uncertainty society when compared to most western cultures. Also, Korea has traditionally maintained Confucianism (Hofstede, 1991); Korean Labour Law protects Korean employees; and trade unions have more than 39% of their trade union members in deluxe hotels in Seoul and Busan. After the financial crisis, Korean employees realised the importance of trade unions was to protect their pay, bonus, and holidays and, as a result, individual attitudes changed towards internal control. In addition, the Tourism Promotion Act specifies what hotels should look like, what training employees need to have, how hotels should hire employees, and whether they are budget or deluxe hotels in terms of the standardised offer. If these distinctive factors are applied into Lashley's (1998) model, it is possible that Korean deluxe hotels might lie in multiple quadrants because of the differences attributed to Korean culture, Korean Labour Law, and trade unions by external control. Hence Korean deluxe hotels may be located in the involvement style quadrant. For example, "ask permission" implies that Korean employees have less autonomy in determining their empowerment and also external control factors as mentioned above. The Korean deluxe hotel has a highly customised offer and strong

internal control; on the other hand other external controls (i.e. labour laws, power distance, trade unions) are very distinctive in respect of best fit more than in the UK. Lashley's study (1998) emphasises empowerment of service providers as a business strategy, which is associated with best fit HRM in service industries. The biggest criticisms of his model are that it is overly simple, and that the study was conducted in the highly individualistic UK culture with relatively low pay, low power distance and very weak trade unions. Therefore this model may only be suitable for the UK service organisations in terms of cross-national HRM. Lashley might not have taken into account the different cultures in different countries. Hui et al. (2004) investigated cross-cultural variations in empowerment effects and found that discretionary empowerment in terms of management practice was likely to be incompatible with the cultural values of nations with high power distance. Therefore, multinational service managers need to be careful when opting to use the empowerment approach. Also, Korea has a high power distance and is a Confucian society, therefore the institutional hierarchy is widely spread; for example considerable power is given to elder HR managers, so younger employees have to accept their decisions without complaint. Thus the western idea of empowerment is likely to have a negative (or little) impact on job behaviour (Robert et al., 2000).

Table 3.5 shows previous studies conducted within the hotel industry (Hoque, 1999a; McGunnigle & Jameson, 2000; Alleyne et al., 2006; Chand & Katou, 2007; Chow et al., 2007). From his research, Hoque concludes "it seems that, as managers have accepted the importance of service quality, they have taken on board the need to find new ways of employing their staff" (Hoque, 1999b, p.74). That is to say, the hotel management has to understand the importance of service quality and human resource management to attain high quality service. Related to this, Chand and Katou's (2007) study demonstrated employees' responsibility for their service was positively associated with hotel performance. Chow et al. (2007) demonstrate that HR practices (i.e. training and development, performance appraisal, employee voice and job security) are positively associated with job satisfaction, morale or optimism, and those emerging as beneficial practices in the US hotel industry (Chow et al., 2007). Chand and Katou's (2007) study shows that managers should focus more on the practices of flexible job rotation and cross-cultural job design to improve organisational productivity. That is, the study proves that hotel management should focus on these best HRM practices as they improved organisational performance (i.e. profitability, productivity, and good service

quality) in the Indian hotel industry. To evaluate employee commitment, McGunnigle and Jameson's (2000) study focuses on the relationship between HRM, the recruitment and selection procedures, and the training and development in the UK hotel industry, based on the best practice approach. The results indicate that there is little evidence of sophisticated recruitment and selection methods (i.e. use of episodic technique and personality inventory without utilising psychometric testing or profiling for operative-level recruitment); however, by comparison there is strong evidence of relatively sophisticated training (i.e. statutory/induction training(health and safety, fire) and job related/skills training (i.e. operational standards), and development systems (i.e. training needs analysis and checklists of competencies).

Table 3.5 HR practice in the hotel industry

	Recruitment and selection	Training and development	Performance appraisal	Job design	Job security	Compensation and pay systems	Quality issues	Employee voice and consultation	Other HRM practices
Hoque (1999a) & Alleyne et al. (2006)- Quality enhancing practice	<ul style="list-style-type: none"> ■ Consider selection criteria and methods ■ Use of realistic job previews 	<ul style="list-style-type: none"> ■ Formal training given with minimum period annually ■ Required an explicit policy at all levels of staff 	<ul style="list-style-type: none"> ■ Individual-based, based on formal appraisals 	<ul style="list-style-type: none"> ■ Emphasis on flexible job descriptions, deliberate job design and teamwork 			<ul style="list-style-type: none"> ■ Emphasis on employee's own quality of production and service ■ Involve quality circles or quality improvement teams 	<ul style="list-style-type: none"> ■ Use of attitude survey ■ Informed about market position and delivery method for information 	<ul style="list-style-type: none"> ■ Terms and conditions: harmonized terms and condition, single status
McGunnigle & Jameson (2000)- general HR practice	<ul style="list-style-type: none"> ■ Recruiting the right people ■ Emphasis on selection procedures <ul style="list-style-type: none"> - use episodic technique and personality inventory - little employment security given through selection procedures ■ External recruitment 	<ul style="list-style-type: none"> ■ Provide regular training at all levels and positions ■ Three aspects of training, statutory/induction (i.e. health and safety fire), job related/skills training (i.e. specific procedures for training needs analysis and checklists of competencies) and developmental training 							
Chand & Katou (2007)- general HR practice	<ul style="list-style-type: none"> ■ Emphasise multi-skilling, experience and harmonised terms and conditions 	<ul style="list-style-type: none"> ■ Formal system for induction, need based training and development criteria 		<ul style="list-style-type: none"> ■ Flexible job rotation and cross-cultural job design 		<ul style="list-style-type: none"> ■ Social appreciation and recognition ■ Staff informed about market condition and company performance 	<ul style="list-style-type: none"> ■ Production/service staff responsible for their service and regular use of attitude surveys 		<ul style="list-style-type: none"> ■ Manpower planning: formal manpower planning and career planning

Chow et al. (2007)- general HR practice	■ Employment tests and hiring decisions are based on candidates' prospects	■ Extensive and continuous training	■ Results- oriented, evaluative feedback provided	■ Job analysis: specific job descriptions	■ Guarantee employee job security	■ Compensation is based on individual performance		■ Provide open communication and opportunity to suggest improvements within organisation	
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Furthermore, Alleyne et al.'s (2005) study, based on Hoque's research (1999a), demonstrates that hotels in Barbados are more focused on service quality than costs, and trade unions push their hotel companies to provide a good level of HRM for their union members. In addition, the research emphasises the importance of considering national or corporate culture, as opposed to uniformly adopting recent US-influenced models of HR. In this respect, hotels in Barbados are clearly seen as adopting best practice rather than best fit HRM.

There are a number of HR practices from both best fit and best practice as discussed in chapter 2; these HR practices may not be enacted in the same way in Korea. For example, the Tourism Promotion Act supports that hotels consider using 'foreign language score as a selection requirement' and requires a variety of training (i.e. foreign language, complaints response and greeting attitudes) in deluxe hotels. Also, employees' job security is guaranteed by Korean Labour Law. Employees prefer teamwork, pay based on group performance, seniority based on pay in collectivist organisations, and get stressed at work in a high power society in terms of Hofstede's view (1994). The indirect voice from trade unions plays a large role in employees' welfare and welfare facility (i.e. pay negotiation, job security, and pay increase) from collective agreements. Also Korean companies have changed some HR practices, such as employment pattern and pay system after the financial crisis, as discussed in the previous chapter. Hence the nature of these HR practices is, perhaps, different by comparison to Western organisations.

What is good practice? It would be difficult to find out the right answer because previous research into HRM has focused mainly on managements' view (Dany et al, 2008; Gooderham et al, 2008; Petrescu & Simmons, 2008; Verburg et al, 2007; Green et al, 2006) thus there are maybe different views about some HR practices from management, employees and trade unions. For example, does management consider HR practice (i.e. pay increase, improve employees' welfare and facilities) in relation to trade unions as good practice? On the contrary to the view of management, employees may consider those HR practices as good practice. Korean deluxe hotels have strong trade unions, and as a result it is expected that the indirect voice has greater impact on the HR practices as discussed in chapter 2. Consequently, this study will examine what is good practice and what is bad practice among management, employees and trade unions in Korean deluxe hotels.

As discussed in section 3.3, best practice and quality enhancing best fit are very similar. As a result, these specific HR practices are associated with both best practice and best fit practice. To support this, Hoque (2000) finds there is very little difference between best fit and best practice. For example, the HR practice on selection of highly skilled individuals based on experience can be best fit practice in terms of quality enhancing HRM, or best practice in the aspect of the Tourism Promotion Act of the Korean government. In a similar vein, the HR practice on training and development (i.e. formal training programmes for employees, minimum period annually in formal training, evaluation of training programmes, provide comprehensive training programme, require development of a broad range of skills) can also be a best fit practice in the aspect of quality enhancing HRM or can be best practice under strong Korean legislation because the individual deluxe hotels seek the quality driven HR practices. However, prior to the individual business strategy, Korean legislation pushes to adopt the HR practices for Korean deluxe hotels. Therefore, the practice connected with service quality issues (i.e. quality driven HR practice/Tourism Promotion Act), employee voice (i.e. quality driven HR practice/ Trade unions) and consultation (i.e. quality driven HR practice/ Trade unions), are on the same side. We might call these practices good practices as mentioned above. These practices look the same as best practice, or these practices might look the same in terms of high quality best fit. It is really difficult to say that these practices are driven by quality enhancing best fit or external drivers. Investment in people could be driven by the business strategy or by the external environment (i.e. trade unions, Tourism Promotion Act). All those things push towards an investment in people in Korean deluxe hotels. Theoretically, a distinctive approach towards Korean deluxe hotels may consider Korean legislation (Tourism Promotion Act), and see trade unions as being more important than quality enhancing HRM because strong Korean legislation provides strict rules and criteria for all the hotels, and the hotels must follow this policy. In addition, 39.8% of Korean deluxe hotels recognise trade unions, which means Korean deluxe hotels are likely to also adopt best practice through the influence of strong trade unions, as in Alleyne's study (2006). Therefore, this study expects Korean deluxe hotels to adopt some good practices which are driven both by the external environment and the business strategy. Moreover Korean deluxe hotels may adopt a combination of best fit and best practice. Korean deluxe hotels might be pursuing a quality enhancement strategy by providing high service quality and high price policy to meet high demands of customers in terms of organisational fit (best fit). As previously mentioned, Korea has a very distinctive national culture in terms of

societal fit (best fit). In addition, the Tourism Promotion Act, the financial crisis, and the trade unions all exert influence to adopt best practice in Korean deluxe hotels (best practice). Best fit and best practice are not straightforward and simple, and many other countries and strategy factors are involved in these relationships. Another study also demonstrates adopting a combination of best practice and best fit in European countries: “exploring the link across national borders adds extra complexity” (Stavrou et al., 2010, p.953). This means there is a limitation to exploring the importance of geographic context on the link between HRM and organisational performance with only one approach. In other words, realistically, only one concept of best fit or best practice alone cannot be adopted to establish the SHRM in Korean deluxe hotels, especially given the external environment and hotel business strategy. All those things are likely to push towards a combination of best practice and best fit in Korean deluxe hotels.

3.5 ORGANISATIONAL JUSTICE

Understanding organisational justice is very important. It is important to have a better understanding of how employees feel about their organisation, for example employees’ willingness (not to leave) (Hom & Griffeth, 1995) and employees’ behaviour at work (Sweeney & McFarlin, 1993; Greenberg, 1990); therefore this influences employee outcomes.

Organisational justice involves the perceptions of employees regarding the fairness of their conditions of employment (Folger & Cropanzano, 1998), for example, in the allocation of organisational rewards such as pay and promotion (Parker & Kohlmeyer, 2005). Marchington and Grugulis (2000) indicate that the ‘independent employee voice’ is neglected by Pfeffer’s (1998) study because employee involvement is illustrated only by economic efficiency and problem-solving. This shows that we cannot ascertain that “employees are active participants in the employment relationship whose frames of reference may differ from those espoused by their managers” (Marchington & Grugulis, 2000, p. 1119). They emphasise that various complexities often occur in the workplace, therefore the process of ‘employee voice’ is considered in order to investigate its relationship with the HRM performance link (Marchington & Grugulis, 2000). Thus, this study will consider the concept of organisational justice as one way of exploring how employees feel about HR practices. Organisational justice includes two areas – distributive and procedural justice (Lambert, et al., 2007; Wong, et

al., 2006; Aryee, et al., 2004; Jawahar, 2002; Olkkonen & Lipponen, 2006). Distributive justice focuses on an individual's evaluation of the fairness of his or her outcomes from a decision-making system, while procedural justice is related to the process of perceived fairness by which decisions are made (Greenberg, 1987). Greenberg (1987) argues that positive distributive justice perceptions will be promoted when an individual views their outcomes to be consistent with their resource allocation norms. It is hypothesised that employee perceptions of distributive justice, regarding policies and practices, will be promoted when they see that their ratio of organisational input, such as effort, performance, skills, competence and career development opportunities are balanced with those of their peers and colleagues, while a procedural justice perspective is concerned with the fairness of the process which focuses on factors such as pay, rewards, promotion and evaluations decided within organisations. Table 3.6 shows the organisational justice variables which are based on a wide range of industries which will be used in this study to explore the perception of employees and HR managers with regard to how they feel about the HR practices in their hotel.

Table 3.6 Organisational justice variables for the Korean hotel industry

	Organisational justice each item	Authors
Organisational justice – a wide range of industries (e.g. public sector organisations, medical, general industry, general service industries)	Provide fair pay distribution	Lambert, et al. (2007); Omar & Ogenyi (2006); Richard, et al. (2002); Rupp & Cropanzano (2002)
	Provide fair rewards distribution	
	There is fair opportunity to be promoted	
	The organisation's procedures and guidelines are very fair	
	I feel that I am involved in the decision process	
	I have a great deal of participation in the decision process	
	Treats me with kindness	

3.6 EMPLOYEE OUTCOMES OF THE HOTEL INDUSTRY

The area of strategic human resource management has brought a great deal of research attentions to understand the links between human resource management and organisational performance (Gould-Williams & Mohamed, 2010; Green et al., 2006). The SHRM perspective has shown that human resource management practices are associated with organisational performance, both financial performance (Harris, 2007; Colakoglu et al., 2006; Hartog, et al., 2004; Paul & Anantharaman, 2003; Haynes & Fryer, 2000; Hoque, 1999; Huselid, 1995; Snell & Youndt, 1995) and non-financial performance (Petrescu & Simmons 2008, Chow, et al., 2007; Khilji & Wang, 2007;

Green et al., 2006). In a similar vein, recent researchers have attempted to examine the connection to how SHRM influences individual performance of the employees (Green et al., 2006), because individual performance is a part of organisational and departmental performance, which is associated with individual work attitude (Judge et al., 2001). Hence, the individual performance can be linked to organisational performance with expectations that satisfied employees in the workplace would have a significant impact on organisational performance. In order to evaluate the relationship between SHRM and employee outcomes in the Korean hotel industry, this study will explore positive (job satisfaction) and negative outcomes (dissatisfaction and turnover).

Job satisfaction is still widely studied by scholars to evaluate how satisfaction is impacting and impacted by other organisational variables that are “individual differences, characteristics of the job, the fit between these two, mood and emotions were found to be the major determinants of job satisfaction” (Suliman, 2007, p. 297). Similarly, Schermerhorn et al. (2001, p. 99) indicate that “on a daily basis managers must be able to infer the job satisfaction of others by careful observation of and interpretation of what they say and do while going about their jobs. Sometimes it is also useful to examine more formally the levels of job satisfaction among group of workers”. Hence, the degree of job satisfaction is regarded as an important element which affects employees’ behaviour and organisational performance. For example, Maister (2001) suggests that increasing employee satisfaction leads to a higher rate of work quality and better customer relationships, and in turn, can improve the company’s organisational performance. Khilji and Wang (2007) refer to the importance of individual employee satisfaction with HR practices which are positive relationships between human resource management and organisational performance. The evidence of this view is that satisfaction with pay was shown to lead to higher levels of job satisfaction and link to improved performance (Petrescu & Simmons, 2008; Bloom & Michel, 2002; Clark & Oswald, 1996).

Previous studies show that the hotel industry generally gives low pay to their employees (Haynes & Fryer, 2000; Lucas, 1996; Price, 1994) and this influences high labour turnover (Cheng & Brown, 1998; Kennedy & Berger, 1994; Woods, 1992) because it reduces employee motivation at work. As a result they feel it is easy to leave their organisation or find alternative jobs. Related to this view, Carbery et al. (2003, p. 649) state that “high turnover is generally acknowledged to be one of the distinguishing

features of the hotel and hospitality industry”. In addition, it leads to reduced satisfaction within the organisation, if pay is distributed unequally amongst employees (Petrescu & Simmons, 2008).

Hom and Kinicki (2001) stress that management is required to be aware of the turnover which causes managerial problems in managing HR because employees quit jobs or find alternative jobs if they are unhappy with the company they work for. Phillips (1996, p.180) supports this view, and the evidence is “HR programs designed to reduce turnover can result in tremendous bottom line improvements”. In this respect, turnover is an essential indicator to evaluate employee outcomes. Bloom and Michel (2002) point out dispersed pay systems are related to higher turnover, while on the other hand, Beaumont and Harris (2003) indicate that compressed pay promotes co-operation and team effort because the organisation provides a more equitable workplace.

Consequently, evaluating how employees feel about their organisation, and determining how to manage positive and negative feelings, are essential issues in hotel management. Hence, this study considers job satisfaction (Petrescu & Simmons 2008, Chow, et al., 2007; Khilji & Wang, 2007; Green et al., 2006; Lee et al., 2006), dissatisfaction and turnover (Khilji & Wang, 2007) as key employee outcomes which are based on a wide range of industries, and these will be explored using the following variables (See Table 3.7).

Table 3.7 Employee outcome variables for the Korean hotel industry

Employee performance	Employee performance each item	Authors
Positive employee Performance (satisfaction) – a wide range of industries (e.g. manufacturing industry, financial industry, hotel industry)	Overall, I am satisfied with my job	Chi, Gursoy (2009) ; Petrescu & Simmons (2008); Khilji & Wang (2007); Green et al. (2006)
	I intend to keep working at my hotel long into the future	
	I find real enjoyment in my job	
	I like my job better than the average worker does	
Negative employee Performance (dissatisfaction, turnover) – a wide range of industries (e.g. manufacturing industry, financial industry, hotel industry)	I dislike my job	Chi, Gursoy (2009); Green et al. (2006); Bloom & Michel (2002); Hom & Kinicki (2000); Huselid (1995)
	I am disappointed that I ever took this job	
	I often think about quitting my job	
	As soon as I can find another job I am going to leave	

3.7 DEVELOPING A FRAMEWORK OF SHRM FOR THE KOREAN DELUXE HOTEL INDUSTRY

This chapter has shown that most HRM research has been conducted in Western countries, and that there is a debate about whether it is appropriate to apply best practice in the Asian context. Moreover, previous studies have predominantly focused on managers' views, therefore the employees' opinions are likely to be neglected (See Table 4.1 page 98). In order to explore what is perceived to be good HR practice for the managers and employees, this study involves all views (i.e. managers, employees and trade unions) to establish a suitable approach to HRM in Korean deluxe hotels.

The best fit approach stresses that HR strategy is more effective when appropriately integrated with its specific organisational and environmental context, including culture (Boxall & Purcell, 2003). This study focuses on deluxe hotels in Korea due to the relative strength of the quality segment within the Korean hotel industry, as indicated in chapter 2; as such, a focus on a strategy of quality enhancement should be expected. This research will explore quality enhancing HRM that focuses on service quality and utilises eight dimensions of HR practice (i.e. recruitment and selection, training and development, performance appraisal, job design, job security, compensation and pay systems, service quality issues, and employee voice and consultation). These practices have been selected because they have been explored in numerous previous studies. Best fit scholars advocate a societal fit in relation to national culture (Boxall & Purcell, 2003). Therefore, this study expects to demonstrate a different type of HRM from that in Western countries, because the Korean context has a distinctive national culture, as described by Hofstede: Korea is a collectivist society, with high power distance, feminine characteristics, strong uncertainty avoidance, including an adherence to Confucianism, all of which are very different to Western countries.

There are two different collective approaches: the collective approach by the collective voice of trade unions, as opposed to Hofstede's view. That is to say, Korea is a collectivist and high power society in which they also organise trade unions which have a high level of trade union density. Trade unions play an important role in collecting employees' voice in organisations as discussed in chapter 2. It seems that Korean standards may be well regulated when considering employee welfare, and maybe it has been reflected by the opinions of trade unions. In a similar vein, Alleyne et al. (2005)

shows the power of trade unions which pushed Barbados hotels towards best practice, unlike the majority of them which adopted best fit in the specific Barbados context.

Service industries highlight empowerment as a business strategy which is related to best fit HRM (Lashley, 1998). However, this chapter has shown that Lashley's model is overly simple and the study was conducted in the individualistic UK culture, a situation of relatively low pay, low power distance and very weak trade unions. Hence his model may not fully apply in Korean deluxe hotels, because Korea has a very different culture and Korean hotels are controlled by strong Korean legislation and strong trade unions. It is possible that Korean deluxe hotels might lie in multiple quadrants of Lashley's model, and therefore it would be hard to say which quadrant the Korean deluxe hotel belongs to. The external drivers such as Korean legislation, and strong trade unions, may be more important than, or at least as important as, a quality enhancing strategy. Hence this study expects Korean deluxe hotels to adopt a combination of best fit and best practice.

This study will explore the factors which influence the approach taken to SHRM in Korean deluxe hotels. It will explore the influence of collectivism, high power distance, cultural femininity, strong uncertainty avoidance and Confucianism, focusing on Korean legislation, negotiations and high trade union density. As a result, what sort of strategic HR practices may be found among deluxe hotels is drawn from earlier studies based on the key drivers as mentioned above. Table 3.8 proposes a framework for exploration of a distinctive SHRM based on best fit quality enhancing HRM which is sensitive to Korean culture, Korean legislation, and considers the role of trade unions among Korean deluxe hotels. The purpose of the framework is to provide primary data collection and show the link this study will look at relating to whether HR practices are enacted in Korean hotels. It explores the extent to which internal quality enhancing and external drivers impact on the practice and also looks at employee outcomes including the concept of organisational justice. As discussed above, quality enhancing practices can be very similar to best practice, raising the question of similarity in the Korean context. Again, this study also demonstrates distinctive differences when compared to those in Western countries, and is expected to show how different HR practices are adopted throughout the Korean hotel industry.

Table 3.8 A framework for the Korean deluxe hotels

HR practices	Quality enhancing strategy	Korean legislation	National culture		Impact of trade union
			Collectivism	Power distance/ Masculinity/Uncertainty avoidance	
Recruitment and selection	<ul style="list-style-type: none"> ■ Use of at least one of the following selection methods: psychometric testing; personality test, aptitude tests, to select good employees (Alleyne et al., 2006; Michie & Sheehan, 2005; Khatri, 2000; McGunnigle & Jameson, 2000; Hoque, 1999a; Koch & McGrath, 1996; Huselid, 1995; Terpstra, 1994; Delaney et al., 1989) ■ Provide a major selection criteria (Alleyne et al., 2006; Michie & Sheehan, 2005; Hoque, 1999a) ■ Use of realistic job previews during recruitment and selection (Alleyne et al., 2006; Khatri, 2000; Hoque, 1999a) ■ Structured and standardized interviews to select good employees (Chand & Katou, 2007; Khatri, 2000; Koch & McGrath, 1996; Terpstra & Rozell, 1993) ■ Selection of highly skilled individuals (i.e. problem-solving skilled individuals) and experience (Chand & Katou, 2007) 	<ul style="list-style-type: none"> ■ Encourage companies to hire employees who can speak foreign languages 	<ul style="list-style-type: none"> ■ Consider extended families and loyalty to the organisation (Ramamoorthy & Carroll, 1998) ■ Hiring by considering their loyalty and seniority (Ramamoorthy & Carroll, 1998; Gomez-Mejia & Welbourne, 1991) 		<ul style="list-style-type: none"> ■ Union leaders of the organisation participate jointly in the hiring of staff
	<ul style="list-style-type: none"> ■ Formal training programmes for employees (Chow, et al., 2007; Michie & Sheehan, 2005; Khatri, 2000; Hoque, 1999a; MacDuffie, 1995; Huselid, 1995; Pfeffer, 1994) ■ Minimum period annually in formal training (Alleyne et al., 2006; Ahmad & Schroeder, 2003; Hoque, 1999a) ■ Evaluation of training programmes (Khatri, 2000; Terpstra, 1994) ■ An explicit policy requiring all staff to spend a specified (Alleyne et al., 2006; 	<ul style="list-style-type: none"> ■ Formal training programmes for employees ■ Minimum period annually in formal training ■ Require development of a broad range of skills ■ Conduct informal training for specific problems 	<ul style="list-style-type: none"> ■ Seniority-based promotions and employee loyalty (Ramamoorthy & Carroll, 1998; Sparrow & Wu, 1998) 	<p>Masculinity</p> <ul style="list-style-type: none"> ■ Men are given more priority in terms of promotion than women (Still, 1994) 	
Training and development					

	<p>Hoque, 1999a)</p> <ul style="list-style-type: none"> ■ Provide comprehensive training programme (i.e. technical skills, problem-solving skills and off the job training) 				
Performance appraisal	<ul style="list-style-type: none"> ■ Performance measured with objectively quantifiable results (Chow, et al., 2007); Khatri, 2000; Roberts, 1995; Kravetz, 1988) ■ Managers discuss performance with subordinates (Khatri, 2000; Youndt et al., 1996; Kravetz, 1988) ■ Performance measurement includes quality criteria (Khatri, 2000; Roberts, 1995; Ghorpade & Chen, 1995) ■ Performance appraisal includes goal-setting (Khatri, 2000; Gratton, 1995; Schuster, 1986) 		<ul style="list-style-type: none"> ■ Emphasise informal appraisal system (i.e. bosses do not give formal feedback or formally evaluate employees) (Ramamoorthy & Carroll, 1998; Taylor, 1991; Pucik & Katz, 1986) ■ Emphasis on group incentives (Ramamoorthy & Carroll, 1998) 		
Job design	<ul style="list-style-type: none"> ■ Flexible job descriptions that are not linked to one specific task (Chand & Katou, 2007; Alleyne et al., 2006; Hoque, 1999a) ■ Deliberate design of jobs to make full use of workers' skills and abilities (i.e. use of job enrichment and/or autonomous work groups) (Alleyne et al., 2006; Hoque, 1999a) ■ Work organised around teamworking for the majority of staff (Chand & Katou, 2007; Alleyne et al., 2006; Hoque, 1999a) 		<ul style="list-style-type: none"> ■ Prefer to work with others rather than working alone (Ramamoorthy & Carroll, 1998) ■ Employees who belong to group should realise that they sometimes are going to have to make sacrifices for the sake of the group as a whole (Ramamoorthy & Carroll, 1998) 	<p>Power distance</p> <ul style="list-style-type: none"> ■ Managers ask hard work to their employees (Hodgetts, et al., 2006) 	
Job security	<ul style="list-style-type: none"> ■ Job security is almost guaranteed to employees in this hotel (Chow, et al., 2007) ■ It is very difficult to dismiss a permanent employee in this hotel (Chow, et al., 2007; Michie & Sheehan, 2005) ■ Employees in this hotel can expect to stay for as long as they wish (Chow, et al., 	<ul style="list-style-type: none"> ■ Job security is given by Korean Labour Law 	<ul style="list-style-type: none"> ■ Emphasise job security (Ramamoorthy & Carroll, 1998; Gomez-Mejia & Welbourne, 1991) 	<p>Uncertainty avoidance</p> <ul style="list-style-type: none"> ■ Feel more anxiety, stress, urgency situations in Organisations (Hofstede, 1994) 	<ul style="list-style-type: none"> ■ Require job security through trade unions

	<p>2007)</p> <ul style="list-style-type: none"> ■ If the hotel was facing economic problems, employees would be the last to get cut (Chow, et al., 2007) 				
<p>Compensation and pay systems</p>	<ul style="list-style-type: none"> ■ Formal appraisal of all staff on a regular basis at least annually (Chand & Katou, 2007; Alleyne et al., 2006; Hoque, 1999a) 		<ul style="list-style-type: none"> ■ Emphasise on group rewards (Ramamoorthy & Carroll, 1998; Gomez-Mejia & Welbourne, 1991; Sekaran & Snodgrass, 1986) ■ Pay increase by group performance (Sparrow & Wu, 1998) ■ Seniority based on pay (Ramamoorthy & Carroll, 1998) ■ Pay based on hierarchical status (Ramamoorthy & Carroll, 1998) ■ Long-term employment relationships (Ramamoorthy & Carroll, 1998) ■ Seniority or loyalty based rewards (Ramamoorthy & Carroll, 1998) ■ Pay decided by age and seniority (Sparrow & Wu, 1998) 		<ul style="list-style-type: none"> ■ Negotiate pay increase, incentives, bonuses and promotions through trade unions

Service quality issues	<ul style="list-style-type: none"> ■ Production/service staff responsible for their own quality (Chand & Katou, 2007; Alleyne et al., 2006; Hoque, 1999a) ■ A majority of workers currently involved in quality circles or quality improvement teams (Chand & Katou, 2007; Alleyne et al., 2006; Hoque, 1999a) ■ Regular use of attitudes surveys (Chand & Katou, 2007) 	<ul style="list-style-type: none"> ■ Employee attitudes (i.e. greeting, attitudes, appearance, uniforms and speaking) ■ Phone etiquette ■ How to respond to complaints from customers ■ Satisfaction of degree of various booking system of hotel home page, travel sites and phone 		<p>Power distance</p> <ul style="list-style-type: none"> ■ Employees are commanded by managers to answer 'YES' (i.e. ignore employees' opinion) (Hodgetts, et al., 2006) 	<ul style="list-style-type: none"> ■ Propose improved paid holidays and vacations. Also deal with maternity leave, pension funds and grievance procedures
Employee voice and consultation	<ul style="list-style-type: none"> ■ Managers keep open communications with employees in the hotel (Chow, et al., 2007) ■ Employees are provided with the opportunity to suggest improvements in the way things are done (Chow, et al., 2007) ■ Employees are allowed to make many decisions (Chow, et al., 2007) ■ Employees are asked by their managers to make decisions (Chow, et al., 2007) 				

3.8 CHAPTER SUMMARY

This chapter discussed why an internal quality enhancing driver and external drivers, which take into account Korean legislation, Korean culture and trade unions, pushed towards the adoption of best fit as well as best practice in Korean deluxe hotels. Deluxe hotels are expected to adopt a quality enhancing business strategy, providing a high quality service to customers and to adopt some aspects of best practical quality enhancing HR practices. The external drivers have shown the distinctive Korean culture (Korea has a high power distance, and is a collectivist, feminine and strong uncertainty and Confucianism), strong legislation (requirements to become deluxe hotels by the Tourism Promotion Act), and strong trade unions (trade unions have a high level of union density). Therefore, all those things suggest the adoption of a combination of best fit and best practice simultaneously in Korean deluxe hotels. Additionally, if these distinctive factors, as mentioned above, are applied into Lashley's (1998) model, it is possible that Korean deluxe hotels might lie in multiple quadrants, and therefore it would be difficult to say which quadrant the Korean deluxe hotel belongs to. As a result, his model may not be suitable for Korean deluxe hotels because of the differences attributed to Korean culture, Korean legislation, and trade unions in the aspect of cross-national HRM.

Also, this chapter proposed a framework for SHRM which would fit the Korean hotel industry. This study examines deluxe hotels that exemplify the Korean hotel industry, and therefore includes eight dimensions of HR practices combined with the key drivers (i.e. quality enhancing strategy, Korean culture, Korean legislation and trade unions) to create a suitable SHRM for the Korean hotel industry. Finally this chapter discussed employees' feelings about specific HR practices, including the concept of organisational justice. The next chapter discusses research methodology, the reason why this study adopts a mixed-methods approach, research design, reliability and validity, and the pilot study.

CHAPTER 4

METHODOLOGY

4.1 INTRODUCTION

The aims of this chapter are to explain why this study chose a pragmatic approach, which deploys mixed methods to explore an SHRM framework with inputs from management, employees, and trade unions unified in one study, and which also critiques different paradigms of research in this area. In order to achieve the aim of this study, first this chapter discusses the different concepts of research paradigms to decide and accept an appropriate method to use in this study. The chapter begins with a debate to find a suitable research method for the study. The two main methodological approaches (i.e. quantitative and qualitative) are reviewed. Also, this chapter argues for the appropriateness of the pragmatic approach for this study. Hence the research strategy put forward justifies the inclusion of both qualitative and quantitative methods in this study.

This chapter goes on to discuss sample size determination for survey and interview situations, and shows how the primary data was collected through questionnaire surveys with HR managers and employees, and in-depth face-to-face interviews with HR managers and trade union representatives. This chapter describes the procedures of how to build up a multilevel model of triangulation design, and how this was designed and analysed both in the use of questionnaires and interview techniques. Also this chapter ends with a discussion of the issue of reliability versus validity and research limitations of the study.

4.2 PARADIGMATIC STANCE

A paradigm is a theoretical perspective within which the researcher's view of reality is supported and confirmed (Birley & Moreland, 1998). Therefore paradigms play an underlying role in establishing theories and choosing the methodology which fits the specific research (Scherer, 2005). The adopting of a paradigmatic stance requires the author to decide on and accept the most appropriate methods in order to undertake the

study. To address the issue of the choice of methodology for the study, the author needs to look at the different concept of paradigms.

Positivism rests on the contention that the world is an external construct, separate from an observer's experience. This allows positivists to be objective in their observations and promotes the notion that 'research and science is value-free' (Easterby-Smith et al., 2002). Therefore positivists advocate the 'objective world' to explore the existence of the cause and effect of natural sciences. Ontologically, researchers can conceive positivism as describing the world through a series of fixed and quantifiable phenomena that can observe objectively, and investigate repeatedly, using instrumentation independent from the researcher's opinions or bias (Easterby-Smith et al., 2002).

In order to discover what is true, positivist researchers formulate a hypothesis and test it empirically in the real world (Brewerton & Millward, 2001). That is to say, by operating according to the positivist paradigm, scientists can gain knowledge in deductive methods by empirically testing built models using quantitative means (Brewerton & Millward, 2001). Questionnaires based on the models derived from the theory are imposed on the 'real' world, and the fit to the models is indicated by the strength of the relationships. The main concerns of a quantitative research approach, which emphasises the quantifiable characteristics of the phenomena of interest, are the predictive statistical powers, validity and generalizability of the findings (Cassell & Symon, 1994). For example, the researcher interprets the real world (i.e. how the business strategy impact on firm performance) by combining variables (i.e. HR practices) and examines the correlations between those variables; as a result the researcher investigates the causal relationship.

McGunnigle and Jameson (2000) conclude that positivism is not relevant in social sciences because this paradigm is not the appropriate way to gain a rich/greater understanding of social phenomena like managing people in the UK hotels. This criticism of positivism and its 'value-free' character because it is difficult to interpret complex phenomena by 'value-free' methods in social science (Williams & May, 2000). Therefore the main criticisms of positivism lay in its attempts to exclude human subjectivity in relation to scientific inquiry. In supporting this view, Gill and Johnson's (1997) critique of positivism maintains: researchers cannot separate human actors from their social context; this context cannot be explained without using the perceptions of

their activities as a reference. This paradigm will not allow researchers to holistically explore mutually shaping influences or gain wider knowledge of the phenomena. Therefore researchers need to broaden their research horizons and need to use a different paradigm, which opposes positivist methodologies.

Interpretivists claim that social science needs to be able to convey “what is meaningful” to people in a social situation. They argue that the social world needs to be viewed and interpreted differently to the natural and physical world. The interpretive paradigm wants to understand the world as it is, which is centred at the level of subjective experiences (Burrell & Morgan, 1979). Therefore interpretive research concerns itself with the role of social actors, and how they communicate meaning in certain situations being examined. Thus the researchers’ task is to decode meanings through the interactions of actors in meaningful ways in social situations (Scherer, 2005). Interpretivism rejects positivists’ assertions and accepts ‘human subjectivity’ in explaining human beliefs. As opposed to positivism, interpretivism does not perform hypothesis testing, therefore it does not generalise the setting to a population (Johnson & Clark, 2006). Thus the characteristics of interpretivism utilises qualitative in-depth interviews (Hatch & Yanow, 2005). The main aspect of interpretivism is to develop a comprehensive understanding of the phenomenon. This is conveyed by finding out how the features of the social context of the phenomenon are associated to interdependent (Oates, 2006). However Chua (1986) criticises the theory in terms of validation, it raises the question of how the researcher accounts for the validity of an interpretation if researchers cannot trust the actors. This implies that the role of the researcher is to avoid focusing on innate subjectivity. It would be difficult to collect data due to time and limited resources, and also it is not easy to interpret the data. In addition, it may be profoundly difficult to generalise the research findings through investigations using small sample sizes. These criticisms give researchers a good reason to give a third paradigm, pragmatism, important consideration.

Pragmatism can be defined as a series of assumptions concerned with findings about knowledge and investigation. Sleeper (1986, p. 8-9) defines that “pragmatism is a philosophy rooted in common sense and dedicated to the transformation of culture, to the resolution of the conflicts that divide us”. Related to this, pragmatism addresses ‘a general belief system for the social sciences’ (Maxcy, 2003) and ‘as a specific justification’ (Johnson & Onwuegbuzie, 2006). Namely, the notion of pragmatism is

connected to the mixed methods approach (Bergman, 2008; Tashakkori & Teddlie, 1998; Datta, 1994; Patton, 1990; Brewer & Hunter, 1989; Howe, 1988). Howe (1988) emphasises that the concept of pragmatism is a combination of qualitative and quantitative methods and those are compatible. In other words, the mixed methods approach includes the quantitative approaches, which are situated in the positivist paradigm, and the qualitative approaches which are located in the interpretivist or constructionist paradigm (Johnson & Onwuegbuzie, 2004; Maxcy, 2003; Rallis & Rossma, 2003).

Also previous studies show that pragmatism is based on the idea that using the mixed methods approach will provide more valid findings of research than either approach alone (Johnson et al., 2007; Tashakkori & Creswell, 2007). As stated by Creswell and Plano Clark (2007), there is either one very good paradigm, or worldview, that is suitable for the mixed method research. A large number of mixed method writers have progressed to identify the most suitable paradigm which presents the fundamental basis for mixed methods research. Furthermore, Tashakkori and Teddlie (2003) indicate that pragmatism is now considered the predominant view and is accepted by researchers in the field.

The pragmatic approach is a commonly used practical view of working methods in social sciences (Plano Clark & Creswell, 2008). Pragmatism seems to draw many ideas and evaluates objective and subjective knowledge by using mixed approaches (Creswell & Plano Clark, 2007). The pragmatic research philosophy helps to identify how research approaches can be improved in ways which increase the likelihood of answering the research questions (Hoshmand, 2003). Based on both practical and outcome-oriented methods of research, pragmatic research philosophy provides the opportunity for selecting methodological mixes which can more accurately assist the researcher in answering their research questions.

The author follows a pragmatic approach, which uses mixed methods to explore the SHRM framework with the views of management, employees, and trade unions in a single study, by criticizing the different paradigms to research in social science. There is insufficient literature on trade unions, particularly on the Korean hotel industry. The decisions made in choosing a suitable method depend on the conducted research and the obstacles approached by the researcher. Also, selecting a suitable method depends on

the quality and the amount of accessible literature on the research topic being examined. If not, further investigation and analysis should be organised and carried out to develop the research (Ghauri et al., 1995). Therefore the author may explore the social aspects of the Korean hotel industry by taking different approaches in order to get a broad understanding in an inductive manner. This is the reason why a number of researchers are handling this issue by concentrating more on qualitative case studies. Hence the research is concerned with the important details of the issues which need comprehensive explanations and understanding, and this implies that it cannot be found only by using quantitative methods. For example, how different actors feel about their hotels' HR practices and whether areas of conflict exists between management and employees can be identified by using the two methods. Why the author justifies using the mixed methods in social science, particularly in relation to this study, is further discussed in section 4.3 and section 4.4.

4.3 RESEARCH METHODOLOGY

Choosing suitable research methods is a very important role in obtaining valid results which can be fairly described as generating knowledge. First this section discusses the differentiation between an inductive and deductive approach, and then shows how the inductive approach is mainly associated with qualitative research methods, and how the deductive approach is closely related to quantitative research methods. There are two main methodological approaches to social research: the qualitative approach and the quantitative approach. Morgan and Smirchich (1980) emphasise that the debate on quantitative versus qualitative methods is connected to ontology, epistemology and human nature, affecting the choice of research methods. The qualitative approach is based on a philosophy of interpretivism or constructivism, while the quantitative approach is based on a philosophy of positivism as discussed in section 4.2.

4.3.1 Deductive and inductive approach

The procedures of deductive and inductive approaches are quite different and these approaches impact on how researchers consider the connection between theory and research methods to achieve research aims.

A deductive approach develops a conceptual and theoretical structure prior to testing through empirical observation (Collis & Hussey, 2003), therefore this approach is

undertaken as a way of making tentative hypotheses based on theories that implement the subsequent testing. Again a deductive approach is used to test existing theories based upon logic and structure, therefore this approach can be described as ‘theory testing’ under investigation. In contrast, an inductive approach can be viewed as ‘theory-generating’ from the data collection; this approach tends to progress data to theory. An inductive approach enables researchers to employ specific data to build theories that clarify this data, and in turn enhance understanding of the particular issue or situation. A deductive approach usually involves quantitative research methods in nature, and this approach is appropriate for theory testing. Alternatively an inductive approach usually involves a qualitative methodology for data analysis, and as a result it is theory-generating (Lee, 1999). If we accept this idea, is the deductive approach always related to quantitative methodology? The answer is maybe not, because we can use interviews and words to test a theory, which are qualitative methods used in a deductive way, otherwise we can use questionnaires (i.e. structured/semi-structured/open-ended) to build a theory in an inductive way. For example, it is possible that we can use both interviews and questionnaires to test a theory in a deductive approach. However a deductive approach is often related to quantitative research methods, and an inductive approach is typically associated with qualitative research methods (Lee, 1999; Maykut & Morehouse, 1994).

The next section discusses why this study used a combination of deductive and inductive approaches to explore an SHRM framework for the deluxe hotel sector.

4.3.2 Quantitative approach

A quantitative approach relies on a positivist paradigm that affects the scientific method of sciences (Jennings, 2001). As discussed above, the concept of quantitative approach is often related to the deductive approach (Lee, 1999; Maykut & Morehouse, 1994) which is “concerned with developing a hypothesis (or hypotheses) based on existing theory, and then designing a research strategy to test the hypothesis (Wilson, 2010, p. 7). The central value of the quantitative research is associated with the “observer’s independence of the object of research” (Flick et al., 2004, p. 9). In order to demonstrate the specific phenomena, adaptable theoretical knowledge is taken from the previous literature and empirical findings. The next stage is considering how to design the questionnaire and also deriving the hypothesis from the theoretical statements and testing them against empirical conditions (Saunders et al., 2009).

The deductive research involves deductive reasoning which goes from the more general to the more specific. The quantitative approach considers the form of research questions (i.e. who, what, where, how much and how many?) (Yin, 1994). Therefore, the quantitative research approach can be equally associated with exploratory and descriptive research as the testing of a hypothesis (Saunders et al., 2009). In other words, this method shows that each specific implication deduced from a theory is termed a hypothesis that proposes the relationship between an independent variable and a dependent variable (Schutt, 1996). More researchers might consider turning their attention to more quantitative approaches as the dominant method for examining the relationship between HRM and performance to achieve research aims (Alleyne et al, 2006; Hoque, 1999a; Huselid, 1995). In this study, there are two questionnaire surveys: The aim of the questionnaire survey for HR managers is to explore the HR practices that are actually used in deluxe and super deluxe hotels, using descriptive questionnaire in an inductive manner. The other questionnaire survey for employees is to test hypotheses which examine the relationship between the strategic human resource management practices as experienced by employees, and how the employees feel about them, utilizing the concept of organisational justice in a deductive manner. Therefore, the quantitative approach can identify possible reasons for particular relationships between variables and develop an SHRM framework by explaining these relationships.

The strength of quantitative approach is that it can collect a large amount of data through a sizable sample population with economic and time constraints (Johnson & Onwuegbuzie, 2004). Furthermore, the quantitative approach can have more control over the research process by using sampling; it also can be explained as a whole population's opinions from the collecting data in the research (Saunders et al., 2009). This is why the author selected the quantitative approach for the study, a large number of samples from the population (than a small number of samples by qualitative method), which could be used to represent the perception of HR managers and employees. For example, this study can easily obtain data of the HR practices that were actually used in the deluxe sector from this segment of hotels. Therefore this study follows the quantitative approach.

The questionnaire is used as a quantitative research tool and it draws comparisons from data, which are standardised (Flick et al., 2004). For example, the study can compare the recruitment selection criteria between international chain hotels and Korean owned

hotels in the light of ownership. In other words, the quantitative data from the questionnaire is used for analysing quantitatively through statistical tests. Saunders et al. (2003, p.92) also emphasise that quantitative survey “is a popular and common strategy in business and management research,” as well as amenable to “easy comparisons and appear to be authoritative.” However, quantitative research is limited to considering only results found by numerical descriptions unlike qualitative research. Also it is possible that a question may be raised on why this study did not use a quantitative approach on all the HR managers and trade union representatives, the answer is discussed in the next section.

4.3.3 Qualitative approach

A qualitative research approach is located in the interpretive paradigm as discussed previous section and is usually associated with an inductive approach (Lee, 1999; Maykut & Morehouse, 1994). The basic concept of the inductive method is “the basic technique for moving from a set of observations to a theory and is at the heart of sociological theory construction” (Gilbert, 2008, p. 27). Qualitative approach rests on “the investigator’s subjective perception” from their knowledge and experience as one element of the proof (Flick et al., 2004, p. 9). In other words, the qualitative researchers start constructing a model which assumes conditions and relations. Qualitative research uses the same assumptions made in the interpretive paradigm. These assumptions are based around the idea that the subjective experience of people, who are involved in communication, creates and sustains social reality (Marshall & Rossman, 2006; Denzin & Lincoln, 2000; Morgan, 1980). Gummesson (2005) indicates that a qualitative research method focuses on how to interpret the data which is complex, chaotic and unpredictable by personal and subjective view. Also qualitative researchers need to know how and why the research questions will be considered in a natural setting to develop a justification for qualitative methods. This shows that the qualitative approach describes the social change of process and meanings which are not rigorously measured in the light of quantity and frequency (Denzin & Lincoln, 2000; Morgan & Smircich, 1980). For example, researchers need to understand a particular culture in order to be able to connect with the interviewees to be able to interpret their experiences. That is, qualitative research depends on how to interpret and analyse individual experiences from the qualitative data that is made up of words or expressions in a real life setting.

There was a questionnaire survey for HR managers to explore the HR practices that

were actually used in deluxe and super deluxe hotels as discussed in section 4.3.2. Also for the study, interviews with HR managers were conducted to establish the internal and external factors which influence the Korean hotel industry. This is because the interpretive paradigm gives researchers to understand the world as it is so that the author is able to comprehend and have better understating of the complex phenomena of how internal and external factors influence the hotel industry through the rich explanations of actors. Supporting this, Ghauri et al. (1995) suggest that the qualitative research approach is appropriate, if the objective of the research needs an in-depth insight into the specific social phenomena. Hence, the study is able to explore the internal and external factors and how those factors can impact the Korean hotel industry and this can be understood by interpretive paradigm.

There is another reason why the study used the interpretive paradigm to address this: there are very few pieces of research literature on trade unions in the Korean hotel industry. Also there is no literature on trade unions at company level of the hotel industry in the real world. In relation to this, the research problem posed is bound up with the selection of methodology used in its analysis. The method chosen also depends on the nature of the potential study and the amount of literature available to investigate it. If there are any deficiencies here, additional studies will be needed (Ghauri et al., 1995). This shows why researchers have accepted a more detailed focus on qualitative case studies dealing with the labour issues. Thus, the study is able to gain a richer understanding of the phenomena of the impact the current practices have on members, which HR practices have changed in the hotel since the financial crisis, how trade unions impacts the hotel, the views on the fairness of employment conditions in the hotel, and the perceptions of union members on achievements of trade unions. Therefore the theory evolves in an inductive manner, as is the qualitative tradition (Brewerton & Millward, 2001) and the logic can be used to make sense of the situation from multiple interrelationships (Patton, 1990). Therefore, the study follows the interpretive paradigm to address research problems and also to achieve the objectives of the study.

The next section discusses why the author justifies using mixed methods in this study.

4.4 JUSTIFICATION FOR USING THE MIXED METHOD

Researchers tend to be challenged when finding out about the nature of reality and the nature of knowledge because the real world is bound up with complex issues involved with undertaking his or her research. Therefore researchers are required to understand paradigms to establish theories and to select appropriate methodology in their research.

Previous empirical research into HRM have focused mainly on managements' view in Western countries and the HRM researchers are more likely to have neglected employees' voice, including trade unions, as discussed in chapter 1(See Table 4.1). These clearly show why one single study puts together the different views of management, employees, and trade unions to develop a suitable SHRM framework for the deluxe hotel sector in Korea. However it would be difficult to engage the three different views with a single methodology because the real world has a number of complex issues in social science.

More recently, social science researchers have recognised that using qualitative research, or quantitative research alone, is not desirable for a comprehensive understanding of a subject being studied (Johnson et al., 2007; Tashakkori & Creswell, 2007). The advantage of combining qualitative and quantitative methods is that the data collected from using both of the methods will provide a greater understanding of the research problems than relying on one type of data (Creswell & Plano Clark, 2007). There is a contention that in combining methodologies "it conveys a sense of the rigour of the research and provides guidance to others about what researchers intend to do or have done (Creswell et al., 2003)" cited in Plano Clark, and Creswell (2008). It can be argued that using these methods enhances the quality of the research, and makes clear to the reader the researcher's rationale. Bryman (2006) strongly suggests using mixed methods has benefits because there is a significant advantage in using both the quantitative and qualitative research, especially when looking at the benefits provided and the means of their combined use in practice.

Positivists however take a contrary view. They hold to the purity of their scientific methodology. They advocate for an 'objective world', whilst interpretivists reject this notion completely, stressing the 'subjective' nature of social reality. However the two paradigms have a common area of agreement, that is both the positivist researchers and interpretivist researchers seek to achieve research objectives through empirical

observations (Haase & Myers, 1988). In relation to this, Schwartz and Ogilvy (1979, p.16) emphasise that “the pure objectivity posture, as in the positivist paradigm is an illusion and that the posture of perspectives may be more appropriate in social science research in that it accepts that any one phenomenon can be viewed from multiple perspectives”. As such, there appears to be a trend for researchers incorporating a mixed method into research projects. In addition, good social research requires both qualitative and quantitative methods in order to offer a satisfactory investigation (Denscombe, 2008). This rationale encourages HRM studies to adopt both positivist and interpretive paradigms within the same research (Hope, 2004; Hoque, 2000). These studies have indicated that HRM research does not exist within the realm of a specific paradigm to achieve the aims of their study (See Hope’s (2004) study and Hoque’s (2000) study). In other words, researchers do not necessarily have to focus on only one particular view to understand the social world for their research (Bowen, 2003; Massey, 2003).

The overall aim is to develop a suitable SHRM framework which is based on best fit quality enhancing HRM which is also sensitive to Korean culture, Korean legislation, and which considers the role of trade unions in Korean deluxe hotels. A mixed methods design is employed, by exploring how the theoretical SHRM frameworks interact within the specific Korean context. The author has determined to take a pragmatic approach because it is more likely to provide a more comprehensive understanding of the specific research questions in this study. Also the author underpinned why she selected a mixed methods through previous sections, regarding philosophy paradigm and methodology. Thus, a qualitative research method and a quantitative research method were taken to examine how HR practices were enacted in Korea (positivist paradigm for descriptive survey of HR managers), what the internal and external factors are which influence the Korean hotel industry (positivist paradigm for questionnaire survey of employees, interpretive paradigm for semi-interviews of HR managers and trade union representatives), and what impact the HR practices have on the employees and trade unions (positivist paradigm for questionnaire survey of employees; interpretive paradigm for semi-interviews of trade union representatives).

Consequently, the advantage of combining qualitative and quantitative methods was considered so as to understand holistically the SHRM framework in the Korean deluxe hotel sector. The benefit of integrating both approaches is being able to examine how

SHRM practices and organisational justice influence employee outcomes by utilizing quantitative data, and to establish the internal and external factors which influence the Korean deluxe hotels by utilizing qualitative data from HR managers. Also the study has addressed the lack of literature on trade unions at company level by utilizing qualitative approach therefore it was able to gain the requisite data from the actors, as a result the study was undertaken successfully to obtain the questions of the study from all the actors. That is to say, the study used triangulation design which is the most common and well-known approach as a mixed method (Tashakkori & Teddlie, 2003). The beneficial aspects of the methodology from each approach accompany one another, and this provides a well-grounded research design. Therefore by using the two approaches together, it will be able to produce more valid results (Morse, 1991).

Additionally, the study explores the SHRM framework for the deluxe hotel sector, therefore the author was involved with all occupational groups and did not target particular occupational groups. This was because the author needed a reflection of the perception from all of the occupational groups, this will allow the study to be able to build up a theoretical perspective of the positive and negative outcomes from all of the employees. If the study had targeted particular occupational groups, it would have a limited representation of all of the employees' perceptions and so it would be difficult to explore the framework with limited sample groups.

Table 4.1 Empirical HRM researches

		Managements view	Employees view	Trade unions view
Non-hospitality industry (e.g. manufacturing companies, banks)	Western country	<ul style="list-style-type: none"> ■Dany et al (2008) ■Gooderham et al (2008) ■Petrescu & Simmons(2008) ■Verburg et al (2007) ■Green et al (2006) ■Tzafrir (2006) ■Ordiz & Fernández (2005) ■Tzafrir (2005) ■Jiménez-Jiménez & Sanz-Valle (2005) ■Long & Shields (2005) ■Michie & Sheehan (2005) ■Rodríguez & Vntura (2003) ■Panayotopoulou et al (2003) ■Richard & Johnson (2001) ■Christmann (2000) ■Delery & Doty (1996) ■Youndt et al (1996) ■Huselid (1995) ■Macduffie (1995) 	<ul style="list-style-type: none"> ■Boselie et al (2003) ■Gibb (2001) ■Kim & Rowley (2006) ■Chang & Huang (2005) ■Paul & Anantharaman (2003) 	<ul style="list-style-type: none"> ■Benson (2000)
		<ul style="list-style-type: none"> ■ Edgar & Geare (2005) ■ Glover (2001) 		
		<ul style="list-style-type: none"> ■Takeuchi (2009) ■Ngo et al (2008) ■Wei & Lau (2008) ■Wei et al (2008) ■Wang & Shyu (2008) ■Liao (2005) ■Khatrī & Budhwar (2002) ■Bae & Lawler (2000) ■Khatrī (2000) 		
	Asian country	<ul style="list-style-type: none"> ■Choi (2008) ■Sparrow & Wu (1998) 		
			<ul style="list-style-type: none"> ■Lee (2004) 	
Hospitality industry (e.g. hotels)	Western country	<ul style="list-style-type: none"> ■Gannon et al (2010) ■Chow et al (2007) ■Watson et al (2007) ■Alleyne et al (2006) ■Maxwell et al (2004) ■McGunnigle & Jameson (2000) ■Haynes & Fryer (2000) ■Hoque (2000) 		
		<ul style="list-style-type: none"> ■Hope (2004) ■Kelliher & Perrett (2001) ■Watson & D'Annunzio-Green (1996) 		
	Asian country	<ul style="list-style-type: none"> ■Chand & Katou (2007) 		<ul style="list-style-type: none"> ■Lowery & Beadles II (1996)

4.5. SAMPLE SIZE DETERMINATION FOR SURVEY AND INTERVIEWS

The sampling scheme is an essential element in any study which employs mixed methods (Tashakkori & Teddlie, 2003). Previous literature suggests that the sampling strategy should be guided by the following principles: the sampling strategy should consider the conceptual framework and the research questions; the sample should create a thorough database according to the type of phenomena in the research; the sample requires drawing clear inferences through the data for appropriate explanations; and the sample strategy should consider ethical ramifications and a feasible sampling plan (Curtis et al., 2000; Miles & Huberman, 1994).

There are different aims between quantitative and qualitative sampling approaches. The intent of quantitative sampling approaches is to select a large number of samples from the population and the selected sample should be a representative sample which reflects the individuals or groups in relation to the research topic. Also the results of research from the sample can be generalised to represent the whole population (Creswell & Plano Clark, 2011; Marshall, 1996).

The quantitative sampling approach was used for HR managers in order to understand the nature of HR practices used in practice in deluxe and super deluxe hotels. Also a quantitative sampling approach was used for employees to examine the relationship between strategic human resource management, utilizing the concept of organisational justice and employee outcomes. Therefore this study decided to use a quantitative sampling approach because of the large sample size, and considerable amounts of data can be collected from these hotel sources in breadth. Hence the probability sampling is more desirable than purposive sampling for HR managers (only for the reason as discussed above) and employees, and also it can avoid sampling error, unlike using a small sample.

The aim of the qualitative sampling approach is to provide an understanding and clarification of complicated psychosocial issues, and it is helpful in answering the questions regarding why and how? (Marshall, 1996). Therefore, researchers employed purposive sampling; random sampling is not appropriate because it would be difficult to develop the issues of complexity in relation to human behaviour in qualitative research (Ibid). The advantages of purposive sampling allow the researcher to access a broad

range of data to analyse and give greater clarity in the research questions (Denscombe, 1998). In qualitative methods the control sample is not an important consideration, so random selection is not necessary in the analysis (Streubert & Carpenter, 1995). This study chose a qualitative sampling approach for HR managers to examine what the internal and external factors are which influence the deluxe sector, and to address the research questions such as; ‘how would you describe Korean culture?’ or ‘how strong is the trade union in your hotel?’ In a similar vein, the qualitative sampling approach was used for trade union representatives at hotel and company level to achieve research objectives because the benefits of a qualitative sampling approach is that it provides a large amount of information, and this may provide a better understanding for this study (Marshall, 1996). Hence, this author seeks to combine probability and purposive sampling to achieve its objectives; that is to investigate the questionnaire survey with probability sampling (breadth), coupled with in-depth interviews with purposive sampling (depth).

Sample size determination is important in that undersized sample sizes are not able to convey much validity, whilst oversized sample sizes are often bloated and resources are wasted (Lenth, 2001). In order to identify an appropriate target sample of hotels, the author investigated the number of deluxe hotels and found that; the total number of deluxe hotels was 123 in Korea (See Figure 2.2 page 41) and there were 49 deluxe hotels in Seoul, which is the capital and Busan, the second biggest city and a very famous tourist destination in Korea (See Table 4.2). The author determined to narrow down the target sample in Seoul and Busan because those two cities occupied 40% of the total population of deluxe hotels, which was a very high concentration.

Table 4.2 Deluxe hotels (total 49 hotels) in Seoul and Busan

	International Chain Hotel		Korean Owned Hotels	
	Super Deluxe	Deluxe	Super Deluxe	Deluxe
Seoul	Grand Hyatt Seoul	Best Western Premier Seoul Garden Hotel	Mayfield Hotel	Koreana Hotel
	Seoul Plaza Hotel	Novotel Ambassador Gangnam	Lotte Hotel Seoul	Seoul Royal Hotel
	Sheraton Grand Walkerhill	Ramada Seoul	The Shilla	Seoul Sejong Hotel
	Grand Ambassador Seoul	Best Western Gangnam Hotel	Lotte Hotel World	Hotel Riviera
	JW Marriott Hotel Seoul	Best Western Premier Hotel	Imperial Palace Hotel	Seoul Kyo Yuk Mumhwa

		Kukdo		Hoekwan
	W Seoul – Walkerhill	Ramada Hotel & Suite Seoul Central		Pacific Hotel
	Grand InterContinental Seoul Hotel	Best Western Niagara Hotel		Lexington Hotel Seoul
	Park Hyatt Seoul	Novotel Ambassador Doksan		Hotel President
	Millennium Seoul Hilton	Holiday Inn SeongBuk Seoul		Seoul Palace Hotel
	The Westin Chosun Seoul			Hotel Samjung
	The Ritz-Carlton Seoul			Hotel Prima
	Coex InterContinental Seoul			Hotel Capital
	Grand Hilton Seoul			Ellui Hotel
Busan	The Western Chosun Busan	Novotel Ambassador Busan	Paradise Hotel Busan	Hotel Aqua Palace
			Haeundae Grand Hotel	Nongshin Hotel
			Lotte Hotel Busan	Commodore Hotel Busan
				Hotel Paragon

Source: Korea Tourism Organisation (KTO), 2008.

The target sample for the interviews was 11 out of 49 hotels with HR managers and trade unions representatives in the same hotels. The practical reason why this study used 11 hotels (out of 49) as a target sample for HR managers and trade union representatives is further discussed in section 4.5.2. In relation to trade unions at company level, the target sample was 1 trade union representative of the Korean Federation of Tourism & Service Industry Worker's Unions (KFTSIWU) and 1 trade union representative of the Federation of Civil Service (FCS).

There are a range of formulae to calculate sample size based on population size, margin of error (confidence interval), confidence level, and standard of deviation (Smith & Albaum, 2012). The margin of error is one of the approaches to determine sample size in social science (Lenth, 2001). If the author incorporates this formula into the study, the calculation generates the following mathematical formula (assuming confidence level=95%, and Margin of Error =5%):

$$1.96 \times \frac{\sqrt{0.5 \times 0.5}}{n} \leq 0.05$$

$$x = \frac{\sqrt{n}}{\sqrt{0.5 \times 0.5}} \geq \frac{1.96}{0.05}$$

$$n \geq \left(\frac{1.96}{0.05} \right)^2 \times 0.5 \times 0.5$$

$$n \geq 384.16$$

The formula shows that 385 samples are required for the questionnaire survey and there are approximately 400 respondents needed, at least in social science. However it generates a critical view that it is hard to define the appropriate sample size for all the research because research aims differ according to research topics. As discussed above, a large number of samples can be used to represent the whole population. Finally this study identified the target sample for employees were over 500, because a large group of people are more likely to represent more fairly the general consensus of the population overall, and also it can reduce sampling errors.

4.6 QUANTITATIVE AND QUALITATIVE DATA COLLECTION PROCESS

This section discusses how the primary data was collected through a questionnaire survey with HR managers and employees, and in-depth face-to-face interviews with HR managers and trade union representatives.

4.6.1 Quantitative data collection process

The questionnaire was distributed by post to a total population of 49 deluxe hotels because the mail questionnaire can reduce biasing errors, provide greater anonymity for the respondents and can also gather information from a wide geographic contact area at a low cost (Frankfort-Nachmias & Nachmias, 2004) in this case; Seoul and Busan. This was carried out 2 weeks in advance to save time before the author left England for fieldwork. Also it included a covering letter which was a formal letter presented from Sheffield Hallam University. The letter represented the purpose of this study and explained why the author needed HR managers' co-operation, provided contact information of the author for correspondence, and attached a stamped return envelope addressed to the researcher in Korea. Also, the author was able to give all participants the assurance that all responses would be treated with the utmost confidentiality and complete anonymity throughout the study. Any questionnaires not returned after 2

weeks from the author returning to Korea meant that there had been no reply from the HR managers 4 weeks sending out the questionnaires. Therefore, a reminder letter with a duplicate questionnaire was sent to the hotels.

As discussed in chapter 2, there is a distinctive Korean culture, such as family relationships which are an adherence to Confucianism. The author realised the role of culture was very important to successfully conducting the fieldwork. Therefore, the author used all relevant individual relationships, including kinship and school relationships to collect data for this study. The author had academic experience as a researcher as well as teaching hospitality/tourism management at a Korean University, and therefore she had many individual relationships within both the academic field and the hotel industry.

The author phoned her senior and junior colleagues, and friends, to make contact with HR managers among 49 hotels. For example, the author's junior colleague was working as a marketing manager in one hotel, and she requested he ask the HR manager to complete the questionnaire because the marketing manager and the HR manager were working together and they knew each other very well. This study used informal networks in order to collect data and as a result, 14 questionnaires were returned from 49 hotels (highlights in the table indicate the returned questionnaires: See table 4.2).

In all, 74 percent (502) of questionnaires from the employees were returned out of 680 questionnaires distributed in six hotels in Seoul and six hotels in Busan. 11 hotels was a sub-sample of 14 hotels as described above and 1 hotel was added for collecting questionnaires. The author also used all possible social networks to get a larger sample of employees in the same way she did for collecting the questionnaires done by the 14 HR managers. In order to effectively conduct the sample collection, the author needed help of research assistants in 12 hotels. The research assistants were the author's previous students, and senior and junior colleagues. Therefore it was possible to collect a larger sample with their co-operation. The author had a meeting with 12 research assistants individually, and phoned them almost daily to check the data collection. The role of the research assistants was to ensure that the respondents filled in the questionnaires.

The author checked how many questionnaires there were by different job type and

position. After that the author needed the research assistants to collect information from a specific group; for example, there were no questionnaires from the housekeeping department or from the senior managers, and so the research assistants ensured completed questionnaires were obtained from those employees. As discussed in section 4.4., the study involved all occupational groups to achieve the research aims, therefore the author used a judgement sample to evenly obtain data from all occupational groups.

4.6.2 Qualitative data collection process

Utilizing social networks, the author had interviews with HR managers in 11 hotels, which was a sub-sample from the 14 hotels. Also the author had interviews with 11 trade union representatives in the same hotel. The author explained the purpose and importance of this study to the interviewees (i.e. HR managers and trade union representatives) and made an appointment to conduct the interviews. Before starting the interviews, the author reminded them of the purpose and importance of this study to the interviewees again and obtained a signed consent form allowing the use of anonymous quotes by the HR managers and trade union representatives (See Appendix 6, page 303). Most interviewees seemed to feel uncomfortable doing the interview and appeared to have preconceptions about the interview being similar to a television interview. To alleviate these concerns, the author made an attempt to provide a relaxed atmosphere; for example, the author conducted some interviews within the casual ambience of coffee shops and treated interviewees to a cup of coffee or tea. The tape-recorded interviews were conducted to clarify transcription and data analysis, only with the interviewee's permission. However, they asked some interviewees to note down their answers in writing because some interviewees felt uncomfortable having their voice recorded. Thus the author respected their opinions and she took notes while doing interviews without using a tape-recorder. If she needed clarifications of any answers then this was the only time additional questions were asked. Each interview lasted for about 90 minutes. In addition, interviews were conducted in confidentiality; hence the author did not mention any interviewee's names or their organisations to safeguard against subsequent identification. In relation to this, the author was required to submit a research ethics checklist (ethics form) supplied by the University and they approved her fieldwork. After the interviews, the author gave a small gift to thank interviewees for their time. The author prepared a gift of some soap, of a value of approximately £15.00 and spent £360 overall on 24 interviewees.

As mentioned above, the author interviewed HR managers from 11 hotels. The author tried to arrange an interview with 14 HR managers, however 3 HR managers were not able to do interviews because of company policy and the specific stances held by the hotels' companies. This was the practical reason why this study used only 11 hotels as a target sample for HR managers and trade union representatives. Lenth (2001) points out that the sample size in practice is not always the result of pre-determined pure scientific goals. In addition, there is another practical reason: The author realised that it might be more important to focus on qualitative aspects and not on quantitative aspects because the interviews were required to obtain a richer and deeper understanding of the phenomena. Consequently the author tried to get more data from the 11 HR managers and trade union representatives. The semi-structured interviews were conducted in five hotels (four international chain hotels and one Korean owned hotel, all of which were super deluxe hotels) in Seoul and six hotels (two international chain hotels and four Korean owned hotels, composed of four super deluxe hotels and two deluxe hotels) in Busan with 11 HR managers.

In relation to interviews with trade union representatives, it was extremely difficult to do the interviews compared to the ease with which it was to complete those done with the HR managers. The social networks of the author mainly involved HR managers and not trade union representatives. If there were good relationships between management and trade unions, the author would have successfully conducted interviews with trade union representatives. On the contrary, they did not have good relationships between them. The author had to find another route to contact them. For example, the author tried to find out employees who were a member of the trade unions because they knew the trade union representatives. Through working relationships, the author managed to convince the trade union representatives to take part in the interviews and as a result they were assured that the information received by them would remain undisclosed. Also, the author contacted trade union representatives by email, as the trade unions provided email contact information on their membership websites. The author then asked trade union representatives for an interview and they allowed this. In addition, the interviews were conducted with two trade union representatives at company level (KFTSIWU and FCS). Each representative of KFTSIWU and FCS was working for union members in 11 hotels, and so the author was able to interview the representatives. The list of interview questions for HR hotel managers and trade union representatives at hotel and company level are summarised in Appendix 2 (See page 286). These semi-

structured interviews were conducted over a two month period from 3rd November to 30th December 2010. The interviewees provided a variety of information to explore an SHRM framework in Korean deluxe hotels.

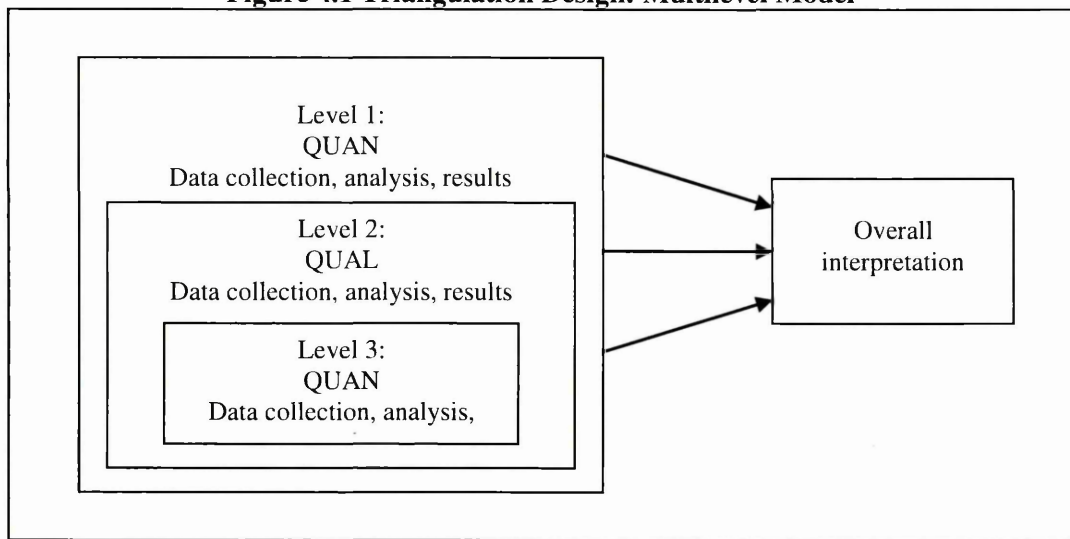
4.7 RESEARCH DESIGN

The study follows a pragmatic approach which supports mixed methods; that is this study uses qualitative and quantitative methods due to the anticipated practical aims for the study. Both methods were employed to explore how the theoretical SHRM frameworks interact within the specific Korean context, with the use of large-scale questionnaires and in-depth interviews. This section covers why the study used the multilevel model of triangulation design, and how this study designed, deployed and analysed both questionnaires and interview techniques.

The advantages of the multilevel model are its ability to compare and contrast both quantitative and qualitative data, rather than just using one approach of quantitative or qualitative data. Therefore the multilevel model (Creswell & Plano Clark, 2007) enables the author to find out about the areas of conflict between employers and employees, including the concept of organisational justice in the Korean context, discovered from different data generated HR managers and employees. The overall aim of this study is to gain a “fuller understanding” (Creswell & Tashakkori, 2008, p. 115) by exploring a suitable SHRM framework in Korean deluxe hotels. The multilevel research involves using different methods at different levels within a system. This model shows the over interpretation from different findings (i.e. each of quantitative data, qualitative data, and quantitative data) of different levels (See figure 4.1).

The multilevel model (See Figure 4.1) by Creswell and Plano Clark (2007) suggests that using a quantitative methodological approach at level 1: this study used a descriptive survey to understand what kinds of practice were actually used in terms of the eight dimensions of HR practice. It describes whether hotels have trade unions or not and if the hotel strategy and HR practices impact employees in the deluxe hotels. Secondly, this model proposes that using a qualitative methodological approach at level 2: this study used semi-structured interviews with HR managers to explore the extent to which drivers influenced the Korean hotel industry and what impact the HR practices have on employees in the Korean deluxe hotels.

Figure 4.1 Triangulation Design: Multilevel Model



Source: Creswell and Plano Clark (2007, p. 64).

In addition, the semi-structured interviews that were conducted with trade union representatives at hotels and trade union representatives at company level aimed to understand how they felt about their organisations and the role of trade unions. Thirdly, this model suggests using a quantitative methodological approach at level 3: this study used a questionnaire survey for employees to examine the employees' experiences of HR practices in the hotel, and how employees felt about HR practices. For these reasons, the multilevel model of triangulation design is more appropriate to develop a suitable SHRM framework which takes account of the characteristics of deluxe hotels in the Korean context.

4.7.1 Level 1: Descriptive survey in 49 hotels

The aim of the survey is to examine how HR practices are enacted in Korea, therefore the descriptive survey for HR managers include the following questions: what kind of practices are actually used in terms of recruitment and selection, training and development, performance appraisal, job design, compensation and pay systems, service quality issues, and employee voice and consultation; whether the 49 hotels have trade unions or not; business strategy of hotels; the role of trade union in the hotel; what HR managers think about the trade union membership and whether they are happy to work with the trade unions in the hotel and what impact they think the practices would have on the employees; what pushes them to change HR practice; how HR practices have changed since the financial crisis. The questionnaire consists of four sections, covering the following aspects:

- Section 1 – General information of the hotel
- Section 2 – Business strategy in the hotel
- Section 3 – HR practices used in the hotel
- Section 4 – Factors which influence HR practices in the hotel

The questionnaire established what kinds of practice were actually used in deluxe and super deluxe hotels from the existing literature and survey. The questionnaire covered the areas of eight dimensions of HR practices. In the questionnaire, 76 questions which were related to HR practices in the hotel were included (14 questions on recruitment and selection, 19 questions on training and development, 11 questions on performance appraisal, 6 questions on job design, 5 questions on job security, 9 questions on compensation and the pay system, 3 questions on service quality issues, 9 questions on employee voice and consultation).

Questions in the survey for HR managers were open ended questions and closed ended question. As such, the survey asked the participants to respond: ‘yes’, ‘no’ and ‘sometimes’ which were answers related to the particular HR practices. The author provides the option ‘yes’ and ‘sometimes’ together, because ‘sometimes’ had positive aspects for the respondents. Questions were compiled in order to avoid generating stereotypical answers; the questionnaire was made short and straightforward to answer so that it could be completed in a short time. The questions were also designed so the wording was not in any way ambiguous or difficult for the respondents to comprehend.

The survey employed Five-point Likert scales: Likert scales indicate varying degree of importance regarding statements about factors which influence HR practices in hotels. In this measurement, the “extremely important” was awarded 5 points, “somewhat important” was given 3 points and “not at all important” was awarded 1 point under the same scale. Why Five-point Likert scales were employed in this study is further discussed in section 4.7.3.

The analysis of the survey uses frequencies and percentages to describe which variables occupy a high percentage or responses.

4.7.2 Level 2: The interviews with HR managers, trade union representatives at hotel and company level

Exploratory qualitative research was conducted to investigate what internal and external factors influence the Korean hotel industry from the view of both HR managers and trade union representatives at hotel and company level. The exploratory interviews established the conception of HR practices in the Korean deluxe hotel from different stakeholder viewpoints. In order to achieve the aim of the interviews, semi-structured interviews were conducted with 11 HR managers, 11 trade union representatives at hotel, and 2 trade union representatives at the company level, all engaged with the Korean deluxe hotel sector. Semi-structured interviews were used for this study so the researchers could get a deeper and more thorough understanding of the topic and, through the answers provided, gain interesting insights that were broadly seen by other researchers (Flick, 2006). Therefore, the semi-structured interviews provided a variety of information to establish an SHRM framework in the Korean deluxe hotels. Supporting this, the following shows two main reasons why semi-structured interviews were used: firstly, they are appropriate for investigating the perception and different views of respondents when considering the complexity and occasionally sensitive problems that may arise. This also allows the semi-structured interview to obtain for more information and to provide an explanation for questions. Secondly, the different professional and distinctive histories of the sample group prevent it from applying the standardised interview (Barriball & While, 1994).

4.7.2.1 Interview design

The purpose of the semi-structured interviews with HR managers was to evaluate the internal and external factors that influence Korean deluxe hotels. Thus, this shows how SHRM is influenced by the quality enhancing business strategy, Korean culture, Korean legislation, trade unions and financial context in Korea. The interviews with HR managers cover the following aspects: hotel company's HR strategy and its major elements; the role quality enhancing strategy plays in shaping HR practices in the hotel; Korean culture influences on hotels HR practices; how strong the trade union is in the hotel sector; what influence trade unions have had on the development of HR practices in the hotels; to what extent HR practices are influenced by the Tourism Promotion Act; and which HR practices have changed in the hotels since the financial crisis.

The semi-structured interviews with the trade union representatives at hotel and at company level were expected to deliver a range of information, such as the role of HR practices, and how these HR practices have changed in Korea. The purpose of the interviews with trade unions at a hotel was to understand the role of trade unions and includes the following: what have you achieved from the trade union perspective in the hotel; the impact current practices have on members; which HR practices have changed in the hotel since the financial crisis; and the views on fairness of employment conditions in the hotel. With regard to the role of trade unions at company level, the interviews cover: the impact current practices have on members in the hotel industry; what do you think about trade unions and how they impact the hotel industry; are you achieving what you expect from hotel companies or the government by collective agreements for your members; the perceptions of your members on achievements of the trade unions; the future of trade unions in the hotel industry; if HR practices in the hotel industry fit the culture of Korea and the company strategy.

4.7.2.2 Analysis of interview data

The purpose of thematic analysis is to search for themes that might be important to the description of the phenomenon (Daly, et al., 1997). To be able to understand theme identification, “careful reading and re-reading of the data” are required (Rice & Ezzy, 1999, p. 258). The analysis method, which was used for this study, illustrated the way HR managers and trade union representatives at hotel and company level described their experience of working in their hotels. Data sets gathered through the interviews were analysed using NVivo statistical software, using a process of data coding. The interview analysis was able to breakdown the survey hotels, as well as to provide horizontal analysis of the entirety of the sample. As a result this study can analyse data in terms of ownership and company structure and also compare the view of employees and HR managers. Also, this study can analyse the data from each different field of the perception of the trade union representatives. Prior to this study, the author used SPSS software for the analysis of quantitative data and developed the expertise in NVivo specifically for the analysis of qualitative data as performed here. The author first created nodes corresponding to the three categories: HR managers, trade union representatives at the hotel, and trade union representatives at the company level. Interview data was then imported into NVivo relative to these nodes. The example of an interview transcript for HR managers is shown in Appendix 5 (See page 298). Free

nodes allow the author to look at a single category of data across respondents and categories; in relation to HR practice, eight dimensions of HR practice were created in NVivo for this purpose. As an example, coding brought together the views of multiple HR managers and made one free node like training and development (out of eight dimensions of HR practices) for analysis (See Appendix 7, page 307). The author made tree nodes to easily distinguish between superordinate and subordinate perspectives. For example, Korean culture corresponds to age, gender relation and aesthetic consideration, such that they align with superordination/subordination, and so are amenable to the inclusion of tree nodes which can be arranged in order with structured layers consisting of categories, secondary/subordinate categories, and any other subcategories (Bazeley & Richards, 2000).

4.7.3 Level 3: The surveys for employees

The structure of a questionnaire allows respondents to easily understand each item as there is no immediate opportunity to clarify a vague or incomplete answer to any question at a later stage (Bulmer, 2004). Related to this, Freed (1964) points out that each item of the questionnaire should be sorted into logically consistent sections.

The aim of this survey is to understand what HR practices employees experience, how they feel about them - especially with reference to quality enhancing business strategy, quality external standards for deluxe and super deluxe hotels, Korean culture, strong trade unions and the financial context. The questionnaire (See Appendix 11, page 355) consists of four sections, covering the following aspects:

- Section 1 – What HR practices employees experience in hotels
- Section 2 – How employees feel about working in the hotel in terms of organisational justice
- Section 3 – How employees feel about working in the hotel in terms of employee outcomes
- Section 4 – General information of the hotel

The first section explores the HR practices employees experience in hotels. For example, recruitment and selection questions are used to evaluate the respondents' feelings about the importance of selection criteria, such as; experience, appearance, major, grade in the university or college, foreign language score (i.e. English, Japanese,

Chinese), membership of close families, region, school relations and kinship, age, and seniority. In addition, the recruitment and selection questions examine how much the clearly defined selection criteria, structured and standardized interviews and involvement of union leaders jointly contribute to the hiring of staff in the hotel. Questions in the survey for employees were open ended questions, closed ended question, and multiple choice questions. The employees' survey also employed Five-point Likert scales. The Likert scale of questionnaire surveys has been widely accepted by researchers to evaluate how one variable influences another variable (Tigre & Dedrick, 2002; Tan, 2000). As such, a five-point Likert scale is the primary instrument used here to measure the strength of responses (i.e. how strongly respondents agree or disagree) to questions about SHRM practices in the deluxe hotels in Korea. The reason why "a five-point Likert becomes the norm is probably because it strikes a compromise between the conflicting goals of offering enough choice" (Johns, 2010, p. 6), in relation to possible responses and makes research questions manageable for respondents to quickly comprehend. A lot of research going back more than a decade confirms that data from "Likert scales (and those with similar rating scales) becomes significantly less accurate when the number of scale points drops below five or above seven" (Johns, 2010, p. 6). However these past studies are likely to provide logical grounds for a preference of the five rather than seven point scale, so this author chose the five-point scale in this research after the pilot found that there were no errors generated in its deployment.

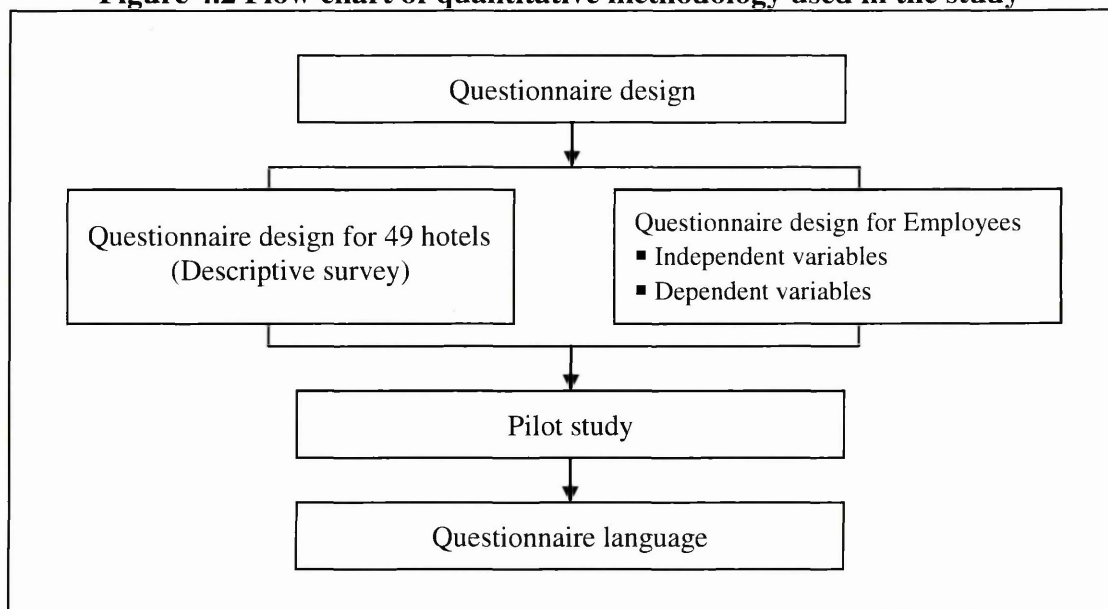
The second section is associated with organisational justice, and the third section includes employee outcomes. In order to examine how strongly the respondent agrees or disagrees about the concept of organisational justice and employee outcomes, both variables were also measured by the five-point Likert scale. Finally, the fourth section involves personal information to measure demographic variables including; gender, age, working period, whole career in the hotel industry, education level, position, job types and trade union member, international ownership and company structure. The choice for selecting hotels was addressed and the data was used to compare the differences between demographic variables, and independent and dependent variables. In the first section, 48 questions were included to evaluate independent variables which were HR practices used in the hotel, and the second section contained 6 questions designed as an independent variable, the third section involved 6 questions designed to investigate dependent variables (See Appendix 4 page 290).

4.7.3.1 Issues considered for surveys

The basic concept of quantitative research methods evaluates the relationship between cause and effect. Therefore, independent variables are used to investigate effects upon dependent variables (Babbie, 2004; Symon et al., 2000). For example, this study used multi-regression analysis to evaluate the relationship between SHRM and how these HR practices influence employee outcomes. These variables can measure the category numerically and point out correlations (Saunders et al., 2009; Malhotra, 1996).

The quantitative method obtains data from respondents, which is then converted into statistical representation. White (2003) indicates that the analysis of quantitative information is clearly distinctive from that of qualitative information. For example, quantitative information refers to numerical data or it can contain data that could usefully be quantified to help analysts meet their objectives, and could be the result of all research strategies (Saunders et al., 2009). Quantitative analysis requires the information to be numerically expressed and this can be achieved by working through the interview transcripts or questionnaires (Saunders et al., 2000). The main data collection in this study uses questionnaires with scaled questions to collect first-hand mass data from respondents who worked in the hotel industry for a short time, and achieved this in a less expensive way than other methods (Sekaran, 2003). The quantitative approach deals with figures, statistics, or measurements that can be readily analysed. The analysis and interpretation of relationships can be closely examined as the data provides enriched information for analysts (Saunders et al., 2009). In this respect, this study adopts the quantitative approach to evaluate what HR practices the employees perceived in the hotel from the questionnaire survey data. Figure 4.2 illustrates the procedures of quantitative methodology used in this study. The questionnaire was designed for HR managers in 49 deluxe hotels, as discussed in section 5.5.1, and for investigating employees' feelings about HR practices each hotel used, as discussed in section 5.5.3. The second point to note is the pilot study was part of the study. Great emphasis was placed on the care taken with the translation into Korean, to ensure there were no errors once the questionnaire was ready.

Figure 4.2 Flow chart of quantitative methodology used in the study



4.7.3.2 Pilot study

Pilot studies were utilised to test the research instruments which was then refined and used in the actual research. The purpose of the pilot is to find out if the right questions have been asked to help meet the objective of the research and to develop an SHRM framework which takes into account the characteristics of deluxe hotels in the context of Korea (especially the culture and the employee relations arrangements). The pilot study gives the author the opportunity to collect suggestive feedback on the survey instrument from participants. Furthermore, the pilot study makes sure that the respondents do not find it difficult to complete the questionnaire in the main study (Naoum, 1998). A preliminary analysis is recommended to ensure that the format and wording of the questions would not present difficulty for the respondents when the data is collected and analysed. The questionnaire instrument was designed for the descriptive survey for use in 49 hotels, and a questionnaire survey for employees. The questions were made up of mainly closed questions using tick boxes and rating scales in the pilot instrument. The pilot questionnaire was conducted with a sample of 2 HR managers and employees that the author had connections with in deluxe hotels in October 2010. The questionnaire was sent by email to save time and money, and the replies were also received by email. In addition, the questionnaire was translated into Korean for Korean hotel employees. The aim of conducting the pilot study was to find out about the specific respondent's opinion on the questions and also to confirm the translation, wording, and content were all correct, and also to get feedback on the estimated time required to complete the questionnaire (Fowler, 2002). Therefore the author asked the following questions to the

respondents:

- Are questions unclear or ambiguous ?
- Are the instructions clear ?
- Are there any major issues omitted ?
- Is the layout of the questionnaire attractive and clear ?
- Any other comments ?

The responses to the descriptive survey of HR managers indicated that two out of 89 questions were unclear; therefore these questions were changed by paraphrasing and there were no additional changes. Responses to the questionnaire survey for employees indicated that three out of 103 questions were unclear; hence the questions were changed by paraphrasing and rewordings to facilitate the respondent's understanding to the final questionnaire. For example, in relation to the sexual harassment prevention education, responses indicated that the survey language used implied sex education classes for school children rather than the intended training. After the pilot study, the wording was changed to correctly indicate sexual harassment prevention education. A similar example was in discussion of an informal appraisal system; respondents did not understand the term "informal appraisal system", therefore the author offered the question with enough examples to aid the understanding of the respondents. In addition, the questions in the HR section were all connected and presented without a title such as "recruitment and selection" and as a result it made the respondents less motivated to complete it. Therefore, some of the HR questions were formatted to make the respondents feel comfortable completing the questionnaire. The respondents also suggested that due to the format of the questionnaire, it meant that the direct questions which were related to HR practice, organisational justice and employee outcomes were answered first, and then the general information about the hotel were answered later. This was because the respondents felt that they needed to answer the more difficult questions first before they answered the easier questions. Finally, the respondents suggested the content of the cover letter should be revised as it only included the basic information about the study. In order to achieve a good response rate, the questionnaire was changed in the main research. Table 4.3 summarises that the questionnaire survey was revised by conducting the pilot study.

Table 4.3 Restructuring of the employee questionnaire

	Before		After	
	Focus	Details	Focus	Details
1	General information of the hotel	<ul style="list-style-type: none"> ■ Gender ■ Age ■ Working period ■ Whole career in the hotel industry ■ Education level ■ Position ■ Job types ■ Trade union member 	Employees experience of HR practices in the hotel	<ul style="list-style-type: none"> ■ Recruitment and selection ■ Training and development ■ Performance appraisal ■ Job design ■ Job security ■ Compensation and pay systems ■ Service quality issues ■ Employee voice and consultation
2	Employees experience of HR practices in the hotel	<ul style="list-style-type: none"> ■ Recruitment and selection ■ Training and development ■ Performance appraisal ■ Job design ■ Job security ■ Compensation and pay systems ■ Service quality issues ■ Employee voice and consultation 	How do you feel about working in the hotel in terms of organisational justice	<ul style="list-style-type: none"> ■ Distribute justice (fair pay, fair bonus, fair opportunity for promotion) ■ Procedure justice (a fair procedure of recruitment and selection, promotion, grievance and discipline)
3	How do you feel about working in the hotel in terms of organisational justice?	<ul style="list-style-type: none"> ■ Distribute justice (fair pay, fair bonus, fair opportunity for promotion) ■ Procedure justice (a fair procedure of recruitment and selection, promotion, grievance and discipline) 	How do you feel about working in the hotel in terms of employee performance	<ul style="list-style-type: none"> ■ Employee performance (Positive employee performance (Job satisfaction)/ Negative organisational performance (Dissatisfaction and turnover)
4	How do you feel about working in the hotel in terms of employee performance?	<ul style="list-style-type: none"> ■ Employee performance (Positive employee performance (Job satisfaction)/ Negative organisational performance (Dissatisfaction and turnover) 	General information of the hotel	<ul style="list-style-type: none"> ■ Gender ■ Age ■ Working period ■ Whole career in the hotel industry ■ Education level ■ Position ■ Job types ■ Trade union member

4.7.3.3 Analysis of questionnaire data

The data gathered through the questionnaire was then analysed using the SPSS statistical software. The primary data from questionnaires was analysed using SPSS 14 for Windows and included reliability and validity tests, factor analysis, t-tests, and ANOVA as presented below:

1. *Descriptive statistics*: Using frequencies and percentages to describe the individual variables in the sample. This analysis is simple and describes which variables occupy a high percentage or number of responses so that the author can say which variable was considered important by respondents.
2. *Reliability and validity test*: The purpose of using a reliability and validity test is to prove the stability and consistency of the collected data; these tests are further discussed in section 4.8.
3. *Factor analysis*: Extracting significant factors from among the diverse variables to describe and analyse the data. This research separates out the eight main variables of SHRM, as well as organisational justice and employee outcomes in the hotel industry.
4. *Multi-regression analysis*: This examines the relationship between independent variables and dependent variables, i.e., how the eight dimensions of HR practices (independent variables) influence employee outcomes (dependent variables) and how the two dimensions of organisational justice (independent variables) impact employee outcomes (dependent variables).
5. *T-test*: This is used to assess whether the means of two groups (i.e. gender, union members/non-union members, employees who work in international chain hotels/Korean owned hotels) are statistically different from each other.
6. *One-way ANOVA*: This is a statistical technique for analysing the differences between demographic variables (i.e. age, education level, position, working period, years of working in the hotel industry, working department) and SHRM variables, organisational justice and employee outcomes. This analysis requires three or more potential values for each demographic variable; for example, the education level consists of 5 items (i.e. high school, college, undergraduate, post graduate, doctoral levels), so one-way ANOVA can be used to analyse the relationships between education level (independent variable) and SHRM variables, organisational justice and employee outcomes (dependent variable).

4.8 RELIABILITY AND VALIDITY

The essential qualities of reliability and validity assess the “goodness” of measurement in the research (Tashakkori & Teddlie, 2003). Reliability refers to the characteristics of consistency and stability, where reliable data is tested repeatedly, obtaining the same result under constant conditions (Choi, 2005; Patten, 2004; Tashakkori & Teddlie, 2003). That is, reliability relates to scores received from the respondents; are they consistent and stable in terms of quantitative research (Creswell & Plano Clark, 2007)? On the other hand, validity refers to the extent to which an instrument measures concept, and what it is claimed to measure, and at the same time it is used as an indicator for a valid empirical representation of the concept (Choi, 2005; Tashakkori & Teddlie, 2003). In relation to validity, there is a difference in qualitative and quantitative research, but in both approaches, it serves the purpose of checking the quality of the data and the results (Creswell & Plano Clark, 2007). Saunders et al. (2009, p. 276) describes that “the validity and reliability of collection methods for survey data will be easier to assess where you have a clear explanation of the techniques used to collect the data”. In order to achieve this, researchers are required to consider response rates, sampling technique and a copy of the survey instruments. Therefore, this study discussed sampling methods in a previous section and it was associated with making generalizations from the consistency of the data collected (Wallen & Fraenkel, 2001). Generally, validity is assessed by content validity, predictive validity, convergent validity, and discriminant validity (Choi, 2005). Content validity was used in this study to assess the appropriateness of the research instrument’s content, as further explained in 4.8.1, this was able to show which instrument measures were used for validity. The pilot study in this study enabled an improvement in the content validity of the instrument; as a result the author was able to construct a better questionnaire to get a meaningful understanding of SHRM in the Korean deluxe hotels.

This study considered validity and reliability issues by adopting a combination of research methods to design appropriate questions and also to get in-depth, meaningful answers to resolve research problems (Kemper et al, 2003; Curtis et al., 2000).

4.8.1 Reliability, validity and factor analysis of HR practices, organisational justice and employee outcomes

For understanding and ensuring questionnaire stability and the internal consistency of

measuring questions, this research used Cronbach's α to test reliability of the questionnaire. It is a reliability index based on the internal consistency measured by estimated function.

To test the reliability of the measures, Cronbach (1951 cited in Cramer, 2003) proposed a criterion to judge the reliability: $\alpha < 0.35$ which means low reliability, $0.35 < \alpha < 0.7$ means middle reliability, $\alpha > 0.7$ is of high reliability. Nunnally (1994) recommends Cronbach's criteria to estimate reliability. In general, over 0.6 is sufficient to explain reliability, basic research is 0.8, and applied research requiring a significant decision is over 0.9.

Conversely, validity is the extent to which an instrument measures concept and what it is claimed to measure. At the same time it is used to test the validity, empirically, to represent the concept. Generally, validity is assessed by content validity, predictive validity, convergent validity, and discriminant validity (Choi, 2005). Therefore, this research used factor analysis, a widely used measuring content validity, and conducted varimax rotation to simplify factor loading.

4.9 RESEARCH LIMITATIONS

There were challenges to merge together and interview different occupational groups based in Korea, therefore the author needed help from research assistants in the 12 hotels, as discussed in section 4.6.2. The author contacted the 12 research assistants almost every day to monitor the collection of questionnaires from every department, and also had meetings with them. The author spent £150 on mobile telephone charges, treating them coffee or tea at a coffee shop (£80) and treating them to meals to thank the research assistants for their co-operation (£260). In addition, there was the cost of gifts for interviewees (£360), and transportation fees (£200) for traveling from Seoul to Busan. The author's university provided £500 for field work; the flight cost was £669 to go to Korea, therefore the author had to use her personal finances to complete the field work. It would have been more desirable to have more respondents take part in the interviews and surveys, however this would mean that the amount of limited research resources with regard to finance would have to have been increased.

There is a research problem in relation to assuming that all the HR practices apply equally to all occupational groups, because when different HR practices between managerial staff and operational staff are practiced unfairly. For example, there are different training programmes for managers and employees, and also managers have more training opportunities than employees. Also different HR practices exist for different occupational groups; for example the employees in housekeeping, employees who are in F&B, and the employees who work in the back office are subject to differing HR practices. They are all given different training programmes, recruitment criteria, job designs, and performance appraisals. In this aspect, those are the research limitations of the study.

This study collected data collection based on the author's own contacts within the hotel industry, thus this may cause bias because the contacts might go too far in wanting to please the author and forget about the scientific nature of the research.

This study only focused on the deluxe sector of the Korean hotel industry to develop a SHRM framework because this sector generates high revenue. The author realises that the Tourism Promotion Act has different criteria as to what the character of budget hotels should be, what training employees need to have, and how hotels should hire employees. But the deluxe sector focuses more on a quality enhancing business strategy, while budget hotels focus on reducing costs, which will drive certain practices that are recommended by the Tourism Promotion Act. Again the argument holds whether to focus on quality or cost. The author decided to research a hotel sector that concentrated on quality was more appropriate in connection with a new SHRM. As discussed in chapter 1, deluxe sector hotels produce 72.9% of total revenue in the Korean hotel industry (Korea Culture & Tourism Institute, 2010). However that does not automatically mean that the remaining 27.1% of hotel sales are from budget hotels, as family hotels and guest hotels are also included in the percentages. For these reasons, this study does not include budget hotels, however further research could extend the framework to include them.

4.10 CHAPTER SUMMARY

This chapter presented why this study adopted a pragmatic approach by debating the different concept of paradigms and why this study integrates positivism and interpretivism in terms of philosophical considerations. As a result, a mixed methods design is employed, by exploring a suitable SHRM framework, which is based on best fit quality enhancing HRM. This framework is also sensitive to external factors, such as Korean culture, Korean legislation and trade unions in Korean deluxe hotels. In order to achieve research aims, this study took a pragmatic approach to holistically understand the SHRM framework in the Korean deluxe hotel sector.

For the research, quantitative approach was used as it has an advantage of being able to collect a large number of samples from the population, and this can be used to fairly represent the perception of HR managers and employees. The questionnaire is able to draw comparisons from data, therefore the study can compare different training programmes used by Chaebol hotels and non-Chaebol hotels. Also this study considered the qualitative approach, because the interpretive paradigm enables researchers to understand the world as it is, therefore this study was able to comprehend, and have a deeper understanding of the complex phenomena from actors (i.e. HR managers and trade union representatives). Therefore the study allowed the internal and external factors to be examined, and it was able to use an interpretive paradigm to understand how the factors had an influence on Korean deluxe hotels.

This study combined probability and purposive sampling to achieve its objectives; that is to investigate the questionnaire survey with probability sampling for HR managers and employees (breadth), coupled with in-depth interviews with purposive sampling for HR managers and trade union representatives (depth). Also this chapter discussed how the primary data was collected through a questionnaire survey and semi-structured interviews. In addition, this chapter discussed how this study designed and analysed both questionnaires and interviews, including a pilot study. Also, this chapter explored how the validity and reliability issues were handled and the barriers to the research were discussed further.

The next chapter analyses all the data from HR managers, employees and trade union representatives, and this is collated under a particular theme of the eight dimensions of HR practices.

CHAPTER 5

HR PRACTICES: KEY DRIVERS AND OUTCOMES

5.1 INTRODUCTION

This chapter presents the findings from the primary research on the SHRM of deluxe hotels in Korea. The purpose of this chapter is to explain 1) how the HR practice is enacted in Korea, 2) what the internal and external factors which influence the Korean hotel industry are, 3) what impact the HR practice has on employees and trade unions. This chapter will explore the different views of HR managers, employees and trade unions on the HR practices in deluxe hotels. Analysis is conducted on data collected from four sources. These are firstly, questionnaire surveys from 14, out of 49 deluxe hotels; secondly, interviews with 11 HR managers representing a sub-sample from the 14 hotels which returned questionnaires; thirdly, the interviews of 11 trade union representatives were also a sub-sample from the 14 hotels, including the view of two trade union representatives at company level, and lastly, 502 questionnaires were returned out of the 680 that were distributed between six hotels in Seoul and six in Busan. The analysis of quantitative data was undertaken using SPSS version 18.0 software and the analysis of qualitative data was done by NVivo version 8 software.

The general characteristics of all respondents (i.e. questionnaires and interviews) are discussed in Section 5.2. The business strategy of hotels from the HR managers' view is discussed in Section 5.3. The analysis of the quantitative and qualitative data is performed to understand the overview of the SHRM taking into account the view of HR managers, employees and trade unions. The employees' perceptions of the outcomes of the HR practices are also considered in relation to organisational justice.

5.2 GENERAL CHARACTERISTICS OF RESPONDENTS

This section provides the background information on quantitative data and qualitative data. Table 5.1 reveals the key elements of the respondents; the table highlights ownership and structural issues along with a number of hotel staff and rooms, and trade

union representatives, representing the total number of employees according to each hotel.

The profile of HR managers shows that five HR managers were working in Seoul and six HR managers were working in Busan at the time. Therefore an analysis of regional distribution shows that this study obtained the sample from two cities. Six HR managers at international chain hotels and five HR managers working at Korean owned hotels represent the analysis of HR managers in relation to ownership, and it shows that more international chain hotel managers have been interviewed than the Korean hotel managers in this study. Six HR managers were working at Chebol hotels and five managers at non-Chaebol hotels. The results from the company structure indicate that almost the same numbers of hotels are a subsidiary of Chaebol and non-Chaebol companies. How hotel companies employ different HR practices according to whether or not they are Chaebol hotel companies is discussed in Section 5.4. In a similar vein, the profile of union representatives shows the same result because the interviews were conducted at the same hotel as the HR managers were based. Again, all of the hotels have a trade union presence as expected in Korea. The trade unions focused on the hotel industry are KFTSIWU and FCS (See section 2.6). The results show that most deluxe hotels have employees who are members of the KFTSIWU, which is not one of the strongest unions. Meanwhile, some of the employees are members of FCS and have a stronger voice against their companies because the FCS is an independent union, whereas the KFTSIWU is not.

Lastly, the employees' questionnaire survey was used to evaluate their perceptions of HR practices, organisational justice and employee outcomes in the 12 Korean deluxe hotels. 11 out of 12 hotels are a sub-sample from the 14 hotels in total, and 1 international chain hotel was added.

The next section will discuss about the general characteristics of employees.

Table 5.1 Profile of respondents

Region	Respondents			Total hotel staff	Total number of hotel rooms	Ownership		Company structure		Hotel levels		The types of trade union			
	I	II	II			International chain hotels	Korean owned hotels	Subsidiary of a Chaebol	Non-Chaebol	Super deluxe	Deluxe	KFTSIWU	FCS	A single union	Labour council
Seoul	1	•	•	1247	453	✓		✓		✓		✓			
	2	•	•	773	863	✓		✓		✓		✓			
	3	•	•	700	681	✓			✓	✓			✓		
	4	•	•	700	375	✓			✓	✓		✓			
	5	•	•	1693	523		✓	✓		✓					✓
	6	•	•	350	218	✓			✓	✓		✓			
	7	•	•	600	503	✓			✓	✓				✓	
	8		•	600	479	✓		✓		✓		✓			
Busan	9	•	•	753	293	✓		✓		✓		✓			
	10	•	•	299	325	✓			✓		✓		✓		
	11	•	•	494	538		✓		✓	✓		✓			
	12	•	•	309	320		✓		✓	✓		✓			
	13	•	•	842	760		✓	✓		✓		✓			
	14	•	•	340	240		✓	✓			✓	✓			
	15	•	•	304	314		✓		✓		✓	✓			

Footnotes: I (Questionnaire from HR managers), II (Interviews from HR managers), III (Questionnaire from hotel employees)

2 interviews were conducted with each trade union representative at company level

5.2.1 General characteristics of employees

The analysis of the 502 respondents involved demographics of gender, age, working period, years of working in the hotel industry, educational level, position, department, trade union membership, ownership and company structure for the selected 'research' hotels. The distribution of the respondents' demographic characteristics is summarised in Table 5.2.

Among the 502 respondents, 50.6% of respondents were male and 49.4% were female, which shows that the gender rate of respondents occupies almost all the same percentage.

Those in the three age groups up to 35 years dominate, with approximately 72% of respondents being mostly young people working in the Korean deluxe hotels.

With regard to the working period, over 63% of the respondents had been engaged in their job for less than six years, while, 27.3% of the respondents had worked in their job for over 10 years. This indicates that they might be full-time employees because, based on Korean labour laws, Korean companies can only employ staff on a full-time basis after they have been continuously employed by the company for three years.

Approximately 68% of respondents had been working for between 3 and 16 years and 32.5% of the respondents have been engaged for less than three years in terms of years spent working in the hotel industry, which means that most respondents were full-time employees.

Those in the two education level groups between college and university undergraduate dominate with 85.7% of respondents, which shows that almost all Korean deluxe hotels prefer hiring employees who have a high level of education.

In relation to position, full time employees occupy a higher percentage than part time/internship employees. This means that most employees are hired as full time workers by Korean deluxe hotels and also that Korean hotel companies employ a greater number of core staff than might have been expected.

Table 5.2 Profile of employees (N=502)

Demographic Variable	Frequency	Percent (%)
Gender		
Male	254	50.6
Female	248	49.4
Age		
Below 25	24	4.8
26-30	211	42.0
31-35	125	24.9
36-40	69	13.7
41-45	48	9.6
46 or above	25	5.0
Working period		
Less than 1 year	85	16.9
Between 1-3	155	30.9
Between 4-6	80	15.9
Between 7-9	45	9.0
10 or above	137	27.3
Years of working in the hotel industry		
Less than 3 year	163	32.5
Between 3-5	108	21.5
Between 6-10	103	20.5
Between 11-15	68	13.5
16 or above	60	12.0
Education level		
High school	36	7.2
College	177	35.3
University, undergraduate	253	50.4
University, Post graduate	32	6.4
University, Doctoral level	4	0.8
Position		
Part time/ Internship	112	22.3
Full time	232	46.2
Operational manager	75	14.9
Supervisor	51	10.2
Manager	20	4.0
Senior manager	12	2.4
General manager	0	0
Working department		
Front office	77	15.3
Food and Beverages	149	29.7
Kitchen	34	6.8
Back office (Marketing/Finance/Security/HR/ Sales support/an operation division of leisure and sports/ revenue, reservation department, security)	108	21.5
House keeping	8	1.6
Fitness	113	22.5
Facility	8	1.6
Sauna reception	5	1.0
Trade union member		
Yes	262	52.2
No	240	47.8
Ownership		
International chain hotel	305	60.8
Korean owned hotel	197	39.2
Company structure		
Chaebol hotel	223	44.4
Non-Chaebol hotel	279	55.6

In terms of the working department, 15.3% of respondents worked in the front office, 29.7% of respondents worked in the food and beverages, 6.8% of respondents worked in the kitchen, 21.5% of respondents worked in the back office, 1.6% of respondents worked in housekeeping, 22.5% of respondents worked in the fitness, 1.6% of respondents worked with various guest facilities, 1.0% of respondents worked in the sauna reception. The results show that most employees encounter customers in person in the hotel.

More than half of respondents join trade unions, which means most employees are likely to depend on the unions to protect their rights and guarantee their jobs.

Finally, in terms of ownership, approximately 61% of respondents work in the international chain hotels, otherwise 39.2% of respondents work in the Korean owned hotels. In addition, 55.6% of respondents have been engaged in the non-Chaebol hotel companies, whilst 44.4% of respondents have been engaged in Chaebol hotels in the Korean deluxe hotel sector. The results show that the respondents who have worked in the Chaebol hotels also occupy higher percentages than those who have worked in the non-Chaebol hotel companies.

In total, the respondents' demographic characteristics show a good spread of people covering gender, age, working period, years of working in the hotel industry, and education level. They also hold positions with varying degrees of authority, and have varying jobs, with over half the respondents being members of a trade union. In addition, the nature of ownership and company structure have also been taken into account. The sample size is very large and a very useful sample to help understand how hotel employees feel about HR practices in the hotel.

This next section discusses business strategy from the view of HR managers. Section 5.4 discusses HR practices based on responses from HR managers, employees and trade unions representatives. This study asked the participants to respond: 'yes', 'no', and 'sometimes' in relation to the particular HR practices. The author offers the answers 'yes' and 'sometimes' as positive, and the analysis is presented in section 5.3 and 5.4.

5.3 BUSINESS STRATEGY

This section is included in order to understand the view of how HR managers think about their strategy in the hotel. On business strategy, Table 5.3 below shows the responses to the questions about business strategy.

Table 5.3 Business strategy

Each variable	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
Compete on the basis of high quality service rather than cost	14	100	0	0
Emphasise continuous improvement of products/services to secure a long-term competitive edge	14	100	0	0
Usually the first company to introduce new products or service in the market	14	100	0	0
Constantly seek new business opportunities	14	100	0	0
Emphasise selecting highly skilled employees (i.e. problem-solving skilled individuals)	14	100	0	0

Source: HR managers (These questions are about a range of business strategies used in your hotel. Please tick the answer appropriately).

The results indicate that all of the deluxe hotels have a business strategy to maintain their market share in the deluxe hotel industry. The qualitative data also indicates that all deluxe Korean hotels have a common hotel strategy with regard to providing both a high quality of service and also a high price policy. The findings show that hotels provide elaborate and individual services for customers with difficult needs. All hotels seek a high price policy as a company strategy. The following shows the reason why deluxe hotels focus on a high price policy:

“We did lots of renovation of rooms to increase the price. For example, if the room used to cost 100,000 won per night, then we could sell the room to 100 customers. However, after renovation has been completed we can sell these for 300,000 won to 80 customers. Consequently, we can make a greater profit from rooms at 300,000 won than the rooms at 100,000 won. In addition, we can more effectively concentrate our service on 80 people rather than 100 people. So we seek a high price policy as a strategy” (Korean owned hotel, Chaebol, Manager 5).

The results show that Korean deluxe hotels place emphasis on providing excellent facilities, which means that the hotels seek a high price policy and as a result they provide intensive service for customers. It is also directly associated with increasing profit in terms of business operations. HR managers also considered 'competing on the basis of high quality service rather than cost' was a very important variable. In order to support the findings, there is typical evidence below:

"In order to provide high quality service to the customers, our hotel provides a variety of training in 'polite phone etiquette', 'complaint response', 'polite attitudes to guests', 'polite speaking, 'polite greeting with smile' etc... Our hotel supervises all the training full-time to provide excellent service to the customers of a deluxe hotel" (International chain hotel, Chaebol, Manager 6).

The results show that deluxe hotels regarded this as important in operating their hotels, while meeting customers' high levels of need. In relation to providing high service, deluxe hotels provide some degree of employee empowerment. However, discretionary empowerment is not given fully to employees, which means considerable power is given to managers, and this is discussed further in section 5.4.7. In a similar vein, the results show that deluxe hotels regarded 'selecting highly skilled employees' as a very important variable. The results indicate that high quality hotel service drives the need for a particular approach to selection; hence deluxe hotels would hire good employees through sophisticated selection methods.

"Our hotels seek to hire good employees so our recruitment is quite picky... we use psychometric testing, personality tests and aptitudes tests, unlike other hotels" (International chain hotel, Chaebol, Manager 6).

The results show that Korean deluxe hotels are likely to hire highly skilled employees through sophisticated selection methods; in particular, those methods which are well established in Chaebol hotels. The reason why those selection methods are accepted in the majority of Chaebol hotels is discussed further in section 5.4.1.

The results show that deluxe hotels considered that innovation was generally given the highest priority, with strong emphasis placed on being the first company to introduce new products or services to the market. The results indicate that some deluxe hotels

have a tendency to encourage taking chances on new products or services in order to make a profit.

“Our company has tried to be the first to offer certain attractive products in the deluxe hotel market, for example, attracting more customers by providing unforgettable memories on a honeymoon or Valentine’s day. Also we sell hotel vouchers which can be used as a gift for parents, including a dinner show on parent’s day to attract older people. During graduation season, we also sell profitable restaurant vouchers for their children. We try to offer good products all the time” (International chain hotel, Chaebol, Manager 1).

The results indicate that deluxe hotels have developed new products in order to dominate the market and advance in a radically changing business environment. Therefore deluxe hotels also regarded ‘emphasis on continuous improvement of products/services to secure a long-term competitive edge’ as a very important variable to maintain market share for deluxe hotels.

Finally, the results show that deluxe hotels seek new business opportunities. In order to support this, these are typical examples:

“Our hotel is Korean owned and we have chain hotels in Seoul, Ulsan, Jeju, Buyeo, and Busan. Also we have chain hotels in Moscow [Russia], Kinshicho [Japan], and Saigon [Vietnam] which means we have extended our hotel business all over the world” (Korean owned hotel, Chaebol, Manager 10).

“Our hotel has tried to do marketing for national guests, famous actors and sports players to promote our hotel to the luxury market. As a result, these people have stayed at our hotel and have improved our luxury image in the market” (Korean owned hotel, Chaebol, Manager 5).

In this regard, deluxe hotels are likely to continually seek new business opportunities; for example they have tried to extend their business in Korea and in other countries, and also have marketing strategies for specific people and to improve their image as a deluxe hotel. Celebrity endorsement encourages more customers to stay in the hotel rooms where famous people, like actors, have stayed. In order to support company

strategy, hotels provide strong on the job training to increase customer satisfaction and also develop new training programmes, continuously delivering these to staff in order to enhance staff capabilities. In relation to this, how Korean deluxe hotels organise HR practice is discussed in Section 5.4.

5.4 HR PRACTICES

All the data from each different source - HR managers, employees and trade union representatives, are brought together under a particular theme by eight dimensions of HR practice. Findings related to how employees feel about organisational justice and employee outcomes are also presented.

5.4.1 Recruitment and selection

This section sets out the distinctive approach to recruitment and selection in Korea. It shows how 'foreign language score', 'appearance' and 'age' are particularly important selection criteria and that sophisticated selection methods are well established only in Chaebol hotels. The section moves on to look at the most important drivers of practice in this area of HR practice - these are shown to be Korean legislation, Korean culture and quality enhancing HRM. Finally the section moves on to show the employees' satisfaction with their hotel's approach to the selection process.

HR managers considered 'the use of foreign language score as a selection requirement', the results are summarised in Table 5.4. Korean Labour Law forbids hiring foreign employees, with the exception of general managers and chefs who can get visas to work in Korea. Hotel employees are mainly made up of Koreans but companies need employees who can speak foreign languages for foreign customers. This is because high quality customer care is delivered partly through communication. This is then associated with customers' experiences in terms of perceived service quality, and as a result brings a return visit. Also, the Tourism Promotion Act supports hiring employees who are able to speak foreign languages in deluxe hotels, as discussed in section 2.3. In practice, in an application form, it asks applicants to fill out their foreign language score such as TOEIC (Test of English for International Communication), therefore it is one of the very important criteria when selecting good employees from among many

applicants. Only those applicants whose applications have passed the screening stage will have the opportunity of an interview. The results indicate that the foreign language score is a compulsory selection requirement employed by Korean hotel companies.

Table 5.4 Recruitment and selection practices

Each variable	Yes		No	
	Frequency	Percent (%)	Frequency	Percent (%)
Use foreign language score as a selection requirement	14	100	0	0
Use appearance as a selection requirement	13	92.9	1	7.1
Use past experience as a selection method	13	92.9	1	7.1
Use clearly defined selection criteria	13	92.9	1	7.1
Conduct structured and standardized interviews	13	92.9	1	7.1
Consider age to be an important quality when hiring employees	12	85.8	2	14.2
Use university or college degrees as a selection requirement	12	85.8	2	14.2
Consider seniority to be an important quality in the previous work when hiring employees	10	71.4	4	28.6
Use degree grade as a selection requirement	7	50.0	7	50.0
Use psychometric testing as a selection method	6	42.9	8	57.1
Use personality tests as a selection method	6	42.9	8	57.1
Use aptitude tests as a selection method	6	42.9	8	57.1
Consider extended families, regionalism, school relations and kinship for your hotel, when hiring employees	2	14.3	12	85.7
Union leaders participate jointly in the hiring of staff in your hotel	0	0	14	100

Source: HR managers

(These questions are about a range of recruitment and selection practices used in your hotel. Please tick the appropriate answer).

As listed in Table 5.5 (were evaluated on a five-point Likert scale) the results show that the foreign language score was evaluated as the most important variable, and therefore Korean employees considered that language capability was a very important skill for getting a job in the Korean hotel industry.

Table 5.5 Mean and standard deviation of recruitment and selection (1)

	Factor	Measurement items	Mean	Standard deviation
Independent variable	Recruitment and selection	Your foreign language score (i.e. English, Japanese, Chinese)	3.69	0.926
		Your experience	3.52	0.949

	Your appearance	3.32	0.837
	Your major in university or college	3.30	0.941
	Your grade in university or college	2.91	0.914
	Your age	2.91	0.908
	Your seniority	2.89	0.947
	Members of extended families, regionalism, school relations and kinship	2.77	1.102

Source: Employees (Please think about the time when you recruited to the hotel how important were following. Please indicate your opinion by circling the number that matches closest your opinion. The answers to the following questions range from extremely important to not at all important)

Footnotes: Extremely important: 5, Very important:4, Somewhat important: 3, Not very important: 2, Not at all important: 1

Surprisingly, 92.9% of deluxe hotels use ‘appearance’ as a selection requirement because the employees are frequently likely to encounter the customers in person (See Table 5.4). The following are typical examples:

“I have to answer honestly about appearance... In fact, we would prefer it not to be a consideration, but in practical terms, we do. For example, in the case of the front desk and F&B (Food and Beverages), we greatly consider appearance, whereas for the ‘rooms’ sector, employees need foreign language capability first, then we consider appearance”. (International chain hotel, Chaebol, Manager 6)

“However, the employee’s appearance shouldn’t make the customer want to retch” (Korean owned hotel, Chaebol, Manager 10).

All of this evidence indicates that, in general, Korean deluxe hotels consider appearance a selection requirement, however the hotels are likely to use it in a specific department such as at the front desk or in F&B. In these departments they concentrate on appearance more than in the other departments because the employees encounter the customers more frequently, and there is a need to give a good impression to customers. In addition, an interesting finding comes from an HR manager’s comment:

“We prefer to hire female employees who have an oriental appearance because foreign customers prefer this kind of employee rather than those who have a western style of appearance.” (International chain hotel, non-Chaebol, Manager 7)

A hotel is likely to consider that it is important to meet the high demands of foreign customers. In relation to appearance, the example below shows that in Korean society,

people who are looking for work are generally required to attach their photo to their CV. This means that Korean society emphasises employees' beauty and aesthetics when hiring employees. Employees evaluated appearance as an important factor (See Table 5.5), as confirmed by the view of managers. In this respect, Korea has a very competitive society, and obtaining work in the hotel industry specifically sees more than the usual importance being placed on physical appearance.

As expected from the literature review, the results showed that 85.8% of HR managers considered 'age' relatively important when hiring employees. Korea is traditionally a Confucian society, meaning that younger people should respect their elders as discussed in section 2.5. Thus age plays an important role in the relationship between subordinates and superiors within Korean business society.

“If we hire career employees, their age doesn't matter, but when hiring new employees, on average our company doesn't hire anyone over the age of 31 for women and 32 for men” (International chain hotel, non-Chaebol, Manager 4).

So, hotel companies are likely to treat age as an important factor: in general they prefer to hire employees who are younger than career employees in the hotel. There is also another reason why management consider age important from the customer's point of view.

“For example. You have the situation where younger customers who are around 30 years old visit a hotel restaurant and an older employee, who is around 50 years old, takes their order and serves their meal. In this example, the younger customers would feel uncomfortable being served by an employee older than them” (International chain hotel, non-Chaebol, Manager 6).

Therefore, age is considered to maintain order between subordinates and superiors in an organisation both in terms of management and also to avoid customers' discomfort where a younger customer is served a meal by an older employee. This is very different in comparison to the Western countries and the reasons given explain why management consider age when hiring employees in deluxe hotels. Employees themselves considered that age was not as important compared to the view of HR managers. However operational employees perceived age as being more important than the management staff, demonstrating that operational employees are likely to be aware of

age as they are unlikely to be employed on reception or to handle food and beverages when they are older (See Appendix 7: The results from One-way ANOVA analysis between HR practice and demographic variables).

The results show that 92.9% of deluxe hotels use clearly defined selection criteria, conduct structured and standardized interviews, and use past experience as a selection method. Also 85.8% of hotels use university or college degrees as a selection requirement. In addition, deluxe hotels gave less weight to ‘degree grade’, ‘psychometric testing results’, ‘personality tests’ and ‘aptitude tests’ than other variables mentioned above (See Table 5.4). Employees also considered that hotels provide ‘structured and standardized interviews’ and ‘clearly defined selection criteria’ (See Table 5.6) and employees considered that ‘past experience’ was a variable of secondary importance, the results are shown in Table 5.5. The findings show that Korean deluxe hotels provide clearly defined selection criteria, have standardized interviews, and they also consider past experience as a selection method for hiring employees. Also the majority of hotels are likely to hire their employees using their own selection requirement and not based on the degree grade from university or college.

Table 5.6 Mean and standard deviation of recruitment and selection (2)

	Factor	Measurement items	Mean	Standard deviation
Independent variable	Recruitment and selection	Structured and standardized interviews	3.36	0.879
		Clearly defined selection criteria	3.31	0.892
		Involvement of union leaders jointly in the hiring of staff in your hotel	2.22	1.113

Source: Employees (To what extent do you think your hotel uses the following in making hiring decisions? Please indicate your opinion by circling the number that matches closest your opinion. The answers to the following questions range from always to never)

Footnotes: Always: 5, Quite often:4, Sometimes: 3, Occasion: 2, Never: 1

In relation to sophisticated recruitment methods, 5 out of 6 Chaebol hotels use such tests (i.e. psychometric testing, personality tests, and aptitude tests) to hire employees through open recruitment. In this regard, the majority of hotels are not likely to accept those selection requirements, whilst most hotels operated by Chaebol companies do employ these methods. This is because Chaebol hotel companies are likely to apply the same HR practices to their hotel businesses as used in other organised HR management systems of their subsidiaries. On the other hand, all respondent hotels do not allow

union leaders participation in hiring staff, meaning the hotels' companies retain a managerial prerogative to operate certain aspects of HRM in the hotels.

As discussed above, the distinctive practices are 'foreign language score', 'appearance', 'age' and 'sophisticated selection methods in Chaebol hotels'. The following demonstrates how those practices are influenced by external or internal drivers:

The findings indicate that the 'use of foreign language score as a selection requirement' is a very important variable used by the HR managers and employees. There is typical evidence to support important legislation:

"A previous important rule based on the Tourism Promotion Act shows that we have to hire employees who have studied tourism management at university....if they graduate the department, and they learn English or Japanese as a module" (Korean owned hotel, Chaebol, Manager 8).

"We can only hire Korean employees except for general managers and chefs according to the legislation. Many foreign customers visit our hotels. I mean it's very important to communicate with foreign customers to know what they want and what they need...We have to consider hiring employees who can speak English, Japanese and Chinese for foreign customers" (International chain hotel, Chaebol, Manager 2).

In this regard, the previous Tourism Promotion Act encourages hotel companies to hire employees who have knowledge of the hospitality industry and who can also speak the appropriate foreign language to overseas customers. As explained above, strong legislation requires that hotel companies should only hire Korean employees except for specific jobs (i.e. general managers and chefs) also the legislation through the Tourism Promotion Act provides guideline as to how the employees are required to work and how the hotel companies should hire employees in deluxe hotels. The Act supports that hotel companies are likely to hire good employees who can speak foreign language very well. Also it is likely to impact the applicants, and they might lose the opportunity to go through the next stage of recruitment (i.e. interview), if they do not provide a good score for foreign languages. Therefore, the findings show that the 'use of foreign language score' is influenced by strong legislation. In addition, the Tourism Promotion Act provides criteria such as the evaluation of staff's hair and appearance. This means

the Act is likely to encourage the hotel companies to hire employees based on their appearance. The reason why HR managers considered appearance a selection requirement is discussed above. Additionally, there is a typical evidence:

“I think the hospitality industry is likely to consider employees’ appearance more...even though when you visit any deluxe hotels you can already find good looking employees... Honestly speaking there were two applicants and they got almost all the same score for the selection evaluation, but our hotel preferred to hire the good looking applicant than the other one....Erm...in relation to appearance..... Have you seen male employees in deluxe hotels who shaved off their hair like a monk? We prohibit having this kind of hair style because it gives customers, especially Korean customers, feelings of hatred ... Well... generally this kind of hair style is for prisoners or gangsters and this opinion is widely held in Korean society...”(International chain hotel, Chaebol, Manager 1).

In this aspect, the appearance conditions associated with the criteria of the Tourism Promotion Act are likely to reflect the feelings of Korean society, which are widespread, such as how hotel employees should look like. Again hotel companies are likely to exclude something which brings abhorrent feelings and discomfort to customers. Why Korean society considers appearance is discussed more in Chapter 6.

In relation to Korean culture, the results show that the HR managers and employees considered ‘seniority’ and ‘considering extended family, regionalism, school relations and kinship for your hotel, when hiring employees’ was not important (See Table 5.4 and Table 5.5), however the ‘age’ was relatively important as a selection criterion because it was associated with Korean Confucianism culture which emphasises the importance of traditional values that involve keeping social order. Namely, younger people should respect authority and their elders. Below are good examples to support how Confucianism influences Korean society and organisations:

“Younger staff may feel uncomfortable having to give directions to older staff within the organisation. For example, there are two applicants. One is younger than the other and they have got similar scores from the recruitment and selection evaluation process carried out by the company. In this case, we consider age... I mean we consider the age of the senior staff who already work

in the hotel. Consequently we prefer to hire the younger applicant than the older one because of the greater age of current staff...As a result, the older applicant will lose out on the opportunity to work in the hotel” (Korean owned hotel, Chaebol, Manager 5).

“As you know we have grown up under a society where we should respect older people. For example when we are having our meal and we see our lecturers in the canteen we should stop eating and stand up to greet them when we make eye-contact with them... and then go back to our conversation... Even for a younger customer who is not a well-educated person... I mean they’re not a polite person at all, but they would still feel uncomfortable if an elderly person took their order and served their meals. We are very uncomfortable with the situation....Another example would be with the younger people sitting at the table while the elderly people stood up and served the food...Generally, in every home, school, society and organisation, we are very familiar with the opposite situation where the elderly people are sat at the table and the younger people stand up and serve the meals” (Korean owned hotel, Chaebol, Manager 10).

The findings show that hotel companies consider ‘age’ when hiring employees, because Korea is traditionally a hierarchical society through Confucianism and that concept is still widely spread throughout Korean society. Consequently, ‘age’ is influential in Korean culture.

High quality hotel service drives the need for a particular approach to selection, therefore Chaebol hotels will hire good employees using sophisticated selection methods. Below is typical evidence:

“In order to hire good employees, we use psychometric testing, personality tests and we also use aptitudes test...Also when I interview applicants, I carefully try to observe him or her to see who can really harmonise with our company and who has a good personality for the customers... ” (International chain hotel, Chaebol, Manager 1).

“We have a policy of hiring highly skilled employees, so our company uses personality tests, psychometric tests, and aptitudes tests as selection methods...I have heard that those tests are not used in all hotels... unlike our hotel and W

hotel... Well...because we are a subsidiary company of Chaebol we have more systemised selection methods than the other hotels (Korean owned hotel, Chaebol, Manager 5).

The results show that the sophisticated selection methods are not used in the majority of hotels, while these methods are well established only in Chaebol hotels. Again, deluxe hotels have an employment policy of hiring highly skilled employees, and those selection methods are influenced by quality enhancing HRM.

Consequently, the influencing factors in relation to recruitment and selection are Korean legislation (i.e. using foreign language score as a selection requirement, appearance), Korean culture (i.e. age) and quality enhancing HRM (i.e. sophisticated selection methods). These factors influence recruitment and selection and the findings indicate that Korean deluxe hotels adopt a combination of best fit (i.e. quality enhancing HRM) and best practice (i.e. Korean legislation) in terms of recruitment and selection.

Finally, this section looks at what impact the recruitment and selection HR practices have on the employees and trade unions. In order to understand the employees' feelings, organisational justice is evaluated on a five-point Likert scale which presents the varying opinions of 'agree' or 'disagree'. Multi-regression analysis is conducted to evaluate the relationship between recruitment and selection practices and positive and negative outcomes. Lastly, the T-test and the One-way ANOVA analysis are conducted to evaluate the significant difference between recruitment and selection practices and demographic variables. The qualitative data is used to understand trade unions' perceptions. The findings are shown below:

The results of employees' perception in relation to procedural justice show that the variable of 'your hotel operates a fair procedure of recruitment and selection' has the strongest agreement, which means the employees feel happy with their hotel's procedure of recruitment and selection (See Table 5.7). The results from the multi-regression analysis show that the procedural justice influences positive and negative employee outcomes, so if the hotel provides a fair procedure for recruitment and selection, employees will be more likely to be satisfied with their jobs, while if the hotel uses unfair recruitment and selection procedure, employees will be more likely to be dissatisfied with their job (See Appendix 7).

Table 5.7 Mean and standard deviation of organisational justice

	Factor	Measurement items	Mean	Standard deviation
Independent variable	Distributive Justice	Your hotel provides fair pay	2.90	0.953
		Your hotel provides a fair bonus	2.79	1.003
		Your hotel provides fair opportunity for promotion	2.79	0.962
	Procedural Justice	Your hotel operates a fair procedure for recruitment and selection	3.01	0.943
		Your hotel operates a fair procedure for grievance and discipline	2.97	0.948
		Your hotel operates a fair procedure for promotion	2.90	0.953

Source: Employees (How do you feel about working in your hotel?)

Footnotes: Strongly agree: 5, Somewhat agree: 4, Neither disagree or agree: 3, Somewhat disagree: 2, Strongly disagree: 1

Also the results from the multi-regression analysis show that the factors of ‘selection requirements’ and ‘hotel company selection criteria’ influence positive outcomes, and the factors of ‘additional selection requirements’ and ‘hotel company selection criteria’ influence negative outcomes (See Appendix 7). For example, the variable of ‘extended families, regionalism, school relations and kinship’ shows the high standard deviation which indicates a wide variety of responses (See Table 5.5): some people thought this was a significant issue if people were recruited through kinship because they did not need selection methods and interviews. For those without strong kinship ties, however, this was not a big issue. Again, if employees find out there is an employee who has been recruited through kinship, they develop negative feelings, including quitting their job and finding another one.

In addition, the results from the relationship between demographic variables and recruitment and selection practice indicate that the longer employees work at a hotel, and if they are a member of a trade union, the more likely they are to perceive ‘experience’, ‘major’, ‘grade’, ‘foreign language score’ and ‘appearance’ as important variables; The longer tenured employees are more aware of the importance of ‘clearly defined selection criteria’, ‘structured and standardized interviews’, and ‘involvement of union leaders jointly in the hiring of staff in the hotel’. This is because their experience makes them more aware of the importance of clearly defined selection policies relative to these HR practices; Employees who have a high level of education, and employees who hold a high position, are more likely to perceive ‘experience’, ‘major’, ‘grade’, ‘foreign language score’, ‘appearance’, ‘age’, ‘seniority’, and ‘kinship’ as important (See Appendix 7).

There is evidence as to why trade unions feel that pay is unfair and this is shown as follows: “If our company needs an employee who has a specific skill, they bring someone through from the top” (International chain hotel, non-Chaebol, Trade union representative 3). This makes employees complain because occasionally company management offer work to new employees without going through the normal process of recruitment. Again, trade unions feel this is unfair if the management carry out recruitment out of context. A few HR managers admitted to this and they felt uncomfortable about this fact in the interviews. In relation to this, the difference in views between HR managers and trade union representatives is discussed further in Chapter 6.

The variable of involvement of union leaders in hiring staff in a hotel has a high standard deviation relative to other variables (See Table 5.6). This indicates that some employees think their union members quite often join in with the hiring of staff and therefore this is significant. Other employees think that their union members join in occasionally, and thus it is not a big issue. In relation to this, one trade union representative who works in an international chain hotel comments:

“There are internship employees and our company provides an opportunity to become a regular employees for them, but we pose a problem between unions and management if they don't select a qualified person because we already know the employees' capability and personality through working together” (International chain hotel, non-Chaebol, Trade union representative 10).

This shows that trade unions find it unfair that the management do not always follow a fair recruitment procedure.

Korean hotel companies only hire Korean employees as mentioned above, however 4 out of 11 hotels are likely to abuse the Korean Labour Law. A trade union representative at company level comments:

“There is a different view in terms of hotel management; they want to reduce their employment cost, so the company hires foreign waiters who can speak English, sometimes by giving them a chef's visa. That's illegal! We are keeping an eye on it to protect our employees in Korea” (FCS).

The results show that trade unions feel it is unfair hiring these foreign employees. In conclusion, those HR practices (i.e. kinship recruitment ties, unfair recruitment and unfair recruitment of foreign employees) are seen as unfair by trade unions.

5.4.2 Training and development

The distinctive approach to training and development is that Korean deluxe hotels should provide ‘legal training’, ‘service education training’, ‘training in the use of make-up’, ‘training in foreign languages’ and these are very important aspects of training. Chaebol hotels provide more external training opportunities in terms of company structure, and international chain hotels in particular franchise contracts do not adopt all Western forms of HR practice, and some parts of HR practice are changed to fit in with Korean culture. The findings show that the most influencing driver in this area of HR practice is Korean legislation. In relation to the employees’ feelings, employees are satisfied with receiving legally required training, such as fire drills, to protect customers and their safety. Employees who have worked longer in the hotel are more likely to perceive the importance of the HR practice of ‘training and development’.

All HR managers strongly agreed that Korean deluxe hotels must follow the legal requirements and faithfully conduct legally required fire training as per Occupational Safety, hygiene education laid out by the Health Act, and sexual harassment prevention education under the Equal Employment Opportunity Act.

“We must provide legally required training such as fire training, hygiene education and sexual harassment prevention education, and as the training is compulsory so we must provide it to our employees” (Korean owned hotel, Chaebol, Manager 10).

In this aspect, the regulated law influences management of HR practices so there exists consistency in training in hotel industry. This is indicative of how much the legislation stresses the importance of these training practices in Korean hotels.

The Tourism Promotion Act requires the establishment and fulfilment of specific criteria regarding training employees to maintain a high level of hotel quality as a deluxe hotel in terms of customer satisfaction (See section 2.3). In relation to this, the

results from HR managers show that the deluxe hotels considered that ‘polite phone etiquette’, ‘polite greeting with smile’, ‘complaint response’, ‘polite attitudes to guests’, ‘polite speaking’, ‘problem-solving skills’, ‘case studies’ and ‘role playing’ were very important variables and those training practices are provided by appropriate education. Also hotels provide training in ‘general knowledge about hotels’, which means hotel employees are required to build up a general knowledge which covers the overall hotel area, and this is also supported by the Tourism Promotion Act. In addition, the Act describes that restaurant employees must have specific knowledge about the menu.

“In the case of a Chinese restaurant, the staff have to know about Chinese culture; therefore we provide training in relation to knowledge of products that we sell in the hotel” (International chain hotel, Chaebol, Manager 2).

Therefore, the employees need to know about the particular wine, food and also traditional foreign food and alcohol if they work in a restaurant. The results from the employees show that employees can also receive training on how to settle customer complaints and how to handle customer responses (See Table 5.9).

All HR managers agreed that there was a need for; ‘training in the use of make-up’; the results are summarised in Table 5.8. As discussed in section 5.4.1, the Tourism Promotion Act provides the criteria for the evaluation of employees hair and general appearance, therefore hotel companies are likely to provide training in relation to employees physical appearance to maintain the hotel’s status as a deluxe hotel.

“The training includes how to put on make-up to show off a beautiful face and how to make their hair neat for customers” (International chain hotel, Chaebol, HR manager 2).

“Well.. the training does not only provide skills on how to put on make-up. The training includes how to display a tailored look, such as male employees’ shaving to look well kept, keeping clean nails, and female employees’ hair is tied back in a neat bow....” (International chain hotel, non-Chaebol, Manager 7).

In this respect, ‘training in the use of make-up’ is likely to be closely associated with Korean legislation because hotel companies must follow the hotel criteria based on the

Tourism Promotion Act to keep their deluxe status. This is because Korean legislation enacts a provision that deluxe hotels are required to undergo re-evaluation every 3 years after first attaining deluxe hotel status. Again hotels will lose their deluxe status if they do not maintain standards. So, 23% of employees received ‘use of make-up’ training over the last year and the results demonstrate that the training was conducted on-site in deluxe hotels (See Table 5.9).

Table 5.8 Training and development practices

Each variable	Yes		No	
	Frequency	Percent (%)	Frequency	Percent (%)
Provide formal training programmes for employees	14	100	0	0
Have an explicit policy requiring all staff to spend a specified minimum period annually in formal training	13	92.9	1	7.1
Evaluate training programme	13	92.9	1	7.1
Require development of a broad range of skills	13	92.9	1	7.1
Provide training in fire drill	14	100	0	0
Provide training in preventing sexual harassment education	14	100	0	0
Provide training in hygiene education	14	100	0	0
Provide training in the use of make up	14	100	0	0
Provide training in foreign language	14	100	0	0
Provide training in general knowledge about hotels	14	100	0	0
Provide training in polite phone etiquette	14	100	0	0
Provide training in problem-solving skills	14	100	0	0
Provide training in complaints response	14	100	0	0
Provide training in polite greeting with smile	14	100	0	0
Provide training in polite attitudes to guests with hospitality	14	100	0	0
Provide training in polite speaking	14	100	0	0
Use educators from the hotel association, guest speakers, or hotel instructors	14	100	0	0
Use case studies in its training	14	100	0	0
Use role playing	13	92.9	1	7.1

Source: HR managers (Theses questions are about a range of training and development practices used in your hotel. Please circle the answer appropriately)

All HR managers agreed that there was a need for; ‘training in foreign languages’, because high quality customer care for foreign customers is delivered through effective communication and the Tourism Promotion Act emphasises its importance, thus *deluxe* hotel employees require language training as discussed in section 5.4.1. Therefore hotel

companies are likely to provide training for employees regarding customers' requirements and current legislation. For example:

“We provided language training, such as English, in our hotel before, but now our company provides money to study English, Japanese and Chinese at the foreign language institute every month, and the institute has very professional lecturers so it's a good place to learn a language. However, our employees should provide evidence to show how much they have improved their language capability through taking a language test such as the TOEIC (Test of English for International Communication)” (Korean owned hotel, Chaebol, Manager 5).

Hence the results show that hotels support employees to improve their foreign language skills for foreign customers and to reach the level of the criteria given for a deluxe hotel in terms of the Tourism Promotion Act. 37 % of employees received 'training in foreign languages' over the last year and the results show that hotel companies are likely to believe that the training is required continuously for the employees (See Table 5.9).

There are noteworthy results from HR managers that 3 out of 5 Chaebol hotels are likely to provide study at university abroad for academic purposes, sending employees to work abroad in different countries. For example:

“We send employees to learn original food preparation techniques and benchmarking in other countries” (International chain hotel, Chaebol, Manager 6).

In this regard, Chaebol hotels are likely to provide more external training opportunities rather than the non-Chaebol hotel companies. Again, the results indicate that the Chaebol hotels are likely to invest more money to improve employees' capabilities than the non-Chaebol hotel companies in terms of company structure.

The results from HR managers show that there are two types of international chain hotel - management contract and franchise contract. In general, international chain hotels get training from a lecturer from head office and after the training the employee gets a certificate from head office. The employee then provides training to the hotel employees. The following comments show the difference between a management contract and franchise contract hotel in relation to training and development practice.

“The international chain hotels, based on a management contract, should accept the rules the home country has suggested, otherwise the international chain hotels, based on franchised contract, should adopt HR practices very selectively which have been provided by head office. For example, there is a table and head office suggests we put a flower vase on it, but we are not happy with this, so we don’t need to do it. Also the Western greeting is not appropriate for Korean customers. In Korean culture, it is more polite to greet customers with a deep bow. So we must change some part of the training to make it appropriate to the Korean culture because our hotel has a franchise contract with the head office” (International chain hotel, Chaebol, Manager 1).

Therefore, the international chain hotels based on franchise contracts consider Korean culture important which means the hotels have not accepted all Western types of HR practice and they also adapt the HR practice to the Korean culture.

92.9% of HR managers agreed the following variables were needed: ‘having an explicit policy requiring all staff to spend a specified minimum period annually in formal training’, ‘evaluating training programmes’ and ‘requiring development of a broad range of skills’ (See Table 5.8). As discussed in section 3.4, best practice and quality enhancing best fit are very similar from previous studies. If we accept the idea, are those practices associated with legislation or quality enhancing HRM in Korean deluxe hotels? There are good examples:

“We have to provide the kind of training such as wine, casino, an international convention, fire prevention training, and safety according to the Tourism Promotion Act. For example, over 10 employees have over 100 hours of training respectively, we can get 8 score which is the highest score (out of 8 scores) otherwise over 3 employees have over 100 hours of training respectively, we can get we can get 5 score by the criteria from the Act” (International chain hotel, non-Chaebol, Manager 3).

“According to the criteria, we should provide on-the-job training, management curriculum by position level, a liberal education, service education and foreign languages. Therefore if we provide over 5 types of training mentioned above, our hotel can get a score of 5 which is the highest score (out of 5 score) while if

we provide over 2 types of training, our hotel can get a score of 1. So our hotel has endeavoured to provide those trainings to get a good score” (International chain hotel, Chaebol, Manager 6).

“The evaluator investigates the language capability of employees who work in the reservation department of the hotel. If the employees speak very well to foreign customers, we can get a score of 5 which is the highest score otherwise, if the employees do not speak very well, we can get a score of 2” (International chain hotel, non-Chaebol, Manager 7).

In this respect, the results show that those HR practices are associated with best practice from the Korean legislation. Hence, deluxe hotels are likely to put emphasis on the HR practices to enhance employees’ abilities through providing various training in the hotel. The results of the type of training received over the last year from the employees are summarised in Table 5.9 and this shows the importance of legal training. Among the 502 respondents, 15.7% of respondents have received fire drill training and 12.3% of respondents have received training in preventing sexual harassment. Both variables occupy a high percentage as opposed to the other variables. In this regard, all the Korean hotel employees should have received a legal training requirement regulated by the Tourism Promotion Act.

Table 5.9 Received training over the last year

	Respondents	Percent (%)
Fire drill	408	81%
Preventing sexual harassment education	319	64%
Polite phone etiquette	248	49%
Polite greeting with smile	213	42%
Complaint response	206	41%
General knowledge about hotels	205	41%
Hygiene education	194	39%
Foreign language	187	37%
Polite attitudes to guests	176	35%
Polite speaking	169	34%
Problem-solving skills	155	31%
Use of make up	114	23%

Source: Employees (In which of the following areas have you received training over the last year, please tick all the apply)

Employees agreed that ‘all staff should take part in a minimum amount of training each year’ because employees have to receive a minimum amount of training by law (See Table 5.10). Namely, all hotels must provide some degree of training opportunity to employees, including those in Korean deluxe hotels.

Table 5.10 Mean and standard deviation of training and development

	Factor	Measurement items	Mean	Standard deviation
Independent variable	Training and development	My hotel has a clear policy requiring all staff to take part in a minimum amount of training each year	3.39	1.036
		My hotel evaluates training	3.21	0.985
		My hotel is committed to developing a broad range of skills among its staff	3.12	0.993
		I have received excellent training to help me do my job well	3.04	0.965

Source: Employees (To what extent do you agree with the following statements? Please indicate your opinion by circling the number that matches closest your opinions. The answers to the following questions range from strongly agree to strongly disagree)

Footnotes: Strongly agree: 5, somewhat agree: 4, neither disagree or agree: 3, somewhat disagree: 2, strongly disagree: 1

Hotels also invite outside speakers, which is supported by the Tourism Promotion Act to enhance employees’ knowledge. The results from HR managers show that 10 out of 11 hotels invite an outside speaker to provide specific knowledge in relation to the particular departments, such as accounting, marketing, facilities and housekeeping. For example:

“In the case of the back office, we provide human resource, accounting and marketing lessons from the outside. In facilities, we provide lessons in safety in relation to electricity. In the Kitchen, we provide lessons from the outside on skills of a barista and sommelier” (International chain hotel, Chaebol, Manager 6).

As discussed above, the Tourism Promotion Act asks hotel companies to provide on-the-job training for the employees. In relation to this, the results from employees show that over 83% of employees had on-the-job training and 84.1% of employees had internal training, while 67.9% of hotels used outside speakers and those specific training sessions were closely associated with the Tourism Promotion Act (See Table 5.11).

Table 5.11 Training and development practice (1)

Each variable	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
On-the-job	417	83.1	85	16.9
Off-the-job	257	51.2	245	48.8
Internal to hotel	422	84.1	80	15.9
External to hotel	178	35.5	324	64.5
Use of outside speaker (i.e. from the hotel association, guest speakers)	341	67.9	161	32.1
Case study	231	46.0	271	54.0
Role play	258	51.4	244	48.6

Source: Employees (What form of training did you receive?)

All deluxe hotels provide formal training (See Table 5.8) which is supported by the Tourism Promotion Act. However, all managers comment that:

“We can’t say the exact number of formal and informal trainings because we provide them differently by job type, job position and working differently. Besides, we also provide training including informal training all the time whenever the department or employees need it...” (Korean owned hotel, non-Chaebol, Manager 10).

In addition, hotels provide introduction education for new employees and provide education all the time, whenever employees and departments need it. In this regard, all deluxe hotels are likely to conduct training, when they need it, irrespective of ownership. The result of how many times formal training is provided in the Korean deluxe hotels for the employees is summarised in Table 5.12. Among the 502 respondents, 46.6% of respondents have received formal training between 2-3 times a year, 25.1% of respondents have received formal training between 5-10 times a year. That is, 88% of hotel employees have received formal training at least once a year in Korean deluxe hotels. Again, hotel employees have received training all the time in relation to their job, when staff needed it.

Table 5.12 Training and development practice (2)

Each variable	How many times have received formal training over the last year									
	Never		Once		Between 2-3		Between 5-10		11 or above	
	Frequency	Percent (%)	Frequency	Percent (%)	Frequency	Percent (%)	Frequency	Percent (%)	Frequency	Percent (%)
	60	12.0	72	14.3	234	46.6	126	25.1	10	2.0

Source: Employees

Most of the evidence, as discussed above, indicates that Korean legislation is a predominantly important factor in relation to training and development. This is because Korean legislation provides the criteria to what type of training is required for employees. As a result hotels must offer legal training including all variables of training practices which are covered in this study. All deluxe hotels are driven by best practice as set out in legislation in relation to training and development HR practice in Korea.

Multi-regression analysis is conducted to evaluate the relationship between training and development practice and positive and negative outcomes. The results show that employees are satisfied with getting legal training, such as fire drills, to protect customers and ensure their safety. Otherwise, employees feel disappointed that they took their job in the hotel if hotel companies do not provide minimum amounts of training and develop a broad range of skills to improve the employee's capabilities. In addition, the results from the relationship between demographic variables and training and development practice indicate that the longer the employees work at a hotel, the more likely they are to perceive the importance of the HR practice of 'training and development'. Employees at Chaebol hotels are more likely to consider 'training and development' as significant, this is because the employees are likely to have external training opportunities through direct or indirect experiences (See Appendix 7).

Unions also provide education for union members about the basic knowledge which is associated with employment conditions. HR departments already have an advantage against unions insofar as they are generally more educated in labour regulations. In practice, most trade union executives do not have time to study updated labour law because they already perform two jobs concurrently. Nevertheless, 2 out of 11 representatives have to provide guidelines to other union members regarding labour law and company demands. For example:

“Most employees have a contract with their company and the contract says you will work 40 hours per week basic. However, you should work overtime and take a legal holiday if the company wants you to. Most employees do not know the exact meaning, so union representatives have to provide the specific guidelines for their members” (FCS).

The findings indicate that they have to share these kinds of things and they should be interested in the employment issue, if they are hotel workers.

5.4.3 Performance appraisal

This section sets out the distinctive approach to performance and appraisal in Korea. It shows how ‘valuing employee loyalty as much as good performance’, ‘men are more successful than women in getting promotion’, and ‘trade union involved in decisions about promotions’ are very distinctive, and those practices are likely to bring friction between management and employees (trade unions). The section moves on to look at the most important drivers of practice in this area of HR practice - these are shown to be Korean culture and trade unions. Finally the section moves on to show the employees are rather unhappy with unjust procedure of promotions.

Korean deluxe hotels, in general, consider the following factors for employees’ promotion: “working period in the hotel, position types, rewards, foreign language capability including the score of employees’ performance review” (International chain hotel, non-Chaebol, Manager 3). In particular, the employees’ performance review predominantly impacts promotion, therefore it is necessary to understand the employees’ performance review in the Korean hotel industry. The employees’ performance review is a sheet of paper which involves a number of criteria, such as knowledge of the job, creativity of the job, job speed (handle employee’s job promptly), the capability of doing the employees’ job, human relations and cooperative spirit in the organisation, the extent of fulfilment of courtesy, kindness, service as an employee and health condition (punch their time cards upon arrival and departure and note early departure).

Also ‘loyalty’ is seen as a criterion in performance reviews of employees in general. In relation to this, the results show that 92.9% of HR managers agreed that ‘valuing employee loyalty as much as good performance’ matters as this implies collectivism

based on the view of Hofstede, as discussed in section 2.4 (See Table 5.13). The following comments provide the evidence to why loyalty is important in organisations:

“Well... unlike the marketing department...in case of the department which we can't evaluate employee performance by quantifying methods...Erm...maybe the loyalty can be more influenced in the performance review. Sometimes employees have complaints about how to measure loyalty. . Maybe employees and trade unions think the evaluator's subjective decision is likely to affect the performance reviews, but managers try to give fair evaluations to our employees” (International chain hotel, non-Chaebol, Manager 7).

In order to provide fair evaluation to employees, 2 out of 11 hotels provide self-assessment of employees' performance. For example:

“The employees evaluate themselves about what they have conducted for the hotel first, and then the manager of the department evaluates the employees....” (International chain hotel, non-Chaebol, Manager 3).

However, most Korean hotels have authority to evaluate employees; that means the number of employees getting a good result in a performance review is entirely dependent on managers. Employees also agreed that 'valuing employee loyalty as much as good performance', the results are shown in Table 5.14. The loyalty is likely to be seen as a very important criterion to evaluate employees' performance, therefore employees are likely to be keen on loyalty because it is directly associated with employees' promotion and pay measurement for the employees who are on an annual pay system.

Table 5.13 Performance appraisal practices (1)

Each variable	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
Measure performance by objectively quantifiable results	13	92.9	1	7.1
Use a formal performance appraisal system for some staff groups	13	92.9	1	7.1
Value employee loyalty as much as good performance	13	92.9	1	7.1
Consider group goal-setting as part of	12	85.7	2	14.3

performance appraisal				
Promote staff on the basis of seniority	12	85.7	2	14.3
Staff in your hotel involved in setting performance targets	12	85.7	2	14.3
Formally carry out a performance appraisal system link to pay and rewards	11	78.6	3	21.4
Managers informally discuss staff individual performance with subordinates	10	71.4	4	28.6
Use an informal appraisal system (i.e. bosses do not give formal feedback or formally evaluates employees)	7	50.0	7	50.0
Men more successful than women in gaining promotion in the hotel	5	35.7	9	64.3
The trade union in your hotel involved in decision about promotions	3	21.4	11	78.6

Source: HR managers (Theses questions are about a range of performance appraisal practices used in your hotel. Please circle the answer appropriately)

Table 5.14 Mean and standard deviation of performance appraisal

	Factor	Measurement items	Mean	Standard deviation
Independent variable	Performance appraisal	Your hotel measures performance with objectively quantifiable results	3.48	0.970
		Your hotel considers group goal-setting as part of performance appraisal	3.28	0.899
		Your hotel values employee loyalty as much as good performance	3.13	0.968
		Your hotel uses informal appraisal system (i.e. bosses do not give formal feedback or formally evaluate employees)	3.09	1.014
		Your hotel promotes staff on the basis of seniority	3.09	0.972
		Your manager consult with you about how work should be done before making decision	3.06	0.978
		Your hotel formally carry out a performance appraisal system link to pay and rewards	2.96	1.050
		Staff in your hotel are involved in setting performance targets	2.95	0.989
		Your hotel managers informally discuss individual performance with you	2.84	1.047

Source: Employees (To what extent do you agree with the following statements? Please indicate your opinion by circling the number that matches closest your opinions. The answers to the following questions range from strongly agree to strongly disagree)

Footnotes: Strongly agree: 5, somewhat agree: 4, neither disagree or agree: 3, somewhat disagree: 2, strongly disagree: 1

35.7% of HR managers considered ‘men are more successful than women in getting promotion’ (See Table 5.13). The results imply that 64.3% of hotels are likely to provide equal promotion opportunity irrespective of gender. However the results from qualitative data from HR managers show that 6 out of 11 HR managers indicated that Korean hotels are still likely to consider gender when making promotion decisions.

“Well.... Honestly speaking, there are not many female managers in comparison to male managers in our hotel...I have never thought about this before because I have grown up in Korea so I am very used to this side of Korean culture (Korean owned hotel, Chaebol, Manager 10).

In this respect, hotels are likely to give more promotion opportunities to men than women, although Korea is a feminine society according to Hofstede. The reason why women are likely to get less promotion opportunities than men can be found from the following evidence:

“A hotel must open 24 hours a day and 365 days a year. I mean we can’t close on Lunar New Year's day, or Korean Thanksgiving day, so employees should work that day. However, in the case of women, traditionally they have to prepare lots of food to celebrate the traditional days. Therefore, they can’t work on the special event’s day in the hotel. Because, this impacts the employees’ performance review, women seem to lose out on promotional opportunities more than men, if the female employees miss those days” (Korean owned hotel, Chaebol, Manager 8).

Unlike the results from HR managers based on quantitative data (See Table 5.13), 62.9 % of employees feel that ‘men are more successful than women in getting a promotion’ as summarised in Table 5.15. Additionally, approximately 80.4 % of regular staff feel that men are more successful than women in getting promotion, compared to 19.5% of atypical staff from Crosstabs analysis. Of those that responded this way, those who answered ‘yes’ were: full-time staff (49%), operational manager (12.8%), supervisor (12.8%), manager (3.8%), senior manager (1.9%) (See Appendix 7). As such, it can be concluded that regular staff perceive men as having more success in promotion. It seems that individual employees, especially full-time staff, are more sensitive about promotion opportunities; as full-time staff are in line to receive

promotion to management, these results show higher significance than among other positions.

Table 5.15 Performance appraisal practice (2)

Each variable	Men are more successful in getting promoted than women in the hotel			
	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
	316	62.9	186	37.1
Each variable	The trade union involved in decisions about promotions			
	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
	357	71.1	145	28.9

Source: Employees

The results from HR managers show that only 21.4% confirmed that ‘their trade union was involved in decisions about promotions’. The results imply that 78.6% of trade union representatives do not participate in making a decision in relation to promotion, therefore management prerogative is guaranteed. The evidence is that:

“The union leaders do not make decisions about hiring staff and promotions; only the company has that authority” (International chain hotel, Chaebol, Manager 1).

However, 4 out of 11 HR managers, agreed that hotel unions were involved in decisions in relation to promotions. This means there are some strong trade unions. For example:

“Related to promotions, our company and the trade union representative have a meeting to mediate the issue before the new personnel appointment is announced. I mean that after enough discussion, we announce the promotion list” (International chain hotel, non-Chaebol, Manager 7).

In this respect, companies should inform the trade unions of the promotion list including rewards (i.e. give prize to employees who work hard or contribute to the company) before it is announced to the employees. Before announcing the list, the company and trade union discuss the selection of who is, or is not eligible to be promoted or rewarded. The results from employees show that 71.1% of employees considered their unions

were involved in decisions about promotions in the hotel (See Table 5.15). In this regard, the findings indicate that unions are involved in decision making about promotions, in practice, from the view of employees. The results between HR managers and employees show that the employees' percentage occupies over 3 times than HR managers' percentage, therefore there is a different view and this will be further discussed on the part of employees' feelings in relation to organisational justice (i.e. what makes trade unions seem unfair) of this section. In addition, the results of trade unions show what issues they cover and protest about in relation to promotion, and are shown as: "The management gives promotion opportunities to the employees who are very faithful to the organisation" (International chain hotel, non-Chaebol, Trade union representative 3); "If the company disadvantages our union members for promotion, we strongly protest against the company." (International chain hotel, Chaebol, Trade union representative 4).

Trade unions contest against the promotion result if they find something wrong. One union representative comments on a specific way to settle the problem:

"If the company provides a promotion opportunity to an ineligible or slack employees, I strongly suggest that the employee should not get the promotion and should take a promotion examination. If they don't accept it, we put up hand-written posters, and it becomes a big issue. The boss and director will not be respected by many employees and the employee will now feel shy working the hotel. So the employee can't be promoted ever again. We've had this kind of case before" (Korean owned hotel, Chaebol, Trade union representative 9).

In addition, most trade unions try to give more promotion opportunities to the employees. For example:

"On the other hand, 20 employees were on the promotion list and finally only 5 people were given promotion, in that case, we require the company to promote 7 or 8 people not 5 people as this makes employees work harder... we try to persuade the company..." (Korean owned hotel, Chaebol, Trade union representative 9).

In this aspect, trade unions work for trade union members to create more promotion opportunities in the hotel. In addition, all comments from trade union representatives show that they are involved, to some degree, with promotion within the organisation.

92.9% of HR managers agreed 'measuring performance by objectively quantifiable results' mattered, as summarised in Table 5.13. Employees also agreed that 'they were measured performances using objectively quantifiable results'; as shown in Table 5.14. The results indicate that employees are likely to be encouraged by the hotel company to achieve some degree of measured performance with objectively quantifiable criteria. 92.9 % of HR managers agreed they were 'using a formal performance appraisal system for some staff groups' (See Table 5.13) whereas employees tended to disagree with this. The findings show that employees feel the informal performance appraisal system is likely to be used more in the hotel than a formal performance appraisal system. Additionally, the results from HR managers show that hotels operated by Chaebol companies are likely to prefer to use the HR practice of a formal performance appraisal system than using an informal system. This is because these hotels hire good staff using sophisticated HR practices (using psychometric testing, personality tests and aptitudes), if the hotel has a strategy of selection of highly skilled employees (See section 3.3). The result shows that selection of highly skilled employees of the business strategy (See Section 5.3) and the sophisticated selection practices (using psychometric testing, personality and aptitudes test) (See Section 5.4.1) are directly related to the HR practice of the formal performance appraisal system in the hotel.

The findings indicate that the distinctive practices are 'valuing employee loyalty as much as good performance', 'men are more successful than women in getting promotion', and 'trade union involved in decisions about promotions'. As discussed in section 2.4, 'loyalty' is influenced by collectivism and it is very distinctive national culture in a collectivist society. Also 'men have more successful promotions than women', this is not related to femininity based on the view of Hofstede and is further discussed in Chapter 6. The results from this study also demonstrated that women are more concerned with the feminine role at home in a Korean society. In addition, 85.7 % of HR managers agreed that 'group goal-setting as part of performance appraisal' and 'promoting staff on the basis of seniority' respectively, can be understood in terms of collectivism. Employees also agreed those variables were used for performance appraisal in the hotel (See Table 5.14). Therefore 'loyalty', 'group goal-setting' as part

of performance appraisal, and 'seniority' are associated with collectivism and 'men have more promotion opportunity than women' is related to masculinity in terms of Hofstede's view and this is further discussed in chapter 6. Again the findings of HR managers and employees show that those HR practices are predominantly influenced by Korean culture. In addition, trade unions involved in employees' promotions as discussed above, have a strong voice against management in relation to promotion.

Employees response to 'providing fair opportunity for promotion' and 'operating a fair procedure of promotion', agreed both particularly unfair, that means they feel unhappy with unfair opportunities and procedure of promotion (See Table 5.7, page 140). The results from the multi-regression analysis show that the distributive and procedural justice influence positive and negative employee outcomes and so if a hotel provides a fair opportunity and procedure for promotion, employees are satisfied with their jobs, otherwise if a hotel provides unfair procedures for performance, employees would want to quit the job (See Appendix 7).

In addition the results from the relationship between demographic variables and performance and appraisal practice indicate that the longer employees work at a hotel the more likely they are to perceive fair promotion as important because their long experiences as a hotelier makes them more aware that hotel companies should provide a fair opportunity and procedure for promotion of the hotel employees. Also employees who have a high education level and employees who have a high rank are more likely to perceive 'valuing employee loyalty as much as good performance', 'men are more successful than women in getting promotion', and 'trade union involved in decisions about promotions'.

As discussed above, Korean hotels have authority to evaluate employees, therefore trade unions are likely to be concerned about evaluators' subjective decision for promotion.

"If the manager doesn't like an employee, the manager may give a low mark on the performance review which means it's really unfair. So we investigate it thoroughly by listening to all employees of the specific department and then we asked our company not to let it happen again" (International chain hotel, Chaebol, Trade union representative 4).

“I can’t find appropriate people for promotion, like an employee who has a good relationship with the boss and director, even though he does not work hard” (Korean owned hotel, Chaebol, Trade union representative 9).

The results show that trade unions will stand up to management in relation to unjust promotions. Because promotions are closely associated with pay increase in terms of employees, this issue brings friction between management and trade unions and is further discussed in Chapter 6.

5.4.4 Job design

The distinctive approach to job design is how ‘team working’, ‘making sacrifice for the work team’ and ‘stressed at work’ are very distinctive HR practices in comparison to Western countries. The findings show that the most influencing driver of practice in this area of HR practice is Korean culture. In relation to the employees’ feelings, employees are satisfied with group work while they are not happy with unjust transfers by hotel management.

92.9% of hotels agreed that ‘organising team working for the majority of staff’, the results are summarised in Table 5.16. To support the findings, there is a good example:

“Related to the hotel industry, I think employees prefer group work rather than individual work.....For example, employees work in the restaurant, it's a team, so I mean basically the job needs the spirit of team work” (International chain hotel, non-Chaebol, Manager 2).

In this regard, Korea is traditionally a collectivist society in terms of Hofstede’s view, therefore the results indicate that hotel companies prefer to work as a team than to work alone.

Table 5.16 Job design practices (1)

Each variable	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
Managers in your hotel consult with employees about how work should be done before making decision	14	100	0	0
Organise work around team working for the majority of staff	13	92.9	1	7.1
Expect individual employees to sometimes make sacrifices for the work team as a whole	13	92.9	1	7.1
Managers in your hotel expect employees to do what they are asked without raising difficulties	13	92.9	1	7.1
Deliberately design jobs to make full use of worker's skills and abilities	12	85.7	2	14.3
Provide flexible job descriptions that are not linked to one specific task	11	78.6	3	21.4

Source: HR managers (Theses questions are about a range of job design practices used in your hotel. Please circle the answer appropriately)

Also, the results from employees show that 74.3% of hotel employees prefer to work as part of team, 25.7% of respondents prefer to work alone as illustrated in Table 5.17. Employees who prefer to work as part of team outnumber employees wanting to work alone by almost three times the number. Hence, HR managers and employees agreed that ‘teamwork’ was important in Korean organisations.

Table 5.17 Job design practice (2)

Each variable	Alone		Part of a team	
	Frequency	Percent (%)	Frequency	Percent (%)
Prefer to work as part of team or alone	129	25.7	373	74.3

Each variable	Yes		No	
	Frequency	Percent (%)	Frequency	Percent (%)
Feel anxious and stressed at work	409	81.5	93	18.5

Source: Employees

Over 92% of HR managers considered that ‘expecting individual employees to sometimes make sacrifices for the team as a whole (See Table 5.16). To support the findings, there is an example from the qualitative data: “Employees need to make some degree of sacrifice for the organisation” (International chain hotel, Chaebol, Manager 6). Employees also agreed that they are expected to make sacrifices for the team as a whole,

the results are summarised in Table 5.18. In this regard, Korea is a collectivist society in Hofstede' view, therefore Korean companies are likely to expect employees to make sacrifice for their organisation, unlike Western companies.

Table 5.18 Mean and standard deviation of job design

	Factor	Measurement items	Mean	Standard deviation
Independent variable	Job design	Your manager asks you to work hard in your hotel	3.66	0.858
		Your hotel sometimes makes you feel you have to make sacrifices for the work team as a whole	3.40	0.867
		Your hotel makes you think you belong to the group	3.33	0.940
		Your manager expects you to do work without raising difficulties	3.22	0.936
		Your hotel provides flexible job descriptions that are not linked to one specific task	3.13	1.008
		Your hotel considers the design of jobs to make full use of worker's skills and abilities	3.07	0.913
		Your manager consult with you about how work should be done before making decision	3.06	0.978

Source: Employees (To what extent do you agree with the following statements? Please indicate your opinion by circling the number that matches closest your opinions. The answers to the following questions range from strongly agree to strongly disagree)

Footnotes: Strongly agree: 5, somewhat agree: 4, neither disagree or agree: 3, somewhat disagree: 2, strongly disagree: 1

There is also another variable in relation to the concept of power distance. The results show that the managers considered that they 'consulted with employees about how work should be done before making decision' (See Table 5.16) whereas employees tended to disagree with this (See Table 5.18). Why are there different views between management and employees? Maybe HR managers did not provide an honest answer or they believed that they had consulted with the employees before making decisions, but the employees felt that their view had not been considered as much as the HR managers' view, or it might be because the employees have very little experience. Again, from the culture of mapping Korea, the Korean organisation conducts an autocratic management style which fits the view of Hofstede (See Section 2.4), in practice, it is also likely to be accepted as a strong consultative management style, for example the management consults with their employees but they make a decision rather than remake it. Also due to the influence of Korean society there is the

likelihood of a high power distance existing that can be attributed to cultural expectation and rule.

As discussed in section 2.4, Korea is a strong uncertainty country and thus stress levels are relatively high under ambiguous situations. In relation to this, the results from HR managers show that hotel employees feel more stressed in the organisation. For example:

“We get stress from customers, colleagues and managers. For example, it’s my day off but a manager calls me to work today, or pushes me to work hard to serve a VIP or customers who know my manager. This kind of unreasonable request creates a lot of stress for employees I think” (Korean owned hotel, non-Chaebol, Manager 10).

81.5% of hotel employees also feel anxious and stressed at work, which means more than half of the employees are likely to get stressed in their organisation, which is related to the concept of uncertainty avoidance (See Table 5.17). These findings indicate that many Korean employees are likely to experience stress in their organisation for various reasons. To support the findings, one trade union representative provided the following: “if employees have grievances in their department, such as the employees got lots of stress from managers without a fair reason, in that case we strongly ask the specific managers not to let the same situation happen again” (International chain hotel, non-Chaebol, Trade union representative 2). Trade unions also work for their members to settle the problem which is associated with unreasonable levels of stress being created by management.

78.6% of deluxe hotels are likely to provide job descriptions that “there is some degree of difference in each department and job types” (International chain hotel, non-Chaebol, Manager 3). One Korean deluxe hotel places emphasis on flexible job descriptions that are not linked to one specific task. The results indicate that “job descriptions include service attitude, customer relation skills and inter-department flexibility. Therefore, employees can work in any department, once they know it thoroughly” (Korean owned hotel, non-Chaebol, Manager 11). 4 out of 6 international chain hotels have their own job descriptions that are produced independently from head office because a majority of international chain hotels have a franchise contract rather than a management contract.

This implies that most international chain hotels have developed their own job descriptions that have been passed on from head office. In addition, head office sends job descriptions which are related to service training and practising training, and how to deliver effective customer service so that employees are attuned to the customers' needs, this occurs even in franchise owned hotels. The franchise contract hotels are unlikely to accept all rules in comparison to management contract hotels; this means the franchise contract hotels are likely to select appropriate specific practices which are associated with their organisational culture. In the case of management contract hotels, the hotel is expected to accept the rules the home country has suggested. They provide many directions in relation to job descriptions in different job types.

Most of the evidence, as discussed above, indicates that Korean culture influences job design more than the 'quality enhancing HRM' because of the variables of 'team work' and 'making a sacrifice for the work team', 'work hard' and 'stressed at work' are affected by the Korean culture. These variables mainly have an impact on job design in the Korean deluxe hotels. Therefore Korean culture is a predominant factor in relation to job design. Korean hotel companies and employees consider national culture factors relatively important when designing the job in the hotel, irrespective of ownership, and also support Korea as a collectivist, high power distance, and strong uncertainty society through the results. Additionally, there is typical evidence in relation to power distance: "I agreed with the idea that managers push employees to work hard" (International chain hotel, non-Chaebol, Manager 7). In this regard, the employees' specific ways of working, based on cultural differences, influence its organisation. Therefore many companies dealt with the issue as an essential part of management operations (See Section 2.4). Consequently, the factor in relation to job design is Korean culture (i.e. 'your manager asks you to work hard in your hotel', 'your hotel sometimes makes you feel you have to make sacrifices for the team as a whole' and 'organise work around teamwork for the majority of staff'). This factor influences job design and the findings show that Korean deluxe hotels adopt best practice (i.e. Korean culture) and in terms of job design.

Multi-regression analysis is conducted to evaluate the relationship between job design practice and positive and negative outcomes. The results show that employees are satisfied with group work, while hotel management train employees to fulfil a multi-player role. However, employees are not happy with unjust transfers without

employees' permission. In addition the results from the relationship between demographic variables and job design practice indicate that employees who have a high position are more likely to perceive the importance of the HR practice of job design (See Appendix 7).

There is evidence about practices which trade unions feel to be unfair and these are shown as follows: 4 out of 11 hotels require their employees to transfer to another department unfairly. For example:

“Sometimes management just push employees or unfairly transfer them to another department” (International chain hotel, Chaebol, Trade Union representative 1).

“There is an un-reasonable personnel realignment, ignoring speciality, experience of employees to work at the specific department...In order to prevent it, the union has to take action against our company” (Korean owned hotel, non-Chaebol, Trade union representative 10).

In addition, the results indicate that one union (Korean owned hotel) draws a good result by collective agreement in relation to the unjust transfer.

“There were unjust transfers before, but there is a rule that employees can transfer to other parts of the hotel if they accept it by collective agreement” (Korean owned hotel, Chaebol, Trade Union representative 9).

In this aspect, management prefer flexible employees who can work in every department, however the results show that the employees feel unhappy with the issue. It causes friction between companies and unions. Hotel companies are likely to cultivate employees who can work in every department, whilst for employees who do not want to work in various departments, unjust transfers may occur. In relation to this, this study looks at the different views adopted by managers and trade union representatives in Chapter 6.

5.4.5 Job security

This section sets out the distinctive approach to job security in Korea. It shows how the variable of ‘very difficult to dismiss permanent employees in your hotel’, ‘the trade union influence the level of job security in your hotel’ and ‘changed employment pattern after the financial crisis’ are particularly important in Korean hotels. The section moves on to look at the most important drivers of practice in this area of HR practice - these are shown to be Korean legislation, trade unions and the financial crisis. Finally the section moves on to show that whilst employees are satisfied with guaranteeing job security by Korean legislation and trade unions, they are rather unhappy about the utilisation of atypical workers.

Surprisingly, all HR managers agreed that to dismiss permanent employees in the hotel was very difficult. The results show that all deluxe hotels regard it as very difficult (See Table 5.19). In order to support this, here is a typical example:

“Our company does not dismiss any employees unless they make a big mistake which is an illegal matter, such as embezzlement of public money from the company. Besides, the labour law guarantees job security and most employees can find grievances which are related to unfair dismissal on the internet through a website operated by the trade union. For those reasons, the company should guarantee job security in our hotel” (International chain hotel, Chaebol, Manager 1).

In this respect, strong legislation makes it difficult to dismiss permanent employees in the hotel. Over 80% of employees perceived that hotel companies find it difficult to dismiss permanent employees, therefore Korean hotel employees are likely to be guaranteed their jobs under Korean Labour Law legislation (See Table 5.20).

Table 5. 19 Job security practices (1)

Each variable	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
Very difficult to dismiss permanent employees in your hotel	14	100	0	0
The trade union influence the level of job security in your hotel	13	92.9	1	7.1
If your hotel was facing economic problems, the staff budget would be the last thing to be	12	85.7	2	14.3

cut				
Value long-term employment relationship	12	85.7	2	14.3
Guarantee job security	11	78.6	3	21.4

Source: HR managers (These questions are about a range of job security used your hotel)

Table 5.20 Job security practice (2)

Each variable	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
Difficult to dismiss permanent employees in the hotel	404	80.5	98	19.5
Value a long-term employment relationship	377	75.1	125	24.9

Source: Employees (What do you think about the following statements? Please circle the answer appropriately)

Over 92 % of HR managers agreed that ‘the trade union influences the level of job security in the hotel’, the results are summarised in Table 5.19. Also employees agreed that ‘the trade union influences the level of job security in your hotel’ (See Table 5.21). The results show that HR managers and employees feel that the trade unions have a very strong voice against hotel companies.

Table 5.21 Mean and standard deviation of job security

	Factor	Measurement items	Mean	Standard deviation
Independent variable	Job security	The trade union influences the level of job security in your hotel	3.26	0.997
		Your hotel guarantees job security	3.19	0.858
		If your hotel was facing economic problems, would the staff budget be the last thing to be cut	2.92	1.049

Source: Employees (To what extent do you agree with the following statements? Please indicate your opinion by circling the number that matches closest your opinions. The answer to the following questions range from strongly agree to strongly disagree)

Footnotes: Strongly agree: 5, Somewhat agree: 4, Neither disagree or agree: 3, Somewhat disagree: 2, Strongly disagree: 1

The following evidence shows the strong agreements established through the trade unions influence on the level of job security.

“Our union has extended the retirement age because the retirement age was 58 before, but we required our company to extend it and finally we changed it to 60 as part of the collective agreement last year. Besides, retiring employees had to leave on their birthday, so we asked our company to change the retirement date

which is now at the end of the year because it looks bad leaving the hotel on their birthday. As a result, our company accepted it” (International chain hotel, non-Chaebol, Trade union representative 10).

“Our company didn’t want to hire regular employees in the housekeeping department and just gave the job to outsourced staff, but we have a regulation in place through the collective agreement that the department must keep 11 regular employees continuously employed” (International chain hotel, non-Chaebol, Trade union representative 6).

The results from HR managers show that, in general, the retirement age of employees’ is between 57 and 62 years old. Korean deluxe hotels guarantee job security until the retirement age if employees are regular staff, but not atypical staff. Also trade unions have tried to retain employment for a minimum number of regular employees through the collective agreement between management and the trade union.

After the financial crisis, the employment pattern has changed in the Korean labour market.

“In the past the hiring of employees was mainly focused on regular employees, however the financial crisis increase the number of atypical employees (Korean owned hotel, Chaebol, Manager 11).

The results show that hotels have hired atypical employees such as part time, internship and contract workers, after the financial crisis.

“After the event (financial crisis), our hotel has operated two different types of recruitment, open recruitment and hiring contract workers (atypical employees). The open recruitment, requires 3 interview tests and a check-up on the employees’ health...but the contract workers do not have such picky conditions” (International chain hotel, Chaebol, Manager 6).

The findings indicate that deluxe hotels preferred to hire atypical and outsourced employees to cut down on pay expenses after the financial crisis. The widespread form of recruitment to save employment costs means hotels are likely to hire atypical staff

(i.e. internship) first, and after training for 3-6 months the company may decide to hire them as regular staff in terms of hiring operational employees. In relation to this, “we hire regular employees and non-regular employees such as contract workers, internship and part time employees...the kind of recruitment became very apparent after the financial crisis” (Korean owned hotel, Chaebol, Manager 11). Again, hotels are likely to operate by two different types of recruitment based on the idea of the ‘flexible firm (Atkinson, 1985)’ which means employers consider the flexibility they need from employees in the organisation. In relation to the ‘flexible firm model’, the reason why the hotels have conducted the two different types of recruitment is discussed further in Chapter 6.

As discussed above, the distinctive practices are ‘very difficult to dismiss permanent employees in your hotel’, ‘the trade union influences the level of job security in your hotel’ and ‘changed employment pattern’. Why are Korean hotels finding it very difficult to dismiss permanent employees? In relation to this, there is additional evidence:

“Korean Labour Law guarantees job security so employees can work until their retirement age unless they commit a criminal act which is related to the hotel. That means our hotel can’t dismiss employees blindly. I mean it requires a reasonable reason why the employee should leave the hotel. The Labour Law is very strict about the issue...” (Korean owned hotel, non-Chaebol, Manager 9).

Therefore, Korean hotels find it very difficult to dismiss permanent employees without clear evidence and this practice is influenced by strong legislation. As discussed above, trade unions’ efforts, such as extended retirement age and keeping a minimum number of regular employees, show how trade unions influence the level of job security:

“Our goal is improving how long our company guarantees job security. In relation to long term work, we had 14% of long term work contracts 10 years ago, nowadays we have only 5% or 6% through negotiations. But the figure indicates our negotiation was good compared to other hotel unions....so we try to increase the percentage of long term work contracts for our members” (International chain hotel, Chaebol, Trade union representative 4).

“We require a minimum number of regular employees by collective agreement, meaning our company has to keep a regular number of employees all the time. This rule encourages the transformation of atypical employees into regular employees, after regular employees have retired” (International chain hotel, non-Chaebol, Trade union representative 7).

In this regard, those HR practices are evidence to show the level of job security won by trade unions. Again, the variable of ‘the trade union influences the level of job security in the hotel’ is closely associated with strong trade unions.

After the financial crisis, hotels have carried out large scale restructuring. As a result many hotels required voluntary resignation of the employees first, and then companies moved on to dismiss staff. Here are typical examples of how hotel companies have pushed their employees to resign voluntarily:

“In practice, management tried to fire staff, apparently using the reason that the employee had taken advantage of being entertained without paying the full cost, even though they should follow the Korean Labour Law” (Korean owned hotel, Chaebol, Manager 10).

“We have about 63 couples working here. Because they both finish their work around 10:30PM and after finishing their work, they go drinking together and finally they get married to each other so there are many couples in the hotel industry. After the financial crisis our company asked for voluntary resignation from the employee couples, and so one from each couple had to leave the hotel. I think it’s unfair” (Korean owned hotel, Chaebol, Trade union representative 9).

Interestingly, trade union members are given more job security than non-union members. Again, the findings show why the trade union needs their members in the organisation and that the union members are likely to be guaranteed job security rather than non-union members.

“After carrying out a large-scale restructuring; many employees were offered voluntary resignation from our hotel. If he or she is a trade union member, our

company guarantees more job security than non-union members. I think our company guarantees 70% job security” (International chain hotel, non-Chaebol, Manager 7).

The following comments show that the biggest characteristic after the financial crisis was a change of employment pattern:

“The government has created lots of jobless people since the financial crisis. There was about a 0% unemployment rate before 1997, there are now many unemployed people due to the companies’ rules. I mean many companies prefer to hire atypical employees and let them leave without any problems, rather than hire new non-regular employees again” (International chain hotel, Chaebol, Trade Union representative 4).

The findings indicate that hotels have preferred to hire atypical and outsourced employees to cut down employment costs. For example, “most hotels have used the outsourcing at housekeeping department to save employment costs. As a result, employees are not strongly devoted to their company” (FCS). This means hotels have a tendency to hire contract workers, internship and part time employees. In this aspect, the changed employment pattern where management prefer to hire atypical employees is influenced by the event called ‘the financial crisis. As a result, there is friction between management and trade unions because management is likely to seek a flexible labour operation; otherwise the trade union tends to uphold their right based on Korean Labour Law. Thus, the reason why they have different views is discussed in Chapter 6.

Consequently, the factors in relation to job security are Korean legislation (i.e. difficult to dismiss permanent employees in the hotel), trade unions (i.e. the trade union influences the level of job security in your hotel) and financial crisis (i.e. changed employment pattern) and those factors influence job security and the findings show that Korean deluxe hotels adopt best practice (i.e. Korean legislation, trade unions) in terms of job security.

Finally this section looks at what impact the job security HR practices have on the employees and trade unions. The results from the multi-regression analysis show that the factor of ‘job security’ influences positive and negative outcomes, which are

guaranteeing job security by the hotel company to make the employees feel satisfied in their job, and to recommend it to others. On the other hand, hotel employees would feel like quitting their jobs if the hotel did not guarantee job security in their hotel (See Appendix 7).

In addition the results from the relationship between demographic variables and job security practice indicate that older age groups consider 'job security' more important than the younger age group; The longer tenured employees are more aware of the importance of 'job security'. This may be due to almost all employees of an older age group having established families, an increased risk aversion, and a greater need for work stability. Also their wealth of experience makes them more aware of job security through direct or indirect previous experiences (See Appendix 7).

The findings show that trade unions feel certain practices are unfair: 7 hotels out of 11 hotels abuse the Labour Standard Act, which provides a contract criterion which does not exceed 2 years, and after 2 years the company would need to accept the employees as regular employees. However, the hotel companies bend the rules. For example:

“Our hotel had a contract with employees for 22 months and, after the financial crisis, the company let the atypical employees leave. The employees are used to working after long term training, but there is no chance to work at the hotel after the contract. In order to save on employment expenses, our company just hires contract workers....so our trade union tries to change atypical staff into regular staff” (Korean owned hotel, Chaebol, Trade Union representative 8).

In this respect, the issue in relation to converting atypical employees into regular staff is a very important matter for all trade unions. Below is a good example:

“Our company didn't want to hire regular employees in the housekeeping department and it just gave the job to the outsourced staff, but we regulated the department to keep 11 regular employees continuously through the collective agreement” (International chain hotel, non-Chaebol, Trade Union representative 6).

In addition, “it is not easy hiring typical employees, who are good staff and who have studied tourism management” (Korean owned hotel, Chaebol, Trade union representative 10). This means they would have a good quality in terms of HR; however they would not want to work in the hotel industry because most hotels do not guarantee they will become regular employees after being atypical employees. This is discussed more in Chapter 6.

5.4.6 Compensation and pay system

The distinctive approach to compensation and pay system is that ‘there are 3 types of different pay system (a salary step system, annual pay system and mixed pay system)’ and the majority of hotels have used a mixed pay system (the salary step system is for operational staff and the annual pay system is for managerial staff) and the annual pay system is likely to be similar to the Western type of pay system. However, the Korean annual system is different in terms of the working period (seniority), job position and job types rather than individual performance. Also Korean deluxe hotels negotiate pay with trade unions every year and as a result the pay has increased. Pay based on group performance is widely used in hotels and it is likely to be connected with preferring to work as a group and Korean organisations consider group goal-setting while individual performance is accepted in a limited number of work departments (i.e. marketing and sales). The findings show that the most influencing drivers of practice in this area of HR practice are ‘the financial crisis’, ‘trade unions’ and ‘Korean culture. In relation to employees’ feelings, employees are satisfied with the role of trade unions in terms of pay increases through pay negotiations, however they are rather unhappy about the unclear evaluation criteria within the annual pay system.

First of all, it is required to understand the Korean pay system and then discuss what distinctive HR practices are in the Korean deluxe hotels. There are 3 types of different pay system (a salary step system, annual pay system and mixed pay system): the definition of a salary step system is that companies decide the pay level to the employees according to the criteria of education level and job position. The pay of the employees is decided at the time that employees start their work. This pay system is associated with working period and there is no pay negotiation. The pay automatically increases every year by the companies’ rule. The annual pay system, by comparison, mainly depends on employees’ capability and it provides the same salary every month.

It needs individual pay negotiations between management and the employees every year. However, there is not much difference between a salary step and an annual pay system in practice because most companies generally do not decrease annual pay, even when the employees do not work very well. In the case of the annual pay system, therefore, most companies conduct pay negotiations with employees, commonly the pay is increased every year as in the salary step system. Thus, the salary system and annual pay system is almost similar in practice in Korea. The mixed pay system is to combine both the salary step and annual pay system in one organisation.

After the financial crisis, an annual pay system was introduced in Korea. It has been applied to managerial staff, especially those in higher positions, whereas the salary step system is more widely used for operational staff:

“The salary step system is based on the operational employees and the annual pay system is based on the managers in our hotel” (International chain hotel, non-Chaebol, Manager 2).

Interestingly, one Korean hotel uses an annual pay system of all staff irrespective of their job positions:

“As you know our company introduced the annual pay system first in Korea. And... our hotel is based on an annual pay system by job type and job position and we have used it for over 10 years. Our company plans to change it to fit more into the Korean company environment. I think we will develop the pay system into an annual pay system of the Korean type. The pay and bonus are associated with working period, job position and job types in our hotel” (Korean owned hotel, Chaebol, Manager 5).

In this regard, the annual pay system is likely to be similar with the Western type of pay system, however the Korean annual system is likely to be different in terms of the working period (seniority), job position and job types rather than individual performance.

The following shows why a salary step system is preferred by employees:

“There is a difference in pay in both pay systems, for example, an employee on the salary step system starts with a low rate of pay, but over time, the employee can earn more pay than employees on an annual salary. Conversely, an employee on the annual pay system gets more at the beginning, but over time they get less pay compared to those on the salary step system. Our company tries to adjust between them, but it's hard to organise it.” (International chain hotel, non-Chaebol, Manager 7).

Also, the results from employees show that 51.2% of respondents prefer to have a fixed rate of pay (See Table 5.22) therefore employees prefer the salary step system that indicates the fixed rate of pay.

Table 5.22 Compensation and pay system practice (1)

Each variable	Fixed of pay		Linked to performance	
	Frequency	Percent(%)	Frequency	Percent(%)
Prefer to have a fixed rate of pay or prefer to be linked to how well employees do their job	257	51.2	245	48.8
Each variable	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
Provide a bonus system	288	57.4	214	42.6
Each variable	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
If you are working in a team, would you be happy to have your pay linked to the performance of the team	334	66.6	168	33.4

Source: Employees

In relation to the pay gaps between employees who are on the annual pay system and those on the salary step system after the financial crisis, trade union representatives arrived at the same view as HR managers.

“There was a problem with pay gaps between both salary step and the annual pay system after the financial crisis. In the case of the step pay system, pay is automatically increased every year, whereas the annual pay system does not increase as much as the step pay system, and as a result there are big gaps in pay after 10 years between employees who are on annual pay and those on a salary step pay. We have tried to reduce the gap to employees who get paid by an

annual pay system” (International chain hotel, non-Chaebol, Trade union representative 7).

In addition, in practice, 7 out of 11 hotels use the mixed salary system. 2 out of 6 international chain hotels use a changed annual pay system irrespective of job positions. The following example shows the concept of a switched annual pay system:

“For example, in the case of managerial employees, they get paid 1200 won a year. If so, the hotel provides 100 won every month. However, in the case of operational employees, they get paid 20 times not 12 times in a year” (International chain hotel, non-Chaebol, Manager 3).

That is, the changed annual pay system alters the number of payments made per annum. It is slightly different when compared to the Western type of pay system. On the other hand, Korean companies have provided pay based on individual performance after the financial crisis. 71.4% of HR managers agreed with ‘providing pay based on individual performance’ (See Table 5.23) and it is only accepted “in a particular working areas, such as marketing and the sales department in the hotel” (International chain hotel, non-Chaebol, Manager 2). In this regard, individual performance is not applicable to all departments, which means it is only accepted in limited working departments. The HR manager comments on how to evaluate the individual performance: “set individual goals based on the overall sales last year, and then they discuss them with their manager. If they exceed a target for annual output, our company rewarded individual performance” (International chain hotel, non-Chaebol, Manager 3).

Table 5.23 Compensation and pay systems practices

Each variable	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
Employees' pay increases annually	14	100	0	0
Trade union negotiates pay increases and bonuses in your hotel	13	92.9	1	7.1
Provide a merit element in the pay of staff at all levels	11	78.6	3	21.4
Provide pay based on individual performance	10	71.4	4	28.6
Provide pay based on group performance	9	64.3	5	35.7
Provide pay based on seniority	9	64.3	5	35.7
Provide a bonus based on seniority	6	42.8	8	57.2

Provide a bonus based on loyalty	2	14.3	12	85.7
Decide pay levels by age	1	7,1	13	92.9

Source: HR managers (Theses questions are about a range of compensation and pay systems used in your hotel. Please circle the answer appropriately)

All HR managers agreed that ‘employees’ pay increases annually’ and 92.9 % agreed that ‘trade union negotiates pay increase and bonuses in your hotel’ (See Table 5.23).

“Our hotel has pay negotiations with trade union every year. So the pay and bonus are increased every time after the negotiation... I think the trade unions faithfully attend to their duties” (International chain hotel, non-Chaebol, Manager 7).

The results show that the trade unions are likely to successfully conduct their role of securing employees pay increase annually and negotiate pay increases and bonuses in deluxe hotels. Also the employees agreed with this which indicated that employees felt the unions worked for the members with this issue every year (See Table 5.24). Pay negotiation is one of the main roles of trade unions and the following shows why trade unions are needed.

“A major problem was pay increase, because management did not voluntarily increase pay, so the trade union was required to negotiate its increase as a representative of the employees in the hotel. For example, the consumer price is increased to 10%, so we ask our company to increase pay by 7% as otherwise we can’t afford to enjoy social activities. Through the pay negotiations, we have achieved it” (International chain hotel, non-Chaebol, Trade union representative 7).

In this regard, HR managers, employees and trade unions agreed that trade unions were likely to be quite strong in terms of achieving ‘pay increases and bonuses’ through negotiations.

Table 5.24 Mean and standard deviation of compensation and pay system

	Factor	Measurement items	Mean	Standard deviation
Independent variable	Compensation and pay systems	Your hotel provides pay based on seniority	3.41	0.956
		The trade union negotiates pay increase and bonuses in your hotel	3.35	1.052
		Your hotel provides a bonus based on seniority	2.96	1.107
		Your hotel provides pay based on group performance	2.82	1.071
		Your hotel decides pay levels by age	2.43	1.060

Source: Employees (To what extent do you agree with the following statements? Please indicate your opinion by circling the number that matches closest your opinions. The answers to the following questions range from strongly agree to strongly disagree)

Footnotes: Strongly agree: 5, somewhat agree: 4, neither disagree or agree: 3, somewhat disagree: 2, strongly disagree: 1

Collectivist organisations are associated with the concept of group performance (See Section 2.4) and 64.3 % of HR managers agreed that ‘pay based on group performance’ is a culturally related variable (See Table 5.23). The results show that the HR practice occupies a smaller percentage than the variable of ‘individual performance’. However the qualitative data from HR managers shows that ‘individual performance’ is not applied in all departments, which means it is accepted in the limited number of working departments (i.e. marketing and sales) as mentioned above, otherwise 10 out of 11 hotels have accepted ‘group performance’ in most departments. Here is a good example:

“Our company does not evaluate individual performance. The criteria for performance appraisal is not clear, for example, there are more objective criteria, such as how much he or she is in charge of selling in a government office’ and various kinds of companies in terms of the marketing department. Otherwise, other departments don’t have criteria to evaluate their individual performance. So our hotel provides performance-related pay by group performance which is based on overall sales” (International chain hotel, non-Chaebol, Manager 2).

In this aspect, the majority of Korean deluxe hotels provide performance-related pay by group performance. Also another reason why hotels adopt the group performance HR practice is as follows: Korean employees tend to prefer to work as a group (job design: See Section 5.4.4) and Korean organisations consider group goal-setting (performance appraisal: See section 5.4.3), therefore the majority of Korean hotels tend to provide pay based on group performance. In addition, the results from employees show that 66.6%

of hotel employees feel happy to have pay linked to the performance of the team if the employee is working in a team, otherwise 33.4 % of employees do not feel happy to have pay linked to the performance of the team. This shows that most Korean employees are likely to prefer the co-operative working system based on group performance in the hotel (See Table 5.22).

Most of the evidence, as discussed above, indicates that the financial crisis is an important factor in relation to compensation and the pay system. This is because the pay system was changed after the financial crisis, especially the Western type of annual pay system based on individual performance. Again the financial crisis is likely to be seen as an influential era in the aspect of a changing labour environment because before the financial crisis, employees received payment based on the step salary system, which meant that the pay was increased every year, therefore they were not likely to become stressed over it. However after the financial crisis, the employees who were based on an annual pay system had to consider their individual performance and have individual pay negotiations every year. Therefore those employees are likely to get stressed over their individual performance and pay negotiations with management. In other words, 'annual pay system' and 'individual performance' are influenced by the financial crisis. After the financial crisis, employees are likely to be aware of the importance of trade unions because employees are likely to find it difficult to negotiate pay individually, thus they have realised the power in collective bargaining. As a result, Korean employees' pay was increased every year through pay negotiation between trade unions and management. Pay negotiations are influenced by trade unions in deluxe hotels. As discussed in section 2.4, Korea is a collectivist society, therefore Korean employees prefer to work as a group which is demonstrated in section 5.4.4, and Korean organisations prefer group goals which is proved in section 5.4.3. Also Korean hotels centrally apply pay based on group performance. These HR practices are driven by a collectivist attitude.

Consequently, the factors in relation to compensation and pay system are 'financial crisis' (i.e. an annual pay system, provide pay based on individual performance), 'trade unions' (i.e. pay negotiations) and Korean culture (i.e. provide pay based on group performance). These factors influence compensation and pay system and the findings show that Korean deluxe hotels adopt best practice (i.e. Korean culture, trade unions) in terms of compensation and pay system.

Multi-regression analysis is conducted to evaluate the relationship between compensation and pay system practice, and positive and negative outcomes. The results show that employees are satisfied with the role of the trade union in terms of pay increases through pay negotiations, but they are rather unhappy about the unclear evaluation criteria in the annual pay system. In addition the results from the relationship between demographic variables and compensation and pay system practice indicate that employees who have a high education level are more likely to perceive 'the role of a trade union regarding pay increase' and 'the change of pay system, after the financial crisis', as important in deluxe hotels (See Appendix 7).

There is evidence as to what makes trade unions feel that pay is unfair and this is shown as follows: After the financial crisis, Korean hotels adopted the annual pay system which was based on employees' capability in terms of management. However, trade union representatives indicate that "the pay negotiations should be achieved through trade unions, not negotiated between an individual employee and the company" (International chain hotel, non-Chaebol, Trade union representative 7). The results show that it is likely for friction to exist between the company and the trade union because the company wants to provide differentiated pay according to employees' capabilities, whereas unions require fair pay for all employees.

"Employees have started to work the same period and they work in the same department, like housekeeping, but our company gives out different salaries, it seems strange. The job doesn't need special skills to work in the hotel. If our company provides different pay based on employees' capability and job position, I can understand it, however sometimes I find that it doesn't make sense." (International chain hotel, non-Chaebol, Trade Union representative 7).

7 out of 11 trade union representatives reveal that the annual pay system makes employees feel unfairly treated. For instance:

"I think the annual pay system is not clear as it depends on individual performances and sometimes the managers. Also they agree with the managers' opinions, and then employees get good marks (performance review) from them... Besides, I wonder if the managers apply fair criteria to all employees and whether or not the managers also have the capability to fairly evaluate

employees performances” (Korean owned hotel, Chaebol, Trade Union representative 9).

The results show that employees’ compliance is rewarded, however the trade union has built up a database covering 18 years, which helps to measure employees’ pay in order to defend against the unfair pay companies provide. The reason why they created such a database is described below:

“After the pay negotiations, our company provided the same pay increase for all employees, but there was a difference because some employees got more pay compared to others. So we created the database without the company’s help” (International chain hotel, Chaebol, Trade union representative 4).

In this aspect, trade unions have collected the evidence to respond strongly against unfair pay with well-organised data. Also they have spent (plenty of time/a few years) building up the data base.

5.4.7 Service quality issues

This section sets out the distinctive approach to service quality issues in Korea. It shows how ‘service staff empowered to make decisions to ensure service quality in your hotel’, and ‘production/service staff responsible for their own quality in your hotel’ are particularly important variables in managing hotels in terms of customers. The discretionary empowerment is not fully given to employees under a high power distance and Confucian society, while considerable empowerment is given to the managers. The section moves on to look at the most important driver of practice in this area of HR practice – this is shown to be quality enhancing HRM. Finally, the section moves on to show that employees are likely to feel their jobs are worthwhile insofar as they are satisfying customers, otherwise they are not happy having less empowerment than the managers.

HR managers considered that ‘service staff are empowered to make decisions to ensure service quality in your hotel’. The results are summarised in Table 5.25. Korean deluxe hotels provide some degree of service staff empowerment for customers. The results show that all hotels have a manual stating how to handle the empowerment by job positions and job types.

“Well... for example, if an employee spills a cup of coffee on a customer, then the staff have to quickly settle the problem. The employee will take the customer to a room where they can stay until their clothes have been washed and dried by the hotels laundry service. Or in the case of an emergency situation, like when a customer is very ill, we have to hospitalise the customer, if the doctor requires it... But, if the customer is in a very serious condition, and we can't contact the customer's family, plus if the hospital expenses are very expensive...the hospital asks us to pay it in order to provide the next element of treatment...From our own point of view, we have to spend lots of money on the customer... In such a situation, we need to make decisions and the empowerment is not given to our employees to make these decisions. I mean he or she needs to inform the manager about it.” (International chain hotel, Chaebol, Manager 1).

Table 5.25 Service quality issues practices

Each variable	Yes		No	
	Frequency	Percent(%)	Frequency	Percent(%)
Production/service staff responsible for their own quality in your hotel	14	100	0	0
Service staff empowered to make decisions to ensure service quality in your hotel	14	100	0	0
Majority of employees currently involved in quality circles or quality improvement team in your hotel	11	78.6	3	21.4

Source: HR managers (Theses questions are about a range of quality issues practices used in your hotel. Please circle the answer appropriately)

In this aspect, hotels provide some degree of empowerment to the service staff. The degree of empowerment is related to the monetary expenditure needed. One hotel provides “a voucher for a free meal, free sauna or free room depending on the degree of customer complaints” (International chain hotel, non-Chaebol, Manager 7). The more money service staff need to spend on a certain customer service problem, the more the senior manager needs to authorise the service recovery. Unlike the view of HR managers, employees felt rather less empowered. The results are summarised in Table 5.26. As discussed in section 3.4, employees are likely to feel that discretionary empowerment is not compatible with a high power distance society. Korea has a high power distance and is also a Confucian society, therefore considerable power is given to the HR managers. Consequently employees are likely to feel that discretionary

empowerment is not fully given to them. In other words, the findings show that the service quality issue is closely associated with business strategy to seek high service quality for customers. However, the employees' empowerment is likely to be limited to settle customers' complaints because discretionary empowerment is not fully given to employees under a high power distance and Confucian society. Also the degree of empowerment is related to cost on how much money the hotel spends for the customer; for example if the hotel spends a large amount of money for the customer to settle complaints or problems, hotel employees are likely to have relatively less empowerment and considerable empowerment is given to the managers.

Table 5.26 Mean and standard deviation of service quality issue

	Factor	Measurement items	Mean	Standard Deviation
Independent variable	Service quality issues	Production/ service staff are responsible for their own quality in your hotel	3.37	0.858
		Majority of employees are currently involved in quality circles or quality improvement teams in your hotel	3.27	0.838
		Are service staff empowered to make decisions to ensure service quality	3.14	0.909

Source: Employees (To what extent do you agree with the following statements? Please indicate your opinion by circling the number that matches closest your opinions. The answers to the following questions range from strongly agree to strongly disagree)

Footnotes: Strongly agree: 5, somewhat agree: 4, neither disagree or agree: 3, somewhat disagree: 2, strongly disagree: 1

All HR managers considered that 'production/service staff were responsible for their own quality in the hotel' (See Table 5.25). In order to support the findings, one needs to understand the guidelines of service standards which are provided by the hotel company because the service standards show the procedure of how to settle customers' complains as hotel employees. In relation to service standards, hotels require that employees should follow steps in the manual rather than depend on individual capability in order to maintain service quality. For example:

"If our employee spilled a cup of coffee on a customer and the customer said I am OK, the member of staff shouldn't still leave the customer. The employee should take the customer to a room and provide dry-cleaning for their clothes.. I mean we have a procedure for how to settle the problem" (Korean owned hotel, Chaebol, Manager 5).

Both international chain hotels and Korean owned hotels have a manual that includes the procedure of how to settle customers' complaints as discussed above. For example, first it is the role of the staff to try to settle the problem if there is a problem with customers, but the staff can't settle it, the next stage would involve the manager to try to settle it. If that failed, then the senior manager would attempt to settle it. Another example is that "when we get an email or a call from a customer, we have to reply within a specific number of hours using manual procedures" (International chain hotel, non-Chaebol, Manager 2). This evidence shows that deluxe hotels are likely to settle customer complaints immediately. The results, as listed in Table 5.26, showed that employees agreed most with the statement that 'production/ service staff are responsible for their own quality in your hotel'.

The high quality hotel service drives the need for a particular response to the customers; therefore deluxe hotels provide a manual regarding how to handle empowerment according to job positions and job types. Also, employees should follow the manual rather than depending on individual capability. In addition, the result of service quality issues indicate that deluxe hotels are likely to focus on those issues to keep or develop the service quality for the customers and those service quality issues (i.e. 'service staff empowered to make decisions to ensure service quality in your hotel', and 'production/service staff responsible for their own quality in your hotel') are influenced by the strategic position of the hotels in quality enhancing. Consequently, the findings show that Korean deluxe hotels adopt a best fit approach (i.e. quality enhancing HRM) in relation to the management of service quality.

Multi-regression analysis is conducted to evaluate the relationship between service quality practice and positive and negative outcomes. The results show that employees are likely to feel their jobs are worthwhile insofar as they make customers satisfied in using the hotel but they are not happy with not being given full empowerment. In addition, the results from the relationship between demographic variables and service quality practice indicate that the longer the employees work at the hotel, the more likely they are to perceive the importance of HR practice of 'service quality', because they are likely to encounter a variety of customers through their experience. Therefore they are likely to be aware of how important it is in terms of the customer experience (See Appendix 7).

5.4.8 Employee voice and consultation methods

This section sets out the distinctive approach to employee voice and consultation methods in terms of direct and indirect communication in Korea. The indirect communication from trade unions shows that Korean hotel companies provide expenses and paid holidays for family events, such as wedding ceremonies, birthdays and funerals, which are firmly connected with the ties of kinship, and these are achieved by trade unions. Therefore Korean employees are likely to obtain distinct welfare arrangements compared to Western countries. In relation to direct communication, managers try to maintain a voluntary open communication with employees by attending wedding ceremonies or funerals. The section moves on to look at the most important driver of practice in this area of HR practice - this is shown to be trade unions. In relation to the employees' feelings, employees are satisfied with employees' welfare and welfare facilities which are improved by trade unions, but they are rather unhappy with unjust situations such as sexual harassment from senior managers.

HR managers considered that all the variables (i.e. 'negotiate with the trade union on staff welfare and benefits in your hotel' and 'the trade union influenced the staff welfare facilities') in relation to trade unions enacted in their hotels as summarised in Table 5.27. The results from the employees also show that these variables are very important (See Table 5.28). Therefore those results indicate the strength of the trade union and also give a message of a strong indirect voice from the unions. The following arguments show how much trade unions impact on their companies and also what is distinctive HR practice in relation to trade unions in deluxe hotels.

Table 5.27 Employee voice and consultation methods practices (1)

Each variable	Yes		No	
	Frequency	Percent (%)	Frequency	Percent (%)
Managers keep open communications with employees in your hotel	14	100	0	0
Employees provided with the opportunity to suggest improvements in the way things are done in your hotel	14	100	0	0
Employees allowed to make decisions in your hotel	14	100	0	0
Conduct regular attitude surveys	13	92.9	1	7.1
Negotiate with the trade union on staff welfare and benefits in your hotel	13	92.9	1	7.1
The trade union influenced the level of benefits such as maternity leave, holidays and pensions	13	92.9	1	7.1

The trade union influenced the staff welfare facilities	13	92.9	1	7.1
The trade union involved in resolving employee grievance in your hotel	13	92.9	1	7.1
The trade union involved in resolving employee discipline in your hotel	9	64.3	5	35.7

Source: HR managers (Theses questions are about a range of employee voice and consultation practices used in your hotel. Please circle the answer appropriately)

Table 5.28 Mean and standard deviation of employee voice and consultation

	Factor	Measurement items	Mean	Standard deviation
Independent variable	Employee voice and consultation	The trade union influences the level of benefits such as maternity leave, holidays and pensions	3.43	1.039
		The trade union negotiates staff welfare and benefits in your hotel	3.41	1.040
		The trade union influences the staff welfare facilities (i.e. staff lounges, social gatherings and children's scholarship)	3.39	1.030
		Is the trade union involved in resolving employee grievance in your hotel?	3.35	1.013
		Is the trade union involved in resolving employee discipline in your hotel?	3.31	1.022
		Managers keep open communication with employees in your hotel	3.30	0.908
		Employees are provided with the opportunity to suggest improvements in the way things are done in your hotel	3.29	0.862

Source: Employees (To what extent do you agree with the following statements? Please indicate your opinion by circling the number that matches closest your opinions. The answers to the following questions range from strongly agree to strongly disagree)

Footnotes: Strongly agree: 5, somewhat agree: 4, neither disagree or agree: 3, somewhat disagree: 2, strongly disagree: 1

Table 5.29 summarises what trade unions have achieved in relation to employees' welfare and welfare facilities through collective agreements. It is divided into two categories, such as negotiated through the company and provided by the trade unions in relation to employees' welfare. The club activities are provided by both company and trade unions and some unions provide a gift at special events for their members (i.e. a foundation day, Korean Thanksgiving Day, Lunar New Year's Day and Labour Day).

Table 5.29 Trade unions' role

			Common HR practice	Practice in International chain hotels only	Practice in Korean owned hotels only
Negotiated through the company	Employees' welfare and welfare facilities	Welfare	<ul style="list-style-type: none"> ■ Pay negotiations ■ Provide a long-service allowance, family allowance, allowance by position, transportation expenses at night, medical checkup, severance pay ■ Support employees' club activity ■ Support company picnic and track meet ■ Support school expenses ■ Loan with cheaper interest ■ Support using a condominium for employees' holidays ■ Provide menstrual leave for women 	<ul style="list-style-type: none"> ■ Support expenses for employees' children at nursery ■ Provide birthday cake ■ Provide discount in using F&B, bakery and laundry 	<ul style="list-style-type: none"> ■ Provide child maintenance
		Welfare facilities	<ul style="list-style-type: none"> ■ Provide upgraded employee lounge, lockers, employees' restaurant, canteen, health facilities 	<ul style="list-style-type: none"> ■ Maintenance of the older shower facilities ■ Change couch ■ One union provides commuter bus for employees 	<ul style="list-style-type: none"> ■ One union provides table tennis room/ One union provides a bidet in the bathroom and new tables and chairs in the lounge
		Sports activities	<ul style="list-style-type: none"> ■ Mountaineering ■ Football ■ Baseball ■ Fishing ■ Bowling ■ Badminton ■ Table tennis ■ Photos ■ Health club ■ Wine testing 	<ul style="list-style-type: none"> ■ Ski ■ Basketball ■ Leisure activity ■ Volleyball ■ Marathon 	<ul style="list-style-type: none"> ■ Swimming ■ Rafting ■ Bicycle ■ Billiards ■ Tennis
	Congratulations and condolences	Wedding ceremony	<ul style="list-style-type: none"> ■ Employees' own ■ Employees' children ■ A lineal of Employees' brother and sister 		<ul style="list-style-type: none"> ■ Brother and sister of employees' spouse
		Birthday	<ul style="list-style-type: none"> ■ Employees' both sets of parents of 60's birthday 		<ul style="list-style-type: none"> ■ Employees' own and employees' spouse birthday (Provide expenses) ■ Employees' grandparents (Provide expenses and a paid holiday)
			<ul style="list-style-type: none"> ■ Employees' both sets of parents of 70's birthday 	<ul style="list-style-type: none"> ■ Employees' both sets of grandparents of 70's birthday 	
		Funeral	<ul style="list-style-type: none"> ■ Employees' own ■ Employees' spouse ■ Employees' both sets of parents ■ Employees' children ■ A lineal of employees' grand parents ■ A lineal of brother and sister of employees' father ■ A lineal of employees' brother and sister 	<ul style="list-style-type: none"> ■ One hotel provides one day of holiday of leaving off mourning (i.e. employees' spouse, employees' both sets of parents) 	<ul style="list-style-type: none"> ■ Brother and sister of employees' spouse ■ Employees' grandparents of mother side ■ One hotel provides one day of holiday of leaving off mourning (i.e. employees' spouse, employees' both sets of parents)
		Childbirth	<ul style="list-style-type: none"> ■ Provide maternity leave 		
		Graduation		<ul style="list-style-type: none"> ■ Two hotels provide one day of holiday for employees' own graduation 	

		Hospitalization encouragement			■ One hotel provides compensation money for employees, if they are hospitalised
Provided by the TU	Employees' welfare	Welfare		■ One union has provided a cheaper price when members use the optician's shop and car maintenance shop	■ Provide a gift 4 times a year (a foundation day, Korean Thanksgiving Day, Lunar New Year's Day and Labour day)

In relation to employees' welfare through the company, 10 out of 11 hotels provide a long-service allowance, family allowance, allowance by position, transportation expenses at night, medical check-up and severance pay. Also the hotels support school expenses.

“Our company supports school expenses...in cases of undergraduate students, our company provides all of the school expenses for one child of each employee, and for high school students, our company provides all of the school expenses for two children for each employee. In addition, our company provides 500,000 won for one year for employees' children to study at nursery school. Basically, our company provides school expenses for one child of employees, however, if the child graduates to university and then the next child studies at university, our company provides it again” (International chain hotel, Chaebol, Trade Union representative 4).

The results show that deluxe hotels support school expenses for their employees and one international chain hotel provides school expenses for employees' children at nursery.

In relation to employees' welfare facilities in the company, 10 out of 11 hotels provide an upgraded employee lounge, lockers, employee's restaurant, canteen, and health facilities for their members. In addition, in cases of trade unions based in international chain hotels they provide maintenance for the older shower facilities, changing sofas and the commuter bus, otherwise trade unions based in Korean owned hotels provide a table tennis room, a bidet in the bathroom and new tables and chairs in the lounge. The results indicate that unions seek to provide good conditions in the working environment

In relation to employees' congratulations and condolences, the results show that 10 out of 11 Korean deluxe hotels, provide some degree of expenses for congratulations and condolences and a paid holiday in relation to a wedding ceremony, birthday and funeral through the collective agreement between management and trade unions. The expenses and the paid holiday provided by the hotel company are different for each hotel but there is not much difference between international chain hotels and Korean owned hotels. 10 out of 11 hotels provide expenses and a paid holiday in relation to a wedding ceremony and funeral; the results show that the extent of those who take the expenses and a paid holiday in practice is summarised in Table 5.29. In this regard, the extent of providing expenses and a paid holiday varies in Korean hotel companies. Interestingly, 5 out of 11 hotels provide a one day holiday to mourn for the employees' spouse and employees' family. The one day holiday to mourn for the family is a traditional Korean custom, therefore some hotels are likely to still respect the culture and reflect it in their business operations. Again the findings indicate that Korean employees' welfare is firmly connected with family ties, and there are substantial benefits from the indirect voice. Consequently, Korean employees are likely to get distinctive welfare treatment compared to Western countries.

All HR managers strongly agreed that they work in direct communication with employees (i.e. 'managers keep open communications with employees in the hotel' and 'employees provided with the opportunity to suggest improvements in the way things are done in your hotel') (See Table 5.27). The HR manager comments below on the reason why communication is the most important thing in operating human resources in the hotel:

“Those things show that hotel employee characteristics are different depending on the work department, so communication plays a very important role in managing each individual and knowing how employees feel about their organisation.....In the case of our company, they can't decide on whether or not to reward an employee. Also, our HR department tries to listen to complaints and grievances through meetings...” (International chain hotel, Chaebol, Manager 4).

There is a distinctive HR practice in relation to direct communication. For example, HR managers visit every department to meet their employees and also attend wedding

ceremonies or funerals. It indicates that HR managers create chances to talk with employees and also to get to know an employees' background because they state that "it's really important to know the employee outside of work rather than through the job when operating HR in the organisation" (International chain hotel, non-Chaebol, Manager 7). In this regard, managers try to maintain voluntary open communication with employees, and the hotels are very likely to seek a consultative management style. Unlike the HR managers' perceptions, those variables as mentioned above are regarded as being put into practice less by employees (See Table 5.28). By comparison, the results show that 86.9 % of employees agreed 'management takes notice if employees make suggestions'; this implies that most hotel companies reflect employees' suggestion into their management for company development. However, the results of the rest of the variables show that the high power distance is likely to still be widespread in the Korean organisation (See Table 5.30). In this aspect, HR managers are more likely to say that they seek a consultative management style, whereas employees feel that the managers are likely to use an autocratic management style from the findings.

Table 5.30 Employee voice and consultation methods practice (2)

Each variable	Yes		No	
	Frequency	Percent (%)	Frequency	Percent (%)
Employees are commanded by managers to answer 'YES'	253	50.4	249	49.6
Each variable	Yes		No	
	Frequency	Percent (%)	Frequency	Percent (%)
If employees have problems at work, they are happy with the way the manager or supervisor supports employees	299	59.5	203	40.5
Each variable	Yes		No	
	Frequency	Percent (%)	Frequency	Percent (%)
If employees make suggestions, employees feel that management takes any notice	436	86.9	66	13.1
Each variable	Yes		No	
	Frequency	Percent (%)	Frequency	Percent (%)
Conduct attitude surveys	215	42.8	287	57.2

Source: Employees

Women have more complaints in the organisation than men and a reason put forward to explain this is that most men are accustomed to the requirements of organisations through military service in Korea.

“Men have a duty to do military service in Korea. So, men have had experience in a well-managed organisation and after that they work in the company. So, they are already used to the organisation, but women don’t have the experience in organisations so they have a tendency to complain even though it’s a really small thing. Unlike women, men don’t complain a lot because they already know that a small thing is not worth complaining about. I mean I don’t want to blame women employees, but our main point is that they should provide a reasonable reason for their complaints” (International chain hotel, non-Chaebol, Manager 3).

In this aspect, the Korean military service is likely to help men adapt to work in organisations while women are likely to find it difficult to be assimilated into the organisational culture.

Most of the evidence, as discussed above, indicates that the trade union is a very important factor in relation to employee voice and consultation methods. Also Korean employees’ welfare is closely associated with the ties of Kinship in terms of congratulations and condolences. Additionally, the following shows the role of trade unions at company level:

“When we have an assembly we send our union members to help another union in the FCS. When the KCTU negotiated the increase in the minimum level of pay, like 4220 won per hour, we made the same voice against the government. Otherwise, the FKTU doesn’t have a critical stance against the government, except when they need some benefits” (FCS).

The findings show that the FCS is a member of the KCTU, therefore the unions have more union bonds compared to FKTU. The KFTSIWU and FCS work to improve their member’s welfare as discussed in section 2.6; however, they have different views concerning government actions: the FCS takes a more critical stance relative to the government when compared to the KFTSIWU. One representative of the FCS comments that “the enterprise unions’ performance relies on improving pay negotiations and collective agreements because they only focus on the two issues to maintain their employees’ voice. As a result, employees’ pay and welfare are improved I think.” That is, the trade unions at the company level are seen as focusing on just two activities. The

results concerning opinions of trade union members indicate that members of both the KFTSIWU and FCS are generally satisfied with their unions' achievements (i.e. employees' pay and welfare). In this regard, trade unions influence the HR practice which is associated with pay and employee's welfare at hotel and company level.

Employees agreed that the variable of 'your hotel operates a fair procedure of grievance and discipline' is particularly unfair. That is they feel unhappy with unfair grievance and discipline procedures, if companies do not have any action on sexual harassment by senior managers (See Table 5.7, page 140). The results from the multi-regression analysis show that procedural justice influences positive and negative employee outcomes, and so if the hotel provides a fair procedure for grievance and discipline, employees are satisfied with their jobs. Otherwise if the hotel provides unfair procedures for grievance and discipline, employees would want to quit the job (See Appendix 7).

Multi-regression analysis was conducted to evaluate the relationship between employee voice and consultation methods practiced, and positive and negative outcomes. The results show that employees are satisfied with their welfare and welfare facilities which are improved through the collective indirect voice from trade unions. In relation to this, employees' perception in relation to employee outcomes, based on a descriptive analysis represented by 'agree' or 'disagree,' sees employees agreeing with the variable of; 'I am very satisfied with the benefits I receive' (meals, holiday etc). Therefore employees are likely to be satisfied about their welfare issues (See Table 5.31). If management does not provide an open communication channel, employees may feel isolated and may feel like quitting their job. In addition the results show a relationship between demographic variables / employee voice and consultation methods practiced. This indicates that male employees considered 'collective voice' is more important than their female counterparts. The longer the employees work at the hotel, the more likely they are to perceive the importance of the HR practice of 'collective voice' through their direct or indirect experience (See Appendix 7).

Table 5.31 Mean and standard deviation of employee outcomes

	Factor	Measurement items	Mean	Standard deviation
Dependent variable	Positive Employee outcomes	I am very satisfied with my job	3.25	0.974
		I am very satisfied with the benefits I receive (meals, holiday etc.)	3.14	1.052
		I am very happy working at the hotel and I would recommend it to others	3.01	0.974
	Negative employee outcomes	I plan to leave the hotel jobs as soon as I can find another job	3.21	1.103
		I often think about quitting my job	2.93	1.011
		I am disappointed that I ever took my job in the hotel	2.80	0.992

Source: Employees (How do you feel about working in your hotel?)

Footnotes: Strongly agree: 5, Somewhat agree: 4, Neither disagree or agree: 3, Somewhat disagree: 2, Strongly disagree: 1

The evidence as to what makes trade unions feel that practices are unfair is shown as follows: 3 out of 11 trade unions have handled problems in relation to sexual harassment from senior managers in the hotel. One union representative (Korean owned hotel) comments that “we have continuously asked for education to prevent sexual harassment, and we have conducted a survey for it twice a year. If there is a problem, our trade union will raise objections against the company” (Korean owned hotel, Chaebol, Trade Union representative 9). In this aspect, trade unions feel that sexual harassment is unfair and will try to prevent it.

“I have not heard of any sexual harassment case from senior managers in our hotel for several years, which means our union has kept it from happening. The senior managers have already perceived that it will be terrible for the union, if it happens” (International chain hotel, non-Chaebol, Trade Union representative 7).

However, another trade union representative commented that, “.....it’s a secret.....the chairman of our union took legal action against the management with an issue related to sexual harassment of women employees.....The chairman has left our hotel now” (International chain hotel, Chaebol, Trade Union representative 6). The findings show that in practice, sexual harassment of employees by managerial staff sometimes occurs in the hotel industry.

In addition, female employees also get stress from customers. For example:

“One of characteristics of hospitality management is that they sell their product through employees, mainly through meeting customers in person. Through this procedure, service employees are also likely to experience stress from their customers. Female service employees, in particular, feel lots of stress in the organisation, because they are often unable to avoid having to interact with difficult customers who speak using the informal form, show a lack of respect toward them and behave irrationally toward them, with little additional support from their colleagues” (International chain hotel, Chaebol, Manager 2).

“Female service employees are likely to regularly feel deeply insulted by the rudeness of male customers” (International chain hotel, non-Chaebol, Manager 7).

The findings show that female service employees are likely to increase the stress index from those situations, and this is further discussed in chapter 6.

After implementing the five-day work week, menstrual leave for women was not guaranteed by Korean Labour Law, therefore women employees felt it was unjust. As a result “our trade union asked our company to give holidays 3 times a year for women employees” (International chain hotel, non-Chaebol, Trade Union representative 7). The outcome depends on the company; for example one Korean owned hotel provides holidays 4 times a year, but by comparison one international chain hotel provides them 3 times a year.

In addition, the results show how trade unions deal with disciplinary matters:

“Recently, our company conducted attitude surveys with employees and as a result a disciplinary committee was held. Our company decided to dismiss a number of employees who were all our members. The disciplinary committee should have the same number of people in terms of management and members of our union. But this was not the case so we strongly contested this, and a committee was held again to discuss the level of discipline and establish the actual level of employee culpability where fault was found to exist in any specific issue” (Korean owned hotel, non-Chaebol, Trade union representative 10).

In this regard, all evidence indicates effort is made by trade unions for trade union members to settle some specific grievances which can occur in the hotel. The following example shows how much members trust their union representatives. For example:

“The chairman of our trade union was elected by a 96% agreement and that means our members trust our union and we also try to do our best to improve employees’ welfare and keep employees’ rights” (International chain hotel, Non-Chaebol, Trade Union representative 7).

The results show that trade union members are likely to be satisfied with their unions’ achievement.

5.5 CHAPTER SUMMARY

The main findings presented in this chapter reveal a number of distinctive features in Korean deluxe hotels.

A business strategy that seeks high quality service and high price policy plays a very important role in managing deluxe hotels. Therefore management and employees consider that service quality is very important. In relation to employees’ empowerment, however, considerable power is given to managers. That is to say, the discretionary empowerment of employees is not likely to be compatible with a high power distance and Confucian society. However, deluxe hotels provide some limited degree of employee empowerment, which is associated with how much money the hotel spends on resolving customer complaints.

Age is one of the important criteria when hiring employees due to the need for keeping order between subordinates and superiors in Korean organisations, and avoiding customers’ discomfort where younger customers feel uncomfortable being served a meal by older employees. This is influenced by a notion of Confucianism. Strong legislation requires that hotel companies should not hire foreign staff except for the position of general manager and chef, which means the Korean government protects Korean employees. For that reason, Korean employees require language capability for interacting with foreign customers. Hotel companies consider appearance as a selection

requirement in Korea, and this is a very distinctive HR practice compared to Western countries. All Korean deluxe hotels should adhere to the legal requirement to provide fire training according to the Occupational Safety and Health Act and sexual harassment prevention education through the Equal Employment Opportunity Act. It indicates that all Korean hotels should follow the HR practice legally. The Tourism Promotion Act requires providing service education training and general knowledge which covers the overall hotel area for customers. Also, the Act puts emphasis on providing training in foreign language and training in the use of make-up to the employees. That is to say, those HR practices are influenced by strong Korean legislation.

Korean employees consider loyalty is a very important criterion because managers use it for performance review to evaluate employees' performance. Hence loyalty is directly related to employees' promotion and pay measurement, and as a result employees are likely to be keen on this. In Korean society, men are still more likely to be promoted than women due to the cultural importance. However, there is another reason why women do not get as many promotions as men, and that is because, traditionally, women have to work at home to help celebrate the Korean traditional days at home and this is associated with the role of women by Confucianism, which is widespread in Korea. It impacts on employee performance reviews; therefore they are likely to lose the promotion opportunity. Korean employees prefer teamwork and are likely to require making sacrifices for the work team as a whole, and these are influenced by collectivism. Employees do not like flexible work, whereas management prefers flexible employees who can work in every department. In particular, female service employees get stressed through sexual harassment from managerial staff and also the behaviour of rude male customers.

Korean legislation guarantees job security for employees; however hotel companies tend to hire atypical employees to save on employment costs. Employees are concerned about job security as a regular household income is needed for their family. Therefore this issue is closely associated with the role of trade unions. There is a different level of strength of trade unions in each hotel, however most trade unions are quite strong organisations and have a strong collective voice against their management in most deluxe hotels. The role of trade unions is involved in job security as mentioned above, welfare benefits, resolving grievances and discipline, and pay negotiations, through a collective voice. Also trade unions are involved in decision making about employee

recruitment and promotion in the organisation. All of this shows the strength of trade unions in Korean deluxe hotels.

Pay based on group performance is widely used in hotels, whereas pay related individual performance is accepted in a limited number of work departments (i.e. marketing and sales). In practice, however, the majority of hotels used a mixed pay system; the salary step system for operational staff and the annual pay system is used for managerial staff. The Korean annual pay system focuses on measuring pay based on the working period, job position and job type, more than individual performance. This shows that the Korean annual pay system is different compared to most Western pay systems. From the culture of mapping of Korea, Korean hotel companies are likely to adopt an autocratic management style. HR managers say that they operate a strong consultative management style, while employees feel that HR managers seek an autocratic management style in the hotel. Also due to the influence of Korean society there is the likelihood of the existence of a high power distance that can be attributed to cultural expectation and rule.

The findings demonstrate that Korean deluxe hotels have adopted a combination of best fit and best practice approach in the context of quality hotels that seek a quality enhancement strategy by providing a high quality of service and high price policy. Also, Korea has a very distinctive national culture in comparison to Western countries. In addition, the Tourism Promotion Act, and the trade unions, push on to adopt best practice in Korean deluxe hotels. There is a distinctive type of company called Chaebol in Korea and the Chaebol hotels utilise more sophisticated selection methods (i.e. personality, aptitude and psychometric tests) to hire employees through open recruitment. Also the hotels invest certain amounts of money for employee training and to provide study abroad for academic purposes at university, sending employees to work abroad in different countries (for example, to learn original food preparation techniques), and sending employees for benchmarking in other countries. In addition, Chaebol hotels use the annual pay system based on individual performances in the hotel.

The next chapter discusses structured themes which explore the relationship between best fit and best practice; that is to say it is discussed why best fit and best practice both play an important role based on internal and external key drivers in Korean deluxe

hotels. Also the next chapter discusses what is good or bad practice from the employees' point of view in Korean hotels.

CHAPTER 6

DISCUSSIONS

6.1 INTRODUCTION

The purpose of this chapter is to explore the relationship between best fit and best practice from the findings of qualitative and quantitative analysis that was presented in chapter 5. The notion of best fit and best practice was questioned in chapter 3 as to whether they were global or country-specific concepts. The findings of this study in chapter 5 further strengthen this point. This chapter considers Korean best practice against strategic best fit. The main argument of this research is that it is not just a quality enhancing business strategy that shapes HRM because best practice approaches driven by Korean culture, Korean legislation, trade unions and financial context, are also important elements in the Korean context. That is best fit and best practice both play an important role in Korean deluxe hotels. Therefore this chapter discusses that a quality enhancing business strategy and Korean legislation drive a number of HR practices and some HR practices are quite similar in terms of best fit and best practice. As a result, this chapter proposes that Korean deluxe hotels are likely to adopt a combination of best fit in the light of business strategy and best practice, which is driven by Korean culture, Korean legislation, trade unions and the financial context. Employees perceive some HR practices which are relevant to Korean culture as ‘best practice’ or ‘good practice’ which enhances workplace relations. However in other areas like favouritism or discrimination, Korean culture pushes towards HR practices which can lead to tension between employers and employees. Therefore this chapter also discusses the practices, described as ‘bad practice’, which creates negative workplace relationships from the perspective of employees.

In order to develop a suitable framework of the key aspects of Strategic Human Resource Management (SHRM) for the Korean deluxe hotel industry, section 6.2 discusses specific HR practices in the Korean deluxe hotels from the previous chapter. Section 6.3 discusses why this study reframed the notion of best practice, particularly focusing on the drivers of best practice such as culture, legislation, trade unions and financial context within the Korean context. Also this section discusses the key drivers

of quality enhancing business strategy, Korean culture, Korean legislation, trade unions and financial context, which impact upon the Korean hotel industry. Section 6.4 discusses the areas of conflict between employers and employees, including the concept of organisational justice in the Korean context. Also, this section discusses employees' perceptions of their positive and negative feelings about work based on the eight dimensions of HR practice. Finally section 6.5 provides a summary to the chapter.

6.2 HR PRACTICES IN THE KOREAN DELUXE HOTELS

The findings (chapter 5) have shown that there are specific HR practices in Korean deluxe hotels and these are summarised in Table 6.1 (A tick indicates differing views on specific HR practices between HR managers, employees and trade union representatives; these are discussed in detail in section 6.4).

Table 6.1 HR practices in the Korean deluxe hotels

	HR practice	Different view from HR managers, employees, and trade union representatives
Recruitment and selection	Consideration of extended families, regionalism, school relations and kinship for your hotel when hiring employees	✓
	The use of physical appearance as a selection criteria	
	The use of foreign language scores as a selection requirement	
	Consideration of age when hiring employees	
	The hiring of atypical employees after the financial crisis	✓
	The use of psychometric, personality and aptitude tests used by Chaebol hotels	
Training and development	Hotel companies providing the training (i.e. fire training, hygiene education, sexual harassment prevention education) required by law	
	The provision of training in foreign language	
	The raising of objections in the company in relation to sexual harassment by senior staff	
	Requiring the company to give opportunities to employees for training overseas	
Performance appraisal	The performance review of employees (and valuing employee loyalty as much as good performance)	✓
	Men's greater success than women's in gaining promotion	✓
	The use of an informal appraisal system (Employees view)/ formal appraisal system (HR managers view)	
	Trade unions involvement in decisions about promotions, rewards and punishment	
Job design	Korean employees prefer to do teamwork	
	Employees sometimes make individual sacrifices for the good of the team as a whole	
	Managers consult with employees about how work should be done before making decisions	
	Flexible work	✓
Job security	Guarantee of job security	✓
	Korean employees are stressed from management	
	Trade union influence on the level of job security in the hotel	
Compensation and pay systems	Korean type of pay system - Pay and rewards are decided upon using the criteria of education level, working period (seniority), job position and job type, plus the performance review of employees - Managerial staff: an annual pay system, operational staff: a salary step system: Mixed pay system - Pay based on group performance except for specific departments (i.e. marketing and sales)	
Service quality issues	The issue of quality is very important in managing hotel businesses	
Employee voice and consultation methods	HR managers try voluntary, open communication with employees (i.e. visit every department, attend wedding ceremony or funeral)	
	Women raise more complaints in the organisation than men. (i.e. men are accustomed to organisational culture due to their time spent military service)	
	Unions operate a website and collect employees' voice (i.e. employees' complaints: e.g. excessive work load) and resolve employees' problems.	
	The requirement that enough man power is available in each department (in proportion to management.)	

The majority of hotels follow similar recruitment and selection HR practices. They all use clearly defined selection criteria and conduct structured and standardized interviews. Unlike typical Western hotels, however, Korean hotels take into account age, extended family, regionalism, school relations and kinship when hiring employees. Additionally, strong Korean legislation (i.e. Tourism Promotion Act, Korean Labour Law) pushes hotel companies to use foreign language scores as a selection requirement. After the financial crisis, a majority of hotels have adopted the Atkinson model (1985), thus explaining the hiring of atypical employees in the Korean hotel industry. In addition, most Chaebol hotels use more sophisticated methods than non-Chaebol hotels.

It is a strict legal requirement of all Korean hotels that they provide training and development for their employees, such as fire training, hygiene education and sexual harassment prevention education. As discussed in chapter 2, some UK hotels voluntarily subscribe to a higher standard of general safety by complying with regulations such as those of the AA (Automobile Association) at a non-governmental level; however for Korean hotels, employee training and development are legal requirements imposed at government level, and a variety of training programmes (i.e. foreign language, service quality for customers) is provided by strong Korean legislation. In order to prevent sexual harassment from senior managers, Korean legislation compels hotel companies to provide the relevant training at least once per year by law. (The issue of sexual harassment in the hotel industry is further discussed in section 6.4). Chaebol hotels provide more training overseas for employees than non-Chaebol hotels in Korea.

The performance review plays a very important role in determining pay raises and promotions for employees in both western hotels and Korean hotels. A difference is that in the latter case, the performance review incorporates employee loyalty as a criterion for measuring performance; however, employee loyalty is not likely to be measured fairly because of the subjective views of HR managers involved in performance reviews. As shown in Table 6.1, there exists a conflict between management and employees in relation to promotion; this issue is discussed further in section 6.3. Another distinction is that in the Korean hotel industry, employees feel that men are more successful than women in gaining promotion opportunities, whereas most HR managers do not support this view. There is another conflict between management and employees in that HR managers say that they provide a formal appraisal system, yet

employees feel that management actually use an informal appraisal system; and in that HR managers are likely to use a formal appraisal system to measure the performance of employees, yet employees feel decisions are actually made on the basis of an informal appraisal system. In addition, strong trade unions are involved in decisions about promotions, rewards and punishment.

Consistent with the view of Hofstede as presented in chapter 2, the findings show that Korean employees prefer to do team work in terms of collectivism. In addition, individual employees sometimes make sacrifices for the good of the team, as a whole, in the Korean deluxe hotels. Managers believe that they consult sufficiently with employees in relation to job design, however employees feel they have less chance to discuss their opinions with management. Most management prefer to manage HR to fit a flexible work pattern to save on employment costs, however employees feel the transfer is a unilaterally unjust tactic adopted by hotel companies. Therefore, there is friction between management and employees, which is further discussed in section 6.4.

Strong Korean legislation legally guarantees job security, however some hotels bend the rules to cut down costs in relation to HR. The abuse of these rules is discussed in section 6.4. Korean employees experience stress from management and this is linked to high uncertainty avoidance. In addition, trade unions get involved in the level of job security within the hotel industry and the distinctive role of trade unions is discussed in section 6.3.

A mixed pay system (i.e. a salary step system operating alongside an annual pay system) is widely used in the Korean deluxe hotels. Whereas in the West the two constituent systems may be expected to operate in very different ways, in Korea the salary step system and annual pay system in fact operate on a similar basis. This is because Korean companies generally do not lower annual pay, even if employees have not achieved a better level of performance compared to the previous year. Although most companies conduct pay negotiations with employees, pay under the annual system is increased every year, just as it would be under the salary step system. The typical Korean annual pay system is influenced by local culture and differs from its Western counterpart. It is likely to take into account factors such as working period (seniority), job position and job type, and it places far less emphasis on individual performance than its typical Western counterpart. As explained in chapter 2, pay is based on group

performance, except within a small number of specific departments (i.e. marketing and sales department) per hotel, usually because it is deemed impractical to apply a single, uniform set of performance measurement techniques across many different departments where, collectively, a wide variety of tasks are carried out.

Korean deluxe hotels are situated in affluent locations in Korea and rely on providing a high quality of service. These hotels pursue a high price policy combined with HR practice that places an emphasis on the delivery of a high class of service. The findings indicate that management and employees all agree that the service quality issues are very important in managing hotel business successfully. The issues of service quality dictate that employees' behaviour and mind-set are linked to a clear and common hotel strategy.

The findings draw a clear distinction between Western countries and Korea in relation to employee voice and consultation methods in the hotel industry. Trade unions facilitate pay negotiations and benefits through indirect voice (trade union representatives) of collective bargaining in Korea. In the case of the UK, however, the role of trade unions has narrowed to the distribution of pay negotiations, therefore the direct voice impacts more on the HR practices than representative voice of trade unions (Bacon & Storey, 1993). In Korea, HR managers try to encourage voluntary open communication and relationships with their employees (i.e. they regularly visit every department and also attend wedding or funeral ceremonies). It seems that they try to establish individual relationships through such informal meetings. The behaviour of HR managers is likely an attempt to gain a greater level of understanding of the employees' feelings about the hotel company. They appear to believe this knowledge is helpful in managing HR within their hotels. HR managers indicate women have more complaints about the organisation than men, which is typically attributed to men being more accustomed to an organisational culture as a result of time spent doing compulsory military service. However, women are likely to have some justified complaints for a number of reasons, namely; women are sexually harassed, women receive fewer opportunities for promotion, and women, especially those who are married, have to remain at home and cook on traditional days, instead of working in hotels like men. In relation to gender, in particular the role of female workers in Korea is discussed in section 6.3. Trade unions require sufficient employees to be available in each department. Also, unions operate a website or Internet collaboration to collect examples

of employees' voice (i.e. employees' complaints about an excessive work load) and to resolve employees' problems. Korea is one of the leading IT countries in the world, therefore social networking and ease-of-communication is likely to make trade unions particularly agile and responsive.

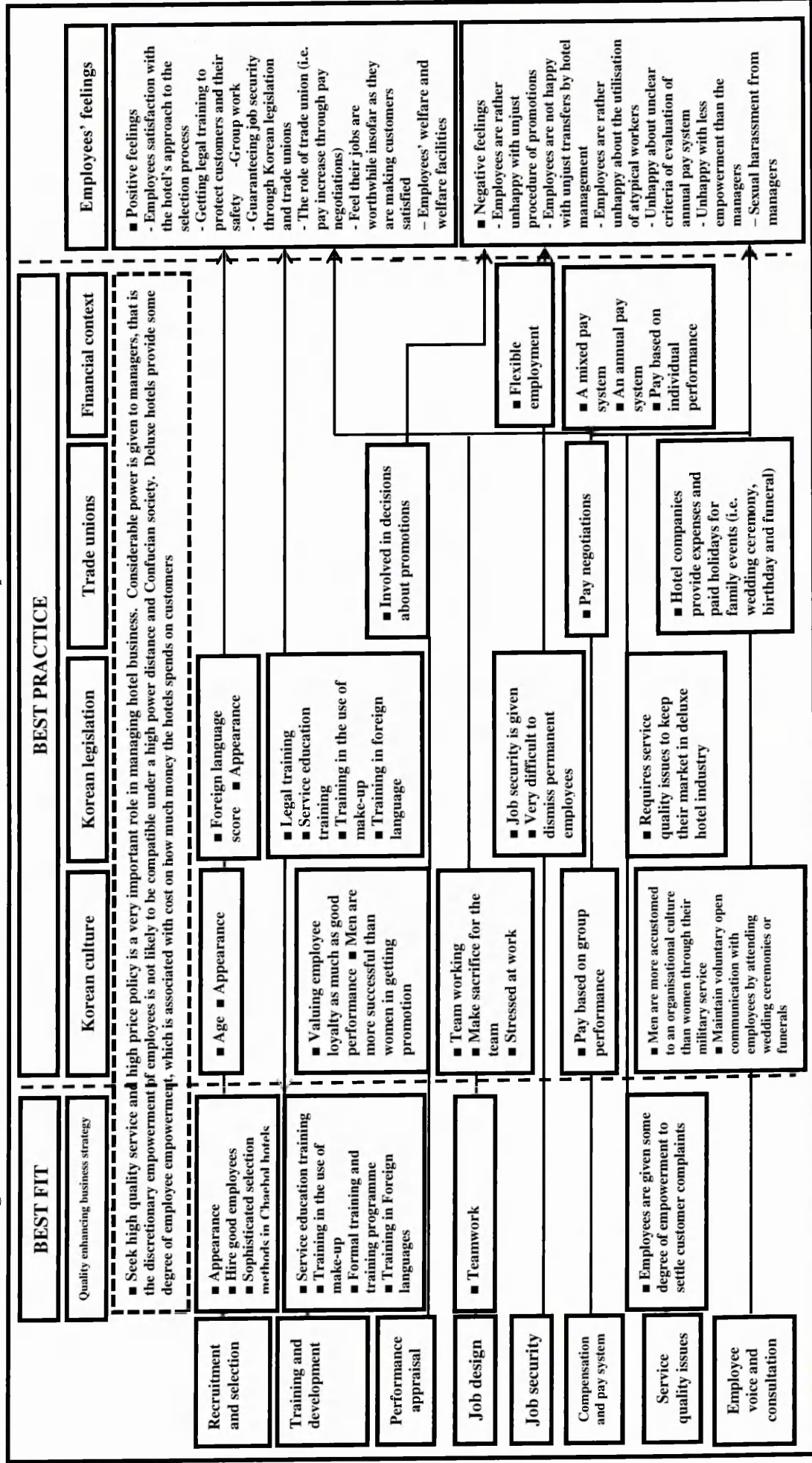
6.3 KEY DRIVERS WHICH IMPACT ON HRM IN THE KOREAN DELUXE HOTELS

This section discusses the key drivers that impact on managing HRM in Korean deluxe hotels. Figure 6.1 shows how practice is enacted in a distinctive way in Korea based on the previous chapter, and it also shows how practices are associated with drivers in relation to best fit and best practice. The notion of best fit and best practice was discussed in chapter 3. The findings of this study show that Korean employees prefer 'team working' and 'pay based on group performance', and that this is driven by their cultural preferences. 'Foreign language', 'legal training' and guaranteed 'job security' are driven by legislation, and hence considered to be best practice. Korean employees value the role of trade unions, therefore they recognise the following as best practice in the light of trade unions: 'pay negotiation', 'unions involved in decisions regarding promotion' and 'hotel companies provide expenses and paid holidays for family events'. In addition, flexible employment as best practice relates to employment costs in terms of the finance in the Korean context. That is to say that the findings demonstrate that Korean employees and management consider those HR practices as best practice and thus the contextual elements such as culture, legislation, trade unions and financial context are all drivers of best practice in the Korean context. This is because these contextual elements of best practice in the Western and Asian context might be different. For example, Korean employees consider 'team working' as best practice, but do employees accept 'team working' as best practice in the UK? They may not because they prefer to 'work alone' according to Hofstede. Also a Western country like the UK has very weak trade unions and so unions are not involved in making decisions about promotions in companies. Therefore the characteristics of best practice will be different in each country. In addition, the figure represents HR practices which have an impact upon employees' experiences and feelings, including the concept of organisational justice (the overall employees' feelings about how practices are related to positive or negative outcomes are further discussed in section 6.4). Figure 6.1 supports the argument of this research that it is not just a quality enhancing business strategy that is

important, as elements of best practice in the Korean context are driven by Korean culture, Korean legislation, trade unions and financial context. Best practice plays a stronger role than best fit, however, in practice, they both play an important role in organisations. The findings indicate how business strategy and how the Korean legislation drive a number of HR practices in deluxe hotels, in particular, appearance being important when recruiting employees.

The next section presents the key themes of quality enhancing business strategy, Korean culture, Korean legislation, strong trade unions and financial context, all identified through research, and all are discussed in the same context.

Figure 6.1 Framework to combine a combination of best fit and best practice in the Korean deluxe hotels



6.3.1 Quality enhancing business strategy

The research indicates that in practice, Korean deluxe hotels adopt a quality enhancing business strategy that consists of providing a high quality service coupled with a high price policy, rather than adopting a cost reduction strategy. The business strategy is to satisfy a high level of customers' needs which, as a result, creates increased profit in terms of running a hotel business. In order to provide a high level of service, deluxe hotels provide some degree of employee empowerment; however the discretionary empowerment is not fully given to employees, hence considerable power rests with the HR managers under a high power distance and Confucian society. Management fit an HR strategy to their quality enhancement strategy through sophisticated recruiting and development of a broad range of skills (Schuler & Jackson, 1987). In relation to this, the results show that deluxe hotels considered 'selecting high skilled employees' was very important, this indicates that deluxe hotels hire highly skilled employees through sophisticated selection methods (i.e. psychometric testing, personality tests and aptitudes test), as in Chaebol hotels. Chaebol companies have a number of subsidiary businesses, including automobile companies and oil-refining companies; therefore the HR system was already well established. Again Chaebol hotels are likely to have learnt using those sophisticated selection techniques through their subsidiary companies. Moreover, deluxe hotels have a particular selection requirement to hire attractive staff in terms of physical appearance. Boxall (2003) highlights that high investment in human capital brings greater benefits in the productivity of the company. His (2003) study argues that the relationship between business strategy and HR strategy is very important in service firms, rather than that of manufacturing companies. Therefore service organisations must consider "the demand characteristics of the customer segment served" (Batt, 2000, p. 555). This idea is associated with implying high HR investment is capital-intensive in order to respond to the variation of customers' preferences and higher value-added customers in hotel. The results show that Korean deluxe hotels provide training in service education, such as 'polite phone etiquette' and 'complaint response', to achieve customers' satisfaction regarding the demand of deluxe hotel customer target. In addition, Chaebol hotels provide more external training opportunities – such as academic, university-level studies abroad, employee relocation abroad, and sending employees for benchmarking in other countries. This is because Chaebol hotels, a financially wealthy business, are not likely to focus purely on creating a profit because they have already been financially successful through a number of subsidiary companies. The hotel business is not their main business. In practice, most

Chaebol hotels are operated by a family (i.e. children, sister) of the Chaebol president in Korea. Hotel management are likely to enjoy showing off the luxury, top-ranked properties of Chaebol hotels (Yeoman & McMahon-Beattie, 2006). Chaebol hotels adopt a specific HR practice because the commodity they sell focuses on quality luxury products. Chaebol hotels, as a subsidiary company of the larger Chaebol group of companies, aim to allow their employees to carry out business in a good environment. Also Chaebol hotels provide incentives for employees to stay at the hotel and use the place for entertaining and for other business. Another role of Chaebol hotels is to encourage employees to feel proud to be working for the Chaebol group. In this respect, one of the goals of the hotel is to be the best in terms of facility and non-facility, as this would be beneficial for business.

Additionally, deluxe hotels place an emphasis on introducing new products (i.e. vouchers for an after-dinner show and celebrating a graduation in hotel restaurants), while they also seek business opportunities (i.e. extending their business in Korea and in other countries, and having a luxury marketing strategy for specific people, such as famous actors, to boost their image as a deluxe hotel). Hence this research finds that Korean deluxe hotels view a quality enhancing business strategy as relatively important, so deluxe hotels have a particular selection requirement to hire employees and provide training programmes as a means of ensuring high quality service for customers' satisfaction. Also employee empowerment is limited according to job positions and job types, but deluxe hotels provide some degree of employee empowerment to settle customer complaints. In this aspect, Korean deluxe hotels have a similar idea with the argument of Hoque (2000) that for quality enhancing companies, the incorporation of quality enhancement strategy into HR is essential for competitive success.

6.3.2 Korean culture

National culture impacts upon HR practices in the companies of each country, as discussed in chapter 2; the findings also show how Korean culture plays an extremely important role in HR management within the Korean hotel industry, and how aspects of Korean culture are taken into account by hotel management as a result. The results of this study indicate that Confucianism offers greater explanatory power (Kim & Park, 2000) than do Hofstede's other proposed elements in the understanding of Korean culture relative to human relations management. That is to say, Confucianism is likely

to explain more fully the notion of a stronger power distance and a pronounced role of gender, the importance of age, and gender relations in Korea. Subsequently, this section looks at important areas which are not considered specifically by Hofstede. This section discusses the ‘aesthetic considerations’, still in the context of Korean culture, but separate from the concepts reported by Hofstede.

6.3.2.1 Age

The findings of the research show that both HR managers and employees are concerned with age when hiring employees in the Korean hotel industry. As discussed in Chapter 2, Confucianism offers an accurate framework for the consideration of Korean culture; one of its basic principles is respect towards elders by the young, and so age is a predominant element in human relations in Korea. In terms of hotel organisation, Korean culture and tradition dictate that, often, a younger employee will feel uncomfortable giving orders to an older member of staff, even if the younger employee holds the senior job position of the two. Therefore age plays an important role in keeping order between subordinates and superiors in an organisation, for better operations in their organisations in terms of management. As a result, most Korean deluxe hotels are likely to prefer hiring employees who are younger than those already working in the hotel. In a similar vein, hotel management prefer not to hire older employees in restaurants, as indicated by one trade union representative, who said, “even younger gangster customers... feel uncomfortable having to order food from older staff... I think you know the culture very well” (Korean owned hotel, Chaebol, Trade union representative 10). The culture dictates that hotel management should consider an employee’s age to avoid customers’ discomfort, such as preventing a situation where an older employee takes orders and serves meals to younger customers. Similarly, local culture has traditionally carried over into the workplace, such that the position of women within an organisation is diminished and their job roles limited (Kang & Rowley, 2005). It seems now that some of the younger workers have strongly banished this traditional culture in the workplace with, for example, more women occupying management positions that were previously limited to men. The findings showing how employees feel about HR practice in relation to age are further discussed in section 6.4.

6.3.2.2 Gender relations

Korean society is deeply associated with 'gender-role stereotypes' and has a strong tradition of preferring sons to daughters, therefore men have an advantage in family and society over women (Kang & Rowley, 2005, p. 227). Traditionally, the role of a woman is limited to housekeeping, taking care of her family, and supporting her husband as best she can. Rapidly changing circumstances have induced greater participation by women in Korean society (Korean Women's Development Institute, 2003). Indeed, social participation by women in Korean society is now more prevalent than ever, however the idea of male-domination still remains strong. Social customs and attitudes are likely to influence local organisations. For example, Hofstede's masculinity index indicates that Korea is a relatively feminine society, however the findings of this study show that men having more opportunities than women to gain promotion in Korean organisations, this being reflective of a male-centred society, unlike the concept of femininity. A number of HR managers disagreed with the suggestion that men are favoured in promotion, while employees agreed with it; therefore the findings indicate divergent views between these two groups. HR managers believe that hotel management provide the same promotion opportunities irrespective of gender. If we accept this idea, why do female employees feel that men are given more promotion opportunities than women? Prior to answering this question, we look next at gender ratios within the Korean labour workforce to explain the position of the female workforce in the labour market as a whole, and finally we analyse the reasons for fewer promotion opportunities for female employees.

According to the employment outlook (OECD, 2011), the rate of women's economic activity is 54.9% in Korea, 63.0% in Japan, 67.8% in the United States of America, and the average rate of the 32 countries is 61.8%. These figures show that the rate of Korean women's economic activity remains in a low rank out of 32 countries. The statistical figure indicates that women's economic activities have been restricted in many ways, which is likely to have been influenced by the idea of a male-dominated society in Korea. In addition, the size of the male workforce in Korea is 5,491,831 (63.3%) and the size of the female workforce is 3,184,612 (36.7%), the total size of the Korean workforce being 8,676,443. Clearly, the male workforce is much larger than the female workforce. The rate of economic activity covers both the employed and unemployed population, however the workforce figure shows only people engaged in work. The rate of economic activity covers both employed and unemployed population,

however the figure of workforce represents all people engaged in work. Therefore the female workforce is lower in percentage terms than the economic activity rate of women in Korea. In terms of industrial classification, the male workforce is 1,021,218 (82.7%) and female workforce is 213,262(17.3%) in the manufacturing industry, whereas in the food and hotel industry the male workforce is 166,449 (54.7%) and the female workforce is 138,008 (45.3%) (STATISTICS KOREA, 2012, January). As mentioned above, traditional cultural ideas mean that female workers cannot get to the top, although they do reach a certain level of job position. The statistical figure indicates the ratio between managers and gender and job level: The ratio of male by position level was: 94.2% of managers, 94.3% of general managers and 90.3% of executive managers, while the ratio of females in a similar positional was: 5.8% of managers, 5.7% of general managers and 9.7% of executive managers (Ministry of Labour, 2002).

The sample of data in this study reflects the gender split of the labour market in this area: empirical data from HR managers shows a gender ratio of 50:50 in the hotel industry (Korean owned hotel, Chaebol, Trade union representative 10). Also quantitative data from all levels of employees supports that the gender ratio is almost the same between male and female employees (See Table 6.2). In this respect, the size of the female workforce in the hotel industry is large compared to that of the manufacturing industry. Thus, the hotel industry is more advanced in terms of its female workforce.

Table 6.2 Employed women by the hotel companies (N=502)

	Male	Female	Total
Part time/Internship	39	73	112
Full time	110	122	232
Operational manager	44	31	75
Supervisor	34	17	51
Manager	15	5	20
Senior manager	12	0	12
General manager	0	0	0
Total	254	248	502

Table 6.2 shows the findings of ratios of gender for various job positions based on employees' responses to the questionnaire in this study. In particular, females occupy a low number of mid-level managerial positions. Male supervisors are twice as numerous as their female counterparts; male managers are three times as numerous as female

managers, and there are no female senior managers. The figures indicate that male managers occupy a dominant position within the hotel industry. That is, Korean female employees are required to overcome the barrier which is referred to as the 'glass ceiling', an "unseen, yet unbreakable barrier that keeps minorities and women from rising to the upper rungs of the corporate ladder, regardless of their qualifications or achievements" (Federal Glass Ceiling Commission, 1995. p. 4). It implies that there exists an invisible social barrier above women and minorities caused by discrimination in the labour market. In particular, female employees face difficulties and limitations in the workplace and find it difficult to gain promotion. The 'glass ceiling' prevents women from reaching top positions in an organisation (Jellal et al., 2008). Why are management likely to be reluctant to give opportunities for promotion to women? Jellal et. al. (2006, p. 3234) suggest that this is associated with 'uncertainty' that "women are likely to have more frequently interrupted careers and they may choose to quit the labour force either to spend time with children or to care for elderly parents" in a competitive labour market model. Hotel management are likely to have preconceptions about this 'uncertainty' and, in practice, some female employees are likely to experience conflict between their work and family responsibilities on Korean traditional days (i.e. Lunar New Year's day and Korean thanks giving days). Hotels operate 365 days a year, therefore the women who work at home on traditional days are less likely to get good marks on performance reviews as discussed in chapter 5. Thus, the 'glass ceiling' is evidently in effect, and women see fewer chances of promotion than men in Korea.

As mentioned above, female employees occupy about 50% of the workforce in the Korean deluxe hotel industry. The findings show that female employees may be sexually harassed by male management and customers, as discussed in chapter 5. When sexual harassment happens in the hotel, the female employee is likely to be heavily stressed and feel humiliated, and her work capability is likely to decrease due to psychological anxiety. In order to reduce the likelihood of sexual harassment, strong Korean legislation requires that sexual harassment prevention education is provided at least once per year, every year, in the hotel industry. This is further discussed in section 6.4.

Other findings show that most HR managers feel that women make more complaints in the organisation than men. As discussed in reference to military culture in chapter 5, Korean men must undertake military service and therefore they are used to an

organisational culture prior to joining a hotel. A number of HR managers agreed that Korean military service is likely to help adoption into the organisation for men, while women are likely to find assimilation into the organisation more difficult.

6.3.2.3 Aesthetic considerations

Looking at how Korean culture influences the HR practice of recruitment and selection, there are surprising findings in relation to the physical appearance of potential employees. Most HR managers and employees agree that appearance is considered as a selection requirement for recruitment. The results show that people who have found a job were generally required to attach their photo onto their CV. This approach of considering physical appearance is widespread in Korean society, in contrast to Western countries (i.e. UK) where it is considered discriminatory to take physical appearance into account when evaluating the merits of one potential recruit against another.

The results also indicate that hotel management consider the appearance of particular employees, specifically those who work in positions such as front office and F&B, where they encounter customers relatively frequently, to be important. Most deluxe hotels are likely to have selection criteria for the evaluation of physical appearance for a strategic position of the hotel. This is summed up in evidence from HR managers, who state that ‘aesthetic requirements’ are as varied as “giving a good impression and making a neat impression on customers (International chain hotel, Non-Chaebol, Manager 3)”, “having an oriental appearance of female employees (International chain hotel, Non-Chaebol, Manager 7)” and “not making the customer want to retch” (Korean owned hotel, Chaebol, Manager 10). ‘Aesthetic labour’ is the cynical use of young, attractive, tall, good-looking people, at the expense of others who lack such physical characteristics and who may not be considered aesthetically pleasing (Warhurst & Nickson, 2007; Warhurst et al., 2006). While the criteria mentioned by HR managers in the findings do not expressly state the use of ‘aesthetic labour’, they do imply its likely use. There is additional evidence, arising from compliance with the Tourism Promotion Act, suggesting the use of aesthetic labour. Comparing the hotel quality ranking system used in Korea (mentioned in chapter 2) with that of similar systems in the UK shows that the Korean system includes much greater detail in terms of what hotels have achieved. It not only explicitly includes the item of physical appearance, but also places an extreme emphasis upon it (See Appendix 1, page 279). Therefore, a high star rating of hotels is likely to be associated with an aesthetic labour in order to conform to quality

standards which are driven by the Tourism Promotion Act. Employers place far greater emphasis on employees' appearance from the findings of this study and Nickson et al's (2005) study. In practice, Korean legislation is likely to encourage the hiring of aesthetic labour which otherwise would be considered as 'employment discrimination' in the UK. The author, having visited hotels for field work, has observed this directly in that the front office employees in high-quality hotels were very good-looking when compared to their counterparts in budget hotels. In particular, deluxe hotels have more attractive employees and this is likely to be linked to the strategic position of the hotel in question. This concept of aesthetic consideration is an important theme in Korean society but it shows itself also in the beauty and quality of the built environment.

Certain physical characteristics (i.e. height, age, slenderness, beauty) are required by hotel companies, who attach great importance to them. Some companies use more extreme methods to evaluate these characteristics; for example, management hiring physiognomists to judge an applicant's character from their appearance at recruitment interviews in Korea (Cho, 2008). More than 80% of recruitment executives consider that judgement by appearance is a very important issue in the aspect of employee recruitment (Cho, 2008). In fact, the practice of applicants undergoing plastic surgery in order to enhance future job prospects is widespread in Korea. There is an interesting survey, conducted by a portal website which provides a job search service, in relation to the use of plastic surgery for enhancement of job prospects. 1023 job-hunters were surveyed from a job search website (ALBA, 2007). The findings showed that 61% of respondents wanted to undergo plastic surgery to enhance their prospect of obtaining a potential job, 31% of respondents considered the use of plastic surgery as not necessary for finding a job, and 8% of respondents strongly agreed that undergoing plastic surgery would enhance their prospects of getting a job. Therefore, the results indicate that 69% of potential employees consider that an 'improvement' of their physical appearance is one of the methods they can use to increase their competitiveness in the job market. This is because Korea's job market has become increasingly competitive and because the idea of what the author called 'cosmetic employment' has spread and become more socially acceptable. In light of this, it is evident that physical appearance is likely to be one of the most important factors for getting a job in Korea.

Pfann et al. (2000) have demonstrated a positive relationship between physical attractiveness (beauty) and a firm's performance. His (2000) study showed that better-

looking executives increase firms' sales in the Dutch advertising industry, thus bringing the firms higher profit. This implies that better-looking employees bring in more customers and this directly contributes to the profit of the hotel. Thus, Korean organisations are likely to place emphasis on beauty and the aesthetic when hiring employees. Again, the hotel management are likely to use appearance as a signal of an employee's qualifications in terms of economic prospects. In this regard, management may be guilty of physical employment discrimination when recruiting. Hence, recruitment opportunities are not likely to be evenly spread amongst all potential employees, and protection for employees from discrimination based on their appearance is likely to be extremely limited in Korea.

6.3.3 Korean Legislation

This section discusses general Korean Labour Legislation for employees, and also discusses the role of the Tourism Promotion Act within quality enhancing business strategy.

Korean Labour Law does not allow hotels to hire foreign employees except for the specific jobs of general manager and chef. Naturally, a goal of hotel management is to maximize profit. Management will often attempt to do this by cutting employment expenses because in the hotel industry these are a high percentage of overall costs. As a result, hotel management are likely to seek to turn the law to its advantage, for example by repeatedly letting atypical employees go before they have been employed for three years, and then hiring atypical replacements for exactly the same position. This issue is further discussed in section 6.3.5. The trade unions have responded to such practices and tried to protect their members by negotiating and implementing collective agreements for the hotel industry that are based on the Trade Union Act and therefore guaranteed by the Korean government. On the other hand it is legally required that Korean hotel employees must undertake training as set by Occupational Safety, hygiene education as set by the Health Act, and sexual harassment prevention education under the Equal Employment Opportunity Act. Consistent with this legal requirement, the findings based on employees' views (quantitative data) show that a high percentage of employees do indeed receive a thorough level of training in relation to these HR practices.

The authority for conducting hotel rating evaluations has been delegated to the Korea Hotel Association and Korea Tourism Association by the Tourism Promotion Act. Hotels can select one of the two associations to evaluate hotel ratings. Both associations must follow the criteria for deciding the hotel rating of tourist hotels, and also abide by the regulations of a number of evaluators. The evaluation team is made up of 6 people (i.e. evaluation of service conditions and customer satisfaction is by 3 people, evaluation of architecture, facilities, parking facilities is by 1 person, evaluation of electricity and communications facilities is more than 1 person, evaluation of fire-fighting and safety is more than 1 person) and the Tourism Promotion Act also specifies that both associations must provide the results of hotels ratings within 5 days, to the minister of Ministry of Culture, Sports and Tourism. In order to retain their status as deluxe (i.e. super deluxe or deluxe) hotels, hotels in Korea should meet the relatively high demands of the Tourism Promotion Act. Hotel rating evaluations are conducted every three years, or when there has been reconstruction or extension of a hotel facility. All deluxe hotels participating in this study have passed through these demanding regulations, which means that they are equipped with excellent facilities and levels of service. An international hotel chain sampled by this study was upgraded to 'super deluxe' hotel from 'deluxe' hotel in 2010. The Tourism Promotion Act in 2013 has been revised so that now hotels must be re-evaluated every three years. This implies that the revised regulation is compulsory; hence hotels must follow it because they had the same regulation as before, but it was not compulsory, so most hotels were not re-evaluated every three years. The purpose of the revised act is to provide correct information to customers to help them to make a rational decision when selecting a hotel. In addition to the facility requirements it imposes, the Tourism Promotion Act also imposes non-facility requirements upon hotels such as training and development. This strong legislation compels management to provide training that will ensure that all deluxe hotels are capable of meeting the various needs of customers to a sufficient standard, as discussed in chapter 5. The Tourism Promotion Act drives a number of HR practices, that is, the act covers a variety of training (i.e. foreign language, complaints response, greeting, attitudes, and make up) in order to keep a high level of quality overall, thus retaining the status of a deluxe hotel. Training was shown to have affected employees' attitudes and their behaviour towards customers from the findings of this study. In addition, legal training is provided by other Korean legislation acts as mentioned above, but the Tourism Promotions Act also encompasses these training regimes (See section 5.4.2). As expected from the literature review in chapter 2, it is

unsurprising that the findings show that HR managers and employees all agree that foreign languages are very important, and that hotels require some degree of language capability of employees, especially in the sector of rooms; and that this is very important in terms of recruitment and selection. Within the industry it is deemed that training and adherence to the practices mentioned above is an important factor in retaining the required level of quality enhancing external standards that apply to a deluxe hotel. Also these findings do show that Korean deluxe hotels must comply with the government regulations and strong Korean legislation that protect employees.

6.3.4 Strong trade unions and collective agreements

Today's independent trade unions have their origins in the movement from an authoritarian environment (i.e. the era of former president Park Chunghee) to a democratic environment (i.e. the era of former president Kim Youngsam). It is this political movement in Korea that has facilitated independent trade unions. The Trade Union Act 1997 enshrined the legitimacy of the independent trade union and brought in many practices in relation to employment conditions (Kwon & O'Donnell, 1999). The independent trade union became a legitimate representative in organising labour and played a pivotal role against government in response to the mass lay-offs of employees during the financial crisis of late 1997. The financial crisis caused most employees to gain a greater awareness of the importance of the trade unions and, as indicated in chapter 2, the membership of unions has increased, because employees are keen to exercise their rights, and to retain a collective voice capable of challenging both the government and companies (Frenkel & Peetz, 1998). The trade unions are also responsible for many changes in employment practices (i.e. the adoption of an annual pay system, restricting the numbers of atypical employees, voluntary resignation etc).

The traditional role of trade unions covers welfare (Lucio & Perrett, 2009; Wang, 2005; Kim & Kim 2004; Kuruvilla et al., 2002; Croucher & Brewster, 1998; Kern & Sabel, 1991; Oswald, 1979); wage (Gallin, 2001; Koo, 2000; Machin & Stewart, 1996; Kern & Sabel, 1991; Schnabel, 1991); job security (Kim & Kim 2004; Weston & Lucio, 1997; Kern & Sabel, 1991); working conditions (Kim & Kim, 2004; Gallin, 2001; Koo, 2000); address the power relations between employees and management (Wang, 2005); improving compensation, protecting against discrimination and enhancing information sharing (Kim & Kim, 2004). The findings of this study have also shown that trade

unions play a similar role: improving employees' welfare and welfare facilities; facilitating pay negotiations through collective agreements; protecting employees from unjust dismissal; inspecting any alleged violation of the Labour Standard Act by management (i.e. unjust transfer from management and sexual harassment by senior managers). HR practice in Korea is distinctive in that it considers highly the issues that employees care about most, like pay, bonuses, promotional opportunities, job security and fair treatment; such areas have strong positive and negative employee outcomes and so are seen as very important. The research has found that trade unions play a large role in the Korean hotel industry. The distinctive role of the unions shows a range of more paternalistic management practices such as taking good care of the member's family events unlike western countries (i.e. the UK). The findings show that hotels provide some degree of financing for celebrations (i.e. wedding ceremonies, birthdays, childbirth, and graduation), condolences (i.e. funeral), hospitalization and supporting school expenses for employees' children. Hotels offer a paid holiday in relation to these family events. For wedding ceremonies, birthdays, and funerals, the employer will cover expenses for not only the employee, but also for his/her family (i.e. expenses are provided for an employees' spouse, a lineal of employees' brother and sister, a lineal of employees' parents, both sets of parents etc.). This implies that Korean employees' welfare is strongly associated with the ties of kinship and family that are combined with collectivism, and this is a very distinctive achievement of trade unions in Korea that sets them apart from their Western equivalents. Also trade unions facilitate pay negotiations through collective agreements of indirect voice. In this respect, the role of the trade unions is very distinctive compared to that of the UK, because they have different circumstances: "a decline in the coverage of collective bargaining and a corresponding increase in the proportion of establishments where pay was determined unilaterally by management or by some external body" (Bach & Winchester, 1994, p. 264). Again, these findings have provided the advocates of centralised pay determination by trade unions in Korea with support, in contrast to the advocates of decentralised pay determination by individual employees in UK. Trade unions provide more external training opportunities such as academic; university-level studies abroad, and sending employees for benchmarking in other countries in the Korean hotel industry. Whilst the role of trade unions in relation to training has been limited, without considering the indirect influence of unions (Green et al., 1999). As mentioned above such reasons give employees the desire to have a strong relationship with trade unions, therefore the

unions have a high level of union density apart from their Western equivalents (See Culley et al., 1999; Lucas, 1996).

Union density has declined in most developed countries such as the UK, US, Germany and Australia since the 1980s (Kim & Kim, 2004). In the service sector, more recent statistics support that union density has reached its lowest level, for example the level of unionisation within the accommodation and food service is 3.8% in the UK (National Statistics Publication: Trade Union Membership, 2010), and the trade union density of the accommodation and food services is 2.4% in the US. Trade union density in the areas of retail, wholesale, restaurants and hotels is 5.1% in New Zealand (Household Labour Force Survey, Statistics New Zealand, 2004). This implies that the managers retain a managerial prerogative to require their employees to unilaterally accept their decisions in the UK, US and New Zealand hotel industry. Again the collective voice of employees has little or no impact on the approach taken by HRM in these countries. However, the level of unionisation within the hotel and catering industries is higher in Korea than it is in many other countries. For example, as discussed in chapter 1, the level of unionisation in deluxe hotels is 39.8% in Seoul and Busan. Western countries (i.e. the UK) and the findings support that a large number of employees depend on trade unions, and this in effect creates stronger trade unions in the Korean deluxe hotels. Piso (1999, p.184) indicates that “the high levels of both part-time work and labour turnover, are very real barriers to unions”. Barriers have occurred in the Korean hotel industry since the global financial crisis, in that many trade unions have lost some of their members (and thus become less effective) as hotel companies hired a large number of ‘atypical’ employees but unions are still strongly recovering. The findings indicate that employees perceive the trade unions to be important, as they need the trade union to continuously maintain their employment rights and to maintain the standard of working conditions. Trade unions are managed by and for their members, and members should be regular long-term employees rather than non-regular, ‘atypical’ employees. A union representative commented that “basically, our trade union exists for regular employees but we try to change the non-regular employees to regular employees” (Korean owned hotel, Chaebol, Trade union representative 10). This demonstrates a very proactive strategy on the part of unions to retain their existing membership and to acquire new members through collective agreements within the hotel.

The success and nature of the relationship between the trade unions and hotel management varies by company, according to the results. For some hotels, there is a good relationship between the two parties; for other hotels the relationship is not so good. However, in the case of most hotels, the relationship between trade unions and management is not bad, as is supported by the following quote of a trade union representative: "I think the union and my company would have close links with each other, not a hostile relationship. We can't work if my company does not exist. I mean employees also earn money from the company and the company also needs employees to make a profit. So we need a partnership" (International chain hotel, Chaebol, Trade union representative 1). This shows that trade unions are likely to cooperate in getting through a crisis, if companies face up to particularly difficult circumstances.

6.3.5 Financial context

As proposed by Atkinson (1985), the concept of 'flexibility' has been a central theme in organisations all over the world. The strategic aims and goals of the 'flexible firm' model are to meet the demands of rapidly changing markets and to design company workforces to meet business needs using flexible staffing arrangements. Atkinson's model (1985) indicates the benefits of a flexible staffing strategy in the organisation in the aspect of management: to achieve a long-term competitive edge; to reduce employment costs by using cheaper sources of labour; and to combine staff levels and business volumes effectively. The model shows different kinds of flexibility and is divided into 'core' groups and 'peripheral' groups for labour flexibility. The 'core' groups are made up of full-time employees and the most highly-skilled workers working on the company's main activities, whilst the 'peripheral' groups are part-time or contractual workers. Organisations focus on the 'core' groups in relation to 'functional flexibility' - the concept that employees tasks are changed to meet with a workload that itself changes due to forces of emerging technologies and/or product change in the organisation. In order to address market fluctuations in demand, the 'peripheral' groups are used to achieve a greater flexibility in the number of employees in the company (numerical flexibility). In the service sector, the quantity of 'peripheral' workers has maintained significant growth since 1980 in UK. Walsh's (1990) study suggests that part-time, temporary and casual staff are not peripheral workers anymore and these employees constitute a core in organisations, therefore such employees are not supplementary in terms of a company's business activities in the British retailing and

hospitality industry. In this context it is clear why employers continue to use numerically flexible workers instead of utilising full-time employments in the service organisations (Walsh & Deery, 1999).

As a result of the financial crisis in 1997, a great number of companies conducted massive ‘lay-offs’ and many people lost their jobs, including former hotel employees. As a result, employees have realised the importance of job security. Korean employees feel that they can work till they retire and this atmosphere was widely spread in terms of Korean organisational culture, before the financial crisis. If employees are fired by management, employees would have struggled to find a new job at that time. This was because management was likely to accept that the employees did not have the capability, therefore it would have been especially difficult for them to get a job after a period of unemployment. These social misconceptions, plus the severe challenges brought about by the financial crisis, made employees understand the importance of job security. In particular, the income from work is a critical lifestyle factor that impacts upon managing the home and family kinship. The findings of this research show that Korean employees are concerned about job security to a greater extent because guaranteeing “job security is an important determinant of work satisfaction” (Spector et al., 1999, p. 11).

As discussed in section 5.4.5, strong employment legislation guarantees job security in Korea; however, after the financial crisis, the employment structure has changed such that hotels prefer hiring atypical employees (i.e. contract workers, internship and part time employees) to hiring regular staff. Because hotel companies seek both a profit and a reduction in employment costs in terms of hotel management, they are likely to use the law skilfully. For example, Korean legislation supports that non-regular employees can become regular employees after 3 years of their contract employment, however most companies let their non-regular employees leave before the end of the 3 year period. The findings imply that friction exists between management and trade unions (employees) because the income of hotel employees is used to guarantee the livelihood for their family as discussed above. Thus employees are very concerned about job security, whereas hotel management will downsize employment costs as much as possible without breaking the law. Another important and surprising finding is reflected in the following quote by a trade union representative: “we have achieved a fixed number of regular employees in the housekeeping department. My company didn’t

want to hire regular employees in this department and just gave the job to the outsourced staff but we regulated that the housekeeping department keep 11 regular employees continuously by the collective agreement” (International chain hotel, Non-Chaebol, Trade union representative 6). This implies the utmost efforts from unions to retain a minimum level of regular employees in relation to ‘peripheral workers’ in a hotel. In relation to these workers, most hotel management have a tendency to hire atypical staff or outsourced staff to cut down employment costs in Korean deluxe hotels. In addition, as indicated in chapter 5, most trade unions have extended the retirement age of employees’ to between 57 and 62 years. Korean deluxe hotels should guarantee job security until retirement age as a result of a collective agreement between management and trade unions.

A distinctive difference shows itself in that, in response to the global financial crisis, most Korean companies have accepted an annual pay system of the Western type. The annual pay system differs between the hotel industry of the West and that of Korea in that the annual pay system of the Western type is likely to focus more on individual performance, which depends on an employees’ capability, whereas the annual pay system of the Korean type is based on factors including employees’ education level, working period (seniority), job position and the performance reviews of employees collectively. In the Korean model, managerial staff benefit from an annual pay system, while operational staff are offered a salary step system in most hotel companies. The mixed pay system is widely used in Korean deluxe hotels.

Consequently, Korean trade unions have become well organised after the financial crisis and their collective voice impacts the HR practices, whereas UK trade unions are less organised, as demonstrated when the pressures of the financial crisis over there brought about conflicts in the workplace.

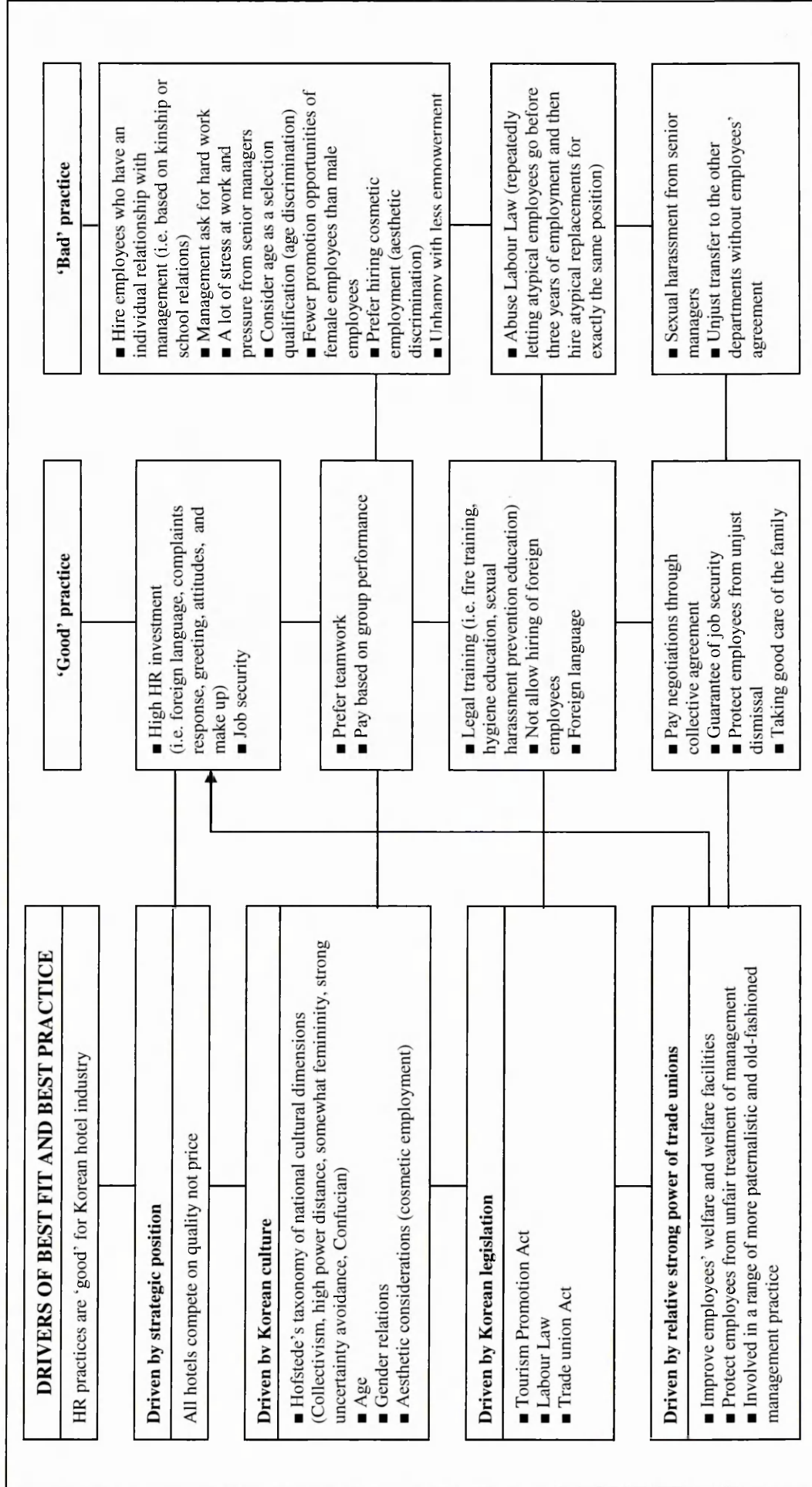
6.4 AREAS OF CONFLICT

This section discusses areas of conflict between management and employees from all the findings. Figure 6.2 mainly shows what is good practice or bad practice in terms of employees based on the key drivers of Korean culture, Korean legislation, trade unions and financial context in the Korean hotel industry. The author has categorised ‘good’ practice which enhances workplace relations, and ‘bad’ practice which creates negative

workplace relations to the employees. Employees perceive some HR practices which are relevant to Korean culture as 'good practice', which enhances workplace relations. The findings show that both employers and employees consider 'team work' as a culturally driven good practice. The following shows why team work is a good practice in Korea: Korean culture is "integrated into strong, cohesive in-groups, often extended families and this is manifest in a close long-term commitment to the member group, be that a family, extended family, or extended relationships" (Lee, 2012, p. 188). In general, Korean companies have a hierarchical structure of organisation (Gray & Marschall, 1998) therefore the HR practice of 'making a voluntary open communication with employees by attended wedding ceremonies or funerals' is a surprising finding. This shows the effort of HR managers to understand employees' feelings of what is good or bad about working in hotels. Therefore, it can be 'good practice' for employees, however in Korean culture, Confucianism is a very important cultural value and it challenges the hierarchical and authoritarian corporate culture in organisations (Chung et al., 1997). Therefore, it seems that employees find it difficult to speak their mind in such meetings. Not all practices of best fit and best practice in Korean deluxe hotels are 'good' for employees. Some cultural values lead to unfair practices, such as favouritism through kinship and discrimination. Actually those HR practices are bad practices and are associated with negative outcomes, like age discrimination, gender discrimination, stress and sexual harassment. Some elements of Korean culture, however, do not result in best practice as understood in the Western context and in the exiting literature (Ferner, et al., 2005; Taylor & Walker, 2003) (there are some elements of the culture which leads to forms of age and sex discrimination and also the employees do not always feel comfortable about the high power distance).

Korean employees see kinship (in relation to recruitment and selection) and informal relations as bad practices in the aspect of collectivism, and these views surface in the form of unjust feelings toward the HR practice, which makes employees feel that they must quit their job in the hotel.

Figure 6.2 Good practice vs bad practice in the Korean hotel industry



This indicates that there are also negative aspects to a collective society apparent in the workplace that employees do not like (i.e. kinship and informal relations). Because they are likely to encounter the situation through long periods of work experience and the working environment, as a result they are likely to perceive that considering kinship relationships in relation to recruitment and selection are bad practice within hotels. Korea and Japan are collectivist societies with cultural values that are based on kinship which are still central to both management systems (Mensik et al., 1999). Traditionally, Korea has a cultural value which is called a 'yon-go' relation, which indicates "relation-based behaviours" that are associated with family members, relatives, educational backgrounds and regional origins (Chung et al., 1997). For instance, if Koreans graduate from the same school are born or raised in the same region, such things promote "a sense of belongingness and trust" (Mensik et al., 1999, p.906). In addition, "while this sense of belongingness promoted harmony within the close-knit group, it fosters a sense of exclusion toward others" (Ibid). These cultural values were reflected in HRM practices in Korean deluxe hotels, therefore employees feel negatively about hiring employees who have an individual relationship with management based on kinship or old school ties.

Employees who work in a front office or food and beverages have more concerns about additional selection qualifications (i.e. age, kinship, seniority). Confucian values and heritage have still remained strong and important in Korean culture and these have impacted on its HRM practices, despite the influence of Western culture (Rowley, 2001; Lee, 1998): age is one of criteria to determine Korean status (Lee, 2012) and it is a very important method in the ranking of people in a Korean society, therefore Korean organisations consider age as a selection qualification. Employers are likely to establish a rank in order to maintain better management in an organisation while younger employees, especially, strongly resist this traditional culture in the workplace. Therefore this creates a conflict between management and employees. Also, age is a considerable discrimination in the recruitment process in China (Cooke, 2001). In this aspect, age discrimination still exists in their organisation in Asian countries. On the contrary, UK organisations prevent the occurrence of age discrimination (Taylor & Walker, 2003; Walker, 1999) which "may have negative consequences for employee attitudes and hence perhaps for performance and organisational effectiveness" (Snape &

Redman, 2003, p. 78-79). In addition, the emphasis on the Confucian culture has great effect on work in organisations (Dunung, 1999) that affect HR practice of Korean employees.

Previous studies of vertical and horizontal gender discrimination are observed in the hotel industry in the UK (Purcell, 1996), and in Hong Kong (Keung & Pine, 2000). The common results from these studies have found that in the general manager positions male-domination still remains strong, whilst female employees mainly work at housekeeping and reception and male employees work in the kitchen and bar. As discussed in section 6.3.2.2. Korean female employees are required to overcome the barrier which is referred to as the 'glass ceiling' and "tensions which push women into disadvantageous positions" (Cooke, 2001, p. 338). A number of earlier studies have indicated the considerable barriers of women's employment which are specifically associated with gender (Jung & Choi, 2004; Ng & Pine, 2003; Cooke, 2001; Knutson & Schmidgall, 1999; Crafts & Thompson, 1997; Brownell, 1994). The reason why female employees have fewer promotional opportunities than male employees in Korea may be related to a notion of Confucian traditions which strongly emphasise gender roles (Sung, 2003). This means that Korean society is a male-centred society and therefore such traditional values (i.e. child-care and husband support at home) pushes women into the domestic arena. In work, women could be dismissed more easily than their male colleagues, and it is assumed women want to put family commitments before work, so that male employment could be preserved (Kim & Finch, 2002). In the Hong Kong hotel industry, there is a higher proportion of male to female managers and this is associated with the notion "the cost of a career to women in terms of their family lives is high" (Ng & Pine, 2003, p. 98).

There is a very distinctive HR practice in relation to sexual harassment. The Korean government provides sexual harassment prevention training as a legal requirement, but there is much evidence from the findings of this study that sexual harassment from senior managers is still going on in the Korean hotel industry. The reasons for this are expressed by, Gilbert et al. (1998, p. 49) who indicates that "young women are less confident when dealing with people in authority, and feel less important than any other group of employees in the work place." Hence sexual harassment is directly related to

high turnover, poor working relationships and economic costs, which are associated with tangible financial costs through higher employee turnover and non-tangible costs of human suffering as a result of sexual harassment (Gilbert et al. 1998). By systematically addressing the issue of sexual harassment, hotel management can protect employees and create better productivity and effectiveness in an organisation (Ibid).

In Asian countries such as Hong Kong and China, previous studies proved that employees feel more stressed at work (Yu et al., 1998; Siu & Cooper, 1998; Siu et al., 1997) whilst Danes have less reason to feel stressed at work (Schramm-Nielsen, 2000). This study has demonstrated Korean employees are put under a lot of pressure by senior managers by testing a strong uncertainty which is based on Hofstede's (1980) value. Indeed, employees' deaths have been determined as having resulted from this reason. There is remarkable evidence that an annual average of 314 employees die because of overwork (Ministry of Employment and Labour, 2011). The statistical figure indicates that 1,572 employees died from overwork in job-related accidents over a period of 5 years (2006-2010). In this aspect, the level of work-related stress experienced by Korean employees is one of highest of any country in the world. Employees who work in the hospitality industry encounter customers in a number of diverse services hence they are sometimes faced with uncertainty in their job (Kim et al., 2009). The reason why hotel employees are likely to experience stress as a result of customers, unlike those in the manufacturing industry is discussed in chapter 5. This is associated with the rhetoric of "the customer is king" and that management predominantly focuses on the customer's voice and needs (Boyce, 2000). Hence employees are likely to need the patience of Job to deal with such customers. In addition, handling the issue of stress is very important because this is related to the notion of "subject to a mass of competing, often contradictory or conflicting demands and expectations from a multiplicity of sources" (Hales & Nightingale, 1986, p. 10). Moreover, most hotel managers also suffer from work-related stress (Brymer et al., 1991). Kim et al. (2009) found that female employees have more negative aspects/views about role stress and role conflicts in terms of gender in the hotel. In relation to this, the research also found that female service employees had experienced sexual harassment from senior managers together with day to day and often personally insulting rudeness, making work much more

difficult for them as discussed chapter 5. It seems that these reasons increase the stress index of female service employees within a hotel.

In relation to job design, the autocratic management style impacts upon positive feelings more than might have been expected. It is likely to be seen some employees feel happy to work hard and to make sacrifices for the work team as a whole within the organisation. The results are likely to have a complex connection with Korean culture where people sacrifice themselves for other people without receiving additional pay from the company. Employees who work in international hotel chains are more concerned about an autocratic management style than employees who work in Korean owned hotels. Employees who work in international hotel chains are likely to experience a different organisational culture that does not expect individual sacrifice for their company through working experiences. In practice, however, employees feel unhappy about an autocratic management style, for example: “20 employees usually worked in the department but there are only 15 employees at the moment, so the employees are swamped by a heavy workload” (International chain hotel, Chaebol, Trade union representative 6). This creates employee grievances, and the findings of the research show trade unions try to resolve the problems, therefore it is evident there is a conflict in HR practices between management and employees. Korea is a high power distance society that implies managers should be respected for authority based on a hierarchical system. Also Hong Kong is classified as a high power distance by Hofstede (1980) and Mok et al. (1998, p. 5) indicating that “the ideal leadership style in a high power distance society tends to be more autocratic or paternalistic.” In addition, his findings demonstrated that Chinese employees prefer a leadership style of paternalistic or autocratic management in the Hong Kong hotel industry (Ibid). It appears that most Chinese employees manage their work according to what their senior manager wants, and they expect power to be distributed unequally. As mentioned above, Korea is a high power distance society and, in practice, there still exists an autocratic management style in organisations. However, there are different findings between Mok’s (1998) study and the research that implies the Mok’s work was conducted about 16 years ago. The employee’s climate has changed through a bettering of education opportunities and exposure to Western ideas. Again many international companies are coming to Korea and employees accept the Western style of HR

practices, as a result of which Korean employees are likely to prefer a consultative management to an autocratic management style.

Employees do not like flexible working being transferred by management, there is evidence: “for example, an employee worked at F&B, but my company asked him to transfer to the room sector and he complained that he has only worked in F&B and was not happy about working in the room sector” (Korean owned hotel, Chaebol, Manager 10). This shows that employees are not happy to transfer unreasonably to a different department without the employee’s agreement, while companies like the HR practice because they are likely to cultivate employees who can be deployed to any department. In this regard, flexible working is likely to be seen as a ‘bad’ practice by employees and it can cause conflict between management and employees. Male employees, employees who work for Chaebol hotels, older employees, employees in high positions, employees who have worked long-term in the hotel industry are more concerned about flexible working rather than their counterparts. Male employees are likely to be seen as reluctant to transfer to other departments compared to female employees. Long-term employees in the hotel industry consider flexible working to be important because they are likely to experience direct or indirect unjust transfer around the hotel throughout the extended periods of their work.

Employees expect to have job security while management does not like guaranteeing this. After the financial crisis in 1997, most companies now prefer to hire atypical employees (i.e. contract workers, part time and internship) to save employment costs as discussed in section 6.3.5. Moreover, management are likely to skilfully evade the Korean Labour Law by letting atypical employees leave before their 3 years of continual working, because Korean legislation guarantees that atypical employees can become regular staff after 3 years. Therefore this HR practice is considered to be one of the common areas of conflict between management and employees.

HR managers believe that they provide a consultative management style in relation to employee voice and consultation, as discussed in chapter 5. However, employees feel that management are not likely to sufficiently consult with their employees, therefore the management style is also an issue which creates conflict between management and

employees. The findings of this research show that this impacts positively and negatively upon the feelings of employees. Employees who have more education opportunities and who are exposed to Western ideas consider communication with management to be important because they believe that keeping open communication is one of the most important HR practices in the organisation. In addition, employees who have high-ranking positions and who work long term in the hotel, and in the hotel industry, are more concerned about consultative management styles. The results show that management should know their employees' feelings toward their organisation through an open communication line, and they should try to establish what HR practice best reflects human resource management with regards to their employees.

Employees' want to be treated fairly in relation to bonuses, pay and promotion opportunities. If the hotel companies have fair HR practices, it creates positive employee feelings, whereas if a hotel company does not have fair HR practices, employees want to leave their work. What makes hotel employees feel unfairness exits at work? "One example is that of two employees who both work in the same department and who both started working for the company at the same time. One of these employees works hard but does not have an individual relationship with the hotel management; the other employee does not work hard but, he often drinks and socialises with management and has a close relationship with them" (Korean owned hotel, Non-Chaebol, Trade union representative 8). The latter employee (who has a close relationship with management) gets a promotion and higher pay earlier than the former, despite not having worked as hard. This is clearly likely to be perceived as an unfair practice by employees and examples like this still occur in the Korean hotel industry (See, Kim & Jr, 2008).

6.5 CHAPTER SUMMARY

This chapter discusses why Korean deluxe hotels adopt a combination of best fit in the aspect of business strategy, and best practice which is driven by Korean culture, Korean legislation, trade unions and the financial context. Deluxe hotels have a business strategy to maintain their market share in the deluxe hotel industry therefore they are likely to focus on those HR practices (i.e. appearance, service education training, and

service quality issues), which are influenced by the strategic position of the hotel based on a quality enhancing strategy, and also from the Tourism Promotion Act. For example, the HR practices of 'appearance' and 'service education training' are driven by a quality enhancing business strategy and are also driven by Korean legislation. That is, a quality enhancing business strategy and Korean legislation play an important role in the deluxe hotels industry. As a result, this chapter suggests a framework to combine a combination of best fit and best practice which fits in the Korean hotel industry through all findings. The framework covers the quality enhancing strategy, Korean culture, Korean legislation, and the financial context. Confucianism plays a more dominant role in the understanding of Korean culture than Hofstede's other elements, therefore it has an impact on HR practices in relation to 'age' and 'gender relations'. Some elements of HR practice (i.e. team working, pay based on group performance) are relevant to Korean culture, therefore it can be described as 'best practice' or 'good practice', while in other areas like favouritism (i.e. hiring employees based on kinship) or discrimination (i.e. considering age when hire employees, make sacrifice for the work team) bring tension between employers and employees. Hence those conflict practices are described as 'bad practice' in the aspect of employees, and these are culturally driven HR practices. The Tourism Promotion Act specifies relatively high demands of criteria and there are specific regulations for hotels in order to become deluxe hotels. The revised Tourism Promotion Act shows that hotels must be re-evaluated every three years, which implies that the regulation is compulsory. Also Korean legislation protects employees, and Korean hotel employees must undertake legal training in deluxe hotels. Korean employees, including HR managers, perceive that the trade unions are very important to reflect their indirect voice to the management and also employees concern about job security in terms of guaranteed household income. After the financial crisis, employment patterns have changed (i.e. flexible employment) and the annual pay system was introduced. Also this chapter reveals which HR practices are distinctive to the Korean deluxe hotels compared to those of Western countries. In relation to employees' feelings, Korean employees like working as a group. However, they do not like kinship and informal relations in relation to recruitment and selection in the aspect of cultural standards. In addition, Korean employees experience a lot of stress at work and they do not like having flexible work or being subjected to an autocratic management style from senior managers. Korean

employees also want to be treated fairly regarding bonuses, pay and promotion opportunities in terms of organisational justice.

The next chapter discusses the contribution of this study, which includes implications of best fit and best practice, culture, aesthetic labour, Chaebol hotels, trade unions and development of the SHRM model. Also, the next chapter discusses the limitations of the study and recommendations for further research in SHRM in the Korean hotel industry.

CHAPTER 7

CONCLUSIONS

7.1 INTRODUCTION

The aim of this research is to explore the strategic human resource management that operates within Korean deluxe hotels. From the findings of this research, as discussed in Chapter 6, there is a distinctive picture of Korean HR practices. The key drivers of business strategy, Korean culture, Korean legislation, trade unions and a financial crisis all impacted on HR practice in Korean deluxe hotels. Also, these drivers provide a theoretical argument between ‘best practice’ and ‘best fit’ HRM in the Korean context. This final chapter discusses the contribution of this study: how the key drivers influence both ‘best fit’ and ‘best practice’ HRM in the Korean hotel industry; extending and understanding Korean culture which impacts on practices including areas of employment legislation, company structure, and aesthetic labour. This chapter also discusses the limitations of this research and makes recommendations for future research.

7.2 CONTRIBUTION TO KNOWLEDGE

This study contributes to current debates about best practice and best fit in different national contexts and examines the drivers, which have contributed to HR practices, taking views of HR managers, employees and trade unions. A key contribution of the research is that; a combination of best fit and best practice is operating simultaneously in Korean deluxe hotels, and it also explores the distinctive nature of Korean culture, aesthetic labour, company structure, trade unions and a new SHRM model presented in this section.

7.2.1 Implications for Best fit vs Best practice

The research findings support a best fit approach, as well as a best practice approach. That is to say, best fit and best practice both operate simultaneously in the Korean deluxe hotels. Best fit researchers (Boxall & Purcell, 2011; Storey & Billsberry, 2005;

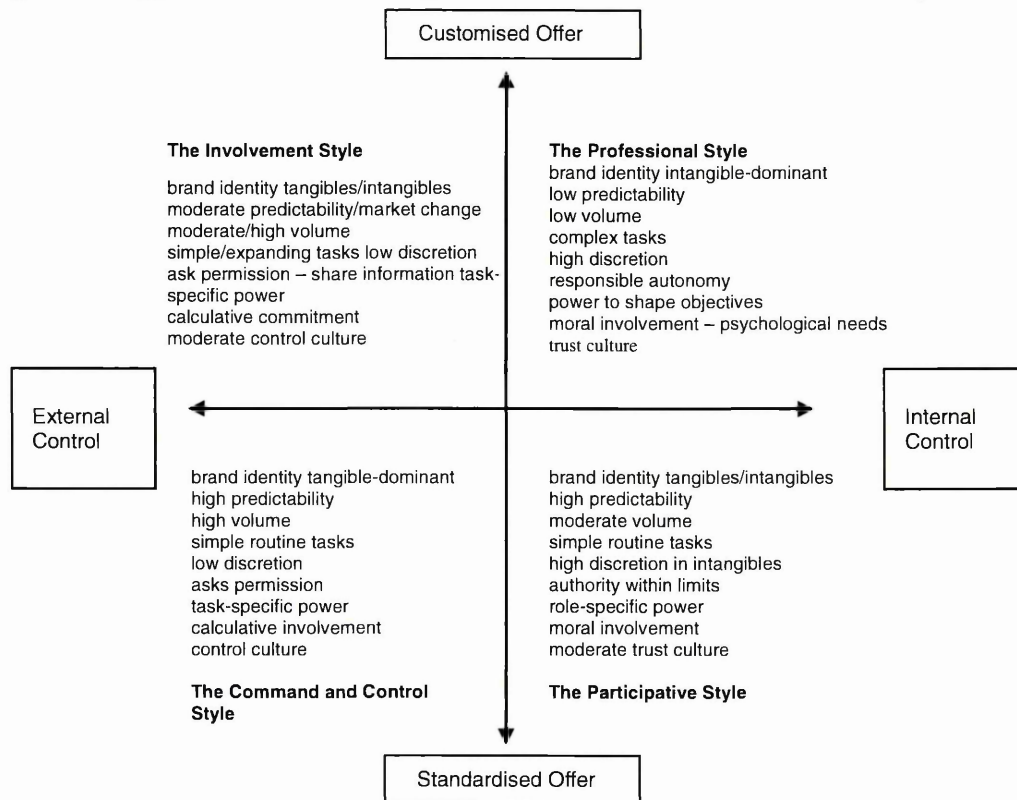
Gould-Williams, 2004; Wright et al, 2003; Appelbaum et al, 2000; Gratton et al., 2000; Delery & Doty, 1996) have emphasised how firms should select strategic HR choices in their organisation as it is closely associated with the success of their business. As discussed in chapter 3, the argument of best fit in this research is about business strategy and there are differences between quality enhancement and cost leadership from the view of Schuler and Jackson (1987). The main argument of Schuler and Jackson (1987) is that business requires employees to have different HR practices according to the specific business strategy (Huang, 2001). That is, HR practices of each organisation vary with business strategy in terms of 'best fit' (Jiménez- Jiménez & Sanz-Valle, 2005). This study is based on deluxe hotels, therefore quality enhancement practice leads to competitive success and this HR practice is appropriate for the Korean deluxe hotels. Quality enhancement strategy focuses on enhancing the quality of product and services, hence previous research has demonstrated that employees should employ the HR practice of 'selecting good staff', 'providing appropriate training and development' and 'job security' in quality enhancing firms (Michie & Sheehan, 2005; Rodríguez & Ventura, 2003; Huang, 2001; Kelliher & Perrett, 2001). In this study, the findings identify those practices aligned to a quality enhancement strategy in the Korean deluxe hotels. However the findings also support that Korean deluxe hotels adopt best practice because Korean culture, Korean legislation, trade unions and the financial crisis have a huge influence in operating deluxe hotels in Korea. Korea is a traditionally Confucian society, hence why institutional hierarchy is widely spread; Korean legislation protects Korean employees. Korean deluxe hotels have high trade union density compared to Western countries; the Korean labour market has changed after the financial crisis. Hence these findings promote the adoption of best practice in Korean deluxe hotels. Best practice approach assumes that "some HR practices are always better than others and that all organisations should adopt these best practices" (Delery & Doty, 1996, p. 803) which means some human resource practices are always associated with a positive influence on a firm's performance (Boselie et al, 2005; Gould-Williams, 2004; Wright et al, 2003; Appelbaum et al, 2000) and this study has found what the best practices are in the Korean hotel industry (See figure 6.2 page 224). Again this study clearly shows elements which constitute best practice are not a universal concept, but specific to each country.

The findings of this research indicate that Korean employees are satisfied with getting legal training to protect customers, and with a guarantee of job security through Korean legislation in the aspect of a best practice approach. Also, Korean employees are satisfied with the role of trade unions (i.e. for the benefit of employees' welfare and welfare facilities) in the workplace. Hence, employees considered those HR practices as best practice in Korean deluxe hotels. Alleyne et al.'s (2005) study proves that the role of trade unions in the Barbados hotel industry is very important because trade unions push for their hotel companies to provide a good level of certain HR practices (i.e. job security, fair treatment, to be listened to by the HR managers) for trade union members. Likewise, the role of trade unions is a very important factor in the operation of their human resource management in the specific context. In this respect, the main argument of this research is that the Korean deluxe hotels, across the industry, compete on the basis of quality rather than price and this has resulted in the implementation of both best fit and best practice. That is to say, best fit and best practice play an important role in luxury organisations. As discussed in chapter 3, it can be difficult to distinguish between best practice and quality enhancing best fit, according to the view of Hoque (1999a). Hoque (1999a) found that best fit and best practice appeared identical because best practice looked like quality enhancing HR. However the whole argument of this study revolves best fit and best practice, which operate simultaneously in Korean deluxe hotels and which demonstrate that these are two different things: one is a business strategy and the other is led by a number of different drivers, but actually, they work together in deluxe hotels. Hoque (1999a) argued that these two things are the same because high quality operations and high quality practice looked like best practice, therefore it would have been hard to distinguish between best fit and best practice. Hence he advocated that the specific types of HR practice were related to both best fit and best practice. However, this study has proven that there is a clear distinction between what practices are best fit and best practice, unlike Hoque's study (See Figure 6.1).

As mentioned above, deluxe hotels seek a quality enhancement strategy which focuses on improving service quality therefore, quality enhancement practices are considered as the key to improve their business in quality enhancing hotels (Hoque, 1999a). Deluxe hotels should consider a high quality service for the customers (Katou & Budhwar,

2008; Kim & Cha, 2002), hence scholars highlight the importance of employees' empowerment and this is an employment strategy in organisations (Ayupp & Chung, 2010; Amenumey & Lockwood, 2008; Chiang & Jang, 2008; Klidas, et al., 2007; Littrell, 2007; Haynes & Fryer, 2000). Lashley (1998) established a best fit empowerment model for four different markets within the service organisation in the UK (See figure7.1).

Figure 7.1 Approaches to the management of human resource in service organisation



Source: Lashley, 1998, p. 28

The argument of his model shows that the four different service organisations have different requirements by the criteria of the degree of discretion. As discussed in chapter 3, he categorises Marriott as a quality brand in the hotel segment, therefore it fits into the participative style quadrant. In addition, more recent research (Haynes & Fryer, 2000) has identified that deluxe hotels fit into the involvement style quadrant in Auckland, New Zealand, based on Lashley's (1998) classification of service organisation. The employees of deluxe hotels are empowered to do "whatever they can to ensure customer satisfaction" for line managers while housekeepers have been given limited empowerment (Haynes & Fryer, 2000, p. 245). In this aspect, it is possible that

deluxe hotels can lie in a different quadrant according to different country. According to Lashley's view, Korean deluxe hotels can lie in the participative quadrant in terms of market segment. Also, Korean deluxe hotels can lie in the involvement quadrant because the scope for employees' discretion remains somewhat limited in line with Haynes and Fryer's study (2000) in the aspect of 'ask permission'. The criticisms of Lashley's model (1998) and more recent study (Haynes & Fryer, 2000) was undertaken in the highly individualistic Western culture with relatively low pay, low power distance, and very weak trade unions (trade union density in the area of retail, wholesale, restaurants and hotels is 5.1% (Household Labour Force Survey, Statistics New Zealand, 2004)). Therefore, this model is likely to be suitable only for the UK or a Western service organisation, and the interesting finding is that the same deluxe hotels can lie in a different quadrant in a different country. This implies that different levels of business environment exist, even though they have similar Western culture, and that indicates that this model is not appropriate in the Korean context. The findings demonstrate that Korean culture, Korean legislation, trade unions and a financial crisis have a huge role in operating human resource management in deluxe hotels. Deluxe hotels are more customised (in terms of customised offer) and the Tourism Promotion Act specifies what deluxe hotels should look like, what type of training is required, and provides guidelines to how deluxe hotels should hire employees in the aspect of 'standardised offer'. Korean employment patterns (i.e. flexible employment) have changed, and an annual pay system has been introduced after the financial crisis, in light of 'internal control'. In particular, Korean culture includes 'age', 'gender relations', and 'aesthetic considerations' that play an extremely important role in HR management in the Korean hotel industry. In relation to Hofstede's (1994) work, the findings prove that Korea is highly collectivist with a strong inclination towards uncertainty avoidance, relatively male dominated and a high power distance society compared to that of the UK and US. It appears that HR practice, in relation to age, from the concept of Confucianism and aesthetic considerations, is pushed by management to provide a certain type of HR practice which is a culturally acceptable service to the customers. The strong trade unions, which has a high level of union density compared to the low level in the UK (Lucas, 1996), also exerts pressure on the high standard of HR practice for their members in terms of 'external control'. Additionally the high pressure for HR practices through Korean legislation pushes to provide a good level of HR practice for all hotels.

In this regard, it is possible that Korean deluxe hotels might lie in multiple quadrants because those factors such as Korean culture, Korean legislation, trade unions and financial crisis has an impact on HR practice in Korean deluxe hotels. Plus, Lashley has not taken into account the different cultures in different countries. Hence this study has developed a framework to combine best fit and best practice that is well-tailored to the Korean deluxe hotel industry, from the empirical research carried out and its findings. Figure 6.1 proposes a theoretical framework applicable specifically to HR practices in the Korean hotel industry and this shows the key drivers which cover quality enhancing business strategy, Korean culture, Korean legislation, strong trade unions, and financial context are all identified through research. Also, figure 6.1 summarises the nature of the practices and overview of employees' feelings.

Consequently, all findings support that quality enhancing business strategy plays an important role in deluxe hotels. Also best practice, which is driven by Korean culture, Korean legislation, trade unions and financial crisis, plays an important role in deluxe hotels. That is to say, the findings of this research demonstrate that both best fit and best practice have an important role in managing HRM. Furthermore, individual hotel strategy has a nominal differential impact on practice within hotels. In terms of the industry segment view, all of the deluxe hotels compete on the basis of quality rather than price, and so this demands an HR strategy which looks very much like best practice or best fit. Only Chaebol hotels are more likely to place an emphasis on selecting highly skilled employees and using more sophisticated HR practices, and employ aspects of strategic HRM such as formal performance appraisal systems. In addition, deluxe companies seek 'strategic fit', which is based on quality enhancing HR practices in terms of business strategy (Wood, 1999). The notion of strategic fit can be applicable in the Western context; however, deluxe companies should consider the distinctive drivers of Korean culture, Korean legislation, trade unions and financial context, if they want to do business in Korea.

7.2.2 Culture

The contribution of this research is to understand culture itself by Hofstede's (1983) original four dimensions of national cultures and the findings of this study have proved that Confucianism is an important factor in explaining Korean culture. As discussed in

section 2.5, Confucianism includes age as a selection requirement. Also, hard work, sacrifice, social limitation of the female workforce are all influential elements in Korean organisations and such HR practices are not universalistic but particularistic under Confucianism as it plays a major role in the industrialisation process of East Asian areas, such as Japan, China and Korea (Kim & Park, 2003; Chan, 1996, Yu & Lee 1995; Yum, 1988).

This study further develops Hofstede's (1991) work because he did not conduct a demographic breakdown of the employees from an empirical survey. However this study included a survey of all levels of employees and investigated the relationship between demographic variables (especially age and gender) and culture. Hofstede (1991) suggests that culture is changing very slowly, but there are some indications from the findings of this research that certain aspects of culture are changing quickly: a younger workforce does not want so much power distance from the management; a female workforce is not happy with fewer promotion opportunities and continued sexual harassment from senior managers. Younger people have a more critical view about those issues than the older age group. What has changed the views of younger people? They are more likely to accept modern technological innovations than previous generations, such as the use of smartphones and the internet. This may be associated with the changing attitudes of the younger generation who are more open to Western thoughts and practices. They have witnessed the decline of the Confucian tradition and the increase of the number of women in the workforce who are well educated and professionally trained (Chee & Levkoff, 2001; Palley, 1992). Therefore Korea can be considered as one of the most Westernised or internationalised countries across Asia, and the findings of this study show that different groups benefitted from this change. Cultures are changing quickly in Korean organisations, unlike in Hofstede's view which saw cultural changes happening at a slower rate.

7.2.3 Aesthetic Labour

This study introduces a new element in Korean culture, which puts greater emphasis on external beauty, and impacts on practices in the form of aesthetics. Hence this study has

demonstrated new contributions to the theoretical development of ‘aesthetic labour’, rather than Hofstede’s national culture.

Quality standards in the Tourism Promotion Act suggest hiring aesthetic labour in the Korean hotel industry is common. This implies that the aesthetic labour can be segmented according to the class of hotel, indicating that high star rating hotels are more closely related to “aesthetic” attributes of the labour force compared to budget hotels. These findings have shown that by researching the term ‘aesthetic labour’ in Korea, the author has interrogated different datasets in the discipline but could not find anything previously written about this area. Thus it is a new finding and a contribution to this study. In a similar vein, the author has found a new term, which is ‘cosmetic employment’ that has very distinctive employee relations within Korea when compared to other countries. In order to enhance future job prospects (i.e. get a better job or not fail to get a job), some applicants undergo plastic surgery, and that clearly shows that physical appearance is an important factor for obtaining employment in Korea. It is a very unusual employment strategy and the trend of ‘cosmetic employment’ practices coerces potential employees to pay high costs for cosmetics and cosmetic surgeries especially when it is likely to be seen as good practice by management. Again, the aesthetic consideration can be explained as being distinctive of Korean culture, but it is not associated with Hofstede’s conception.

7.2.4 Chaebol hotels

This chapter highlights the emergence of a number of studies focusing on a distinctive Korean company called ‘Chaebol’, which involves the concept of a family-owned company. The structure involves the family of the Chaebol president (Kim, 2003; Kim & Lee, 2003; Campbell II & Keys, 2002; Choi & Cowing, 1999; Claessens et al., 1999; Gul & Kealey, 1999; Shin & Park, 1999). There is little research evidence to evaluate HRM based on hotels operated by Chaebol companies (Min et al., 2009; Pucik & Lim, 2001). That is, the hotel business is one of a number of subsidiary companies owned by Chaebol in Korea. The role of Chaebol hotels as a subsidiary company of Chaebol allows employees to offer business facilities to corporate clients in its hotels. Also Chaebol hotels provide incentives for employees to stay at the hotel and use the place to

promote co-operative entertaining for businesses. These additional roles of Chaebol hotels encourage employees to feel proud of working for the Chaebol Company. In this respect, the purpose of the hotel is to be the best in terms of facilities and this is also advantageous for their business image and reputation.

7.2.5 Trade unions

This study has found that the role of trade unions can be powerful in deluxe hotels, unlike in the US and the UK. The results of government support are that employees feel more secure. These are interesting new findings about the role of trade unions in Korean hospitality industry compared to other countries. By comparison, 39.8% of Korean deluxe hotels recognise trade unions in Seoul and Busan and this indicates that trade unions involved with Korean deluxe hotels have a stronger voice than those in the UK hotel industry. Also this implies foreigners and foreign companies need to understand that Korean employees have a greater participation in the decision-making process in an organisation through an indirect voice. Therefore, foreign companies should realise the more distinctive role of trade unions compared to that in Western countries for their business to succeed in Korea. The following example supports why foreign companies require an understanding of the importance of the relationship between trade unions and management for international business as conflict can arise between management and employees:

“In the case of our hotel, as you know it had 3 different owners, and previous owners stuck to their promise with trade unions, but the current owner does not want to continue the previous agreement, so there was conflict and as a result we went on strike...The thoughts of the previous president was that the management had no desire to win against employees and he tried to provide a good environment for the employees to feel relaxed in the hotel, so there would be no conflict between management and unions.....After that, our hotel was jointly taken over by a foreign real estate investment company and another investment company. They are only interested in making a profit. I mean they do not think about employees' welfare as much as the previous owners did. Which meant that they could sell our hotel any time if they thought that it was not a good business. But we have a different idea because we do not want to lose our jobs;

so the role of trade unions is very important for employees...Well I think they need to understand what is different compared to their (the new owners) country in terms of employees, if they are foreign owners or foreign investors” (International chain hotel, Non-Chaebol, Trade union representative 7).

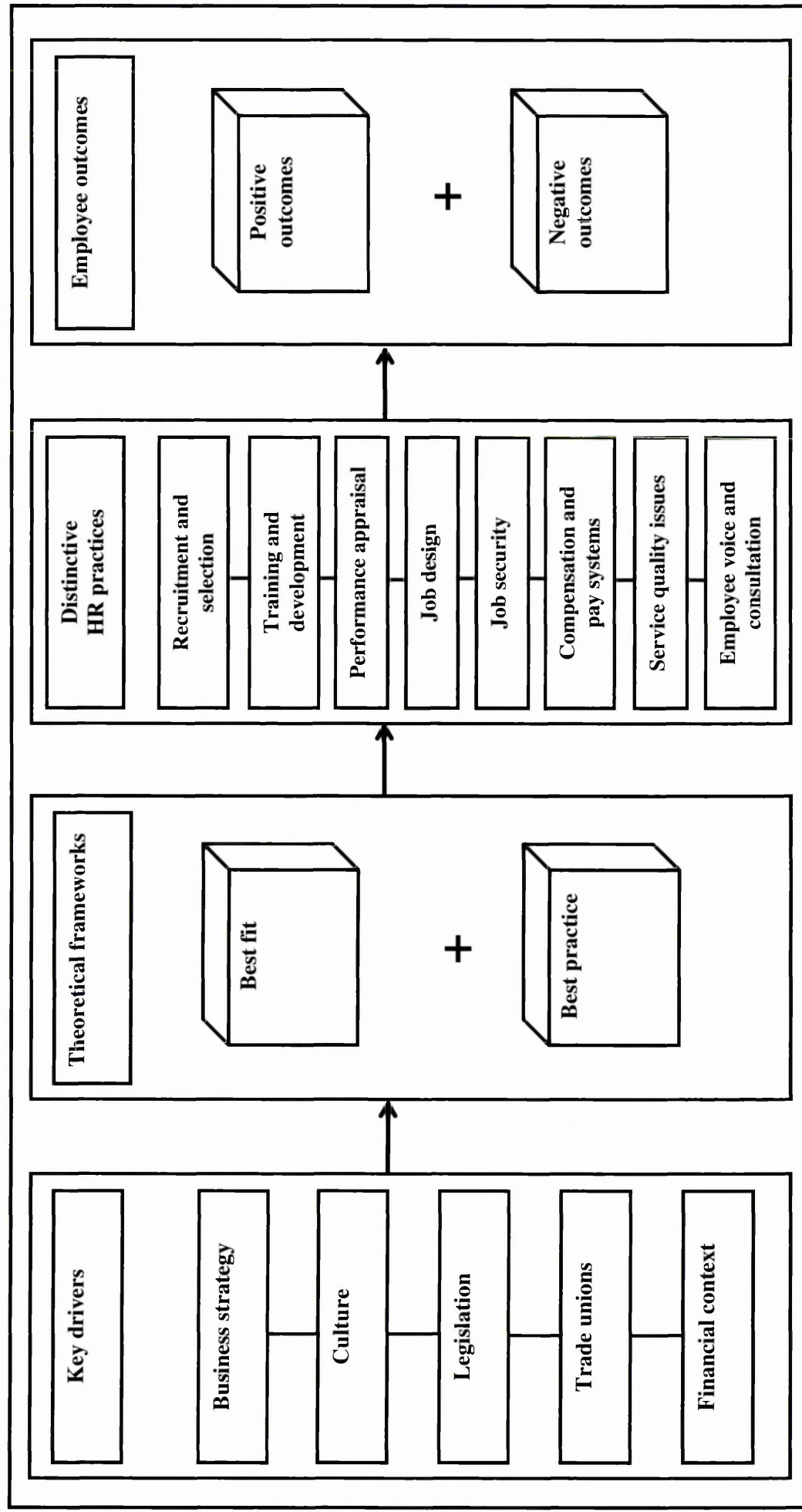
7.2.6 SHRM model

This study has developed a new SHRM model (See Figure 7.1) by embedding a combination of best fit and best practice in a new framework, (See Figure 6.1 page 206) sourced by data collected from the Korean deluxe hotel sector. It shows the specific drivers and type of HR practices related to employee outcomes. The SHRM model can be tested in other countries too, not just for Korean deluxe hotels. It can provide an understanding of how distinctive HR practices generated in a particular country are related to employee outcomes; the key drivers (i.e. business strategy, culture, legislation, trade unions, and financial context) relate to both best fit and best practice; and in turn enhance our understanding of positive and negative employee outcomes. The model also shows how successful outcomes can be measured in terms of employee’s feelings about their organisation. As my SHRM model is a more internationally applicable than other traditional SHRM models, I propose the model can be used in other contexts, such as Asian and Western countries.

The purpose of this model is to help develop an understanding of positive and negative outcomes for employees in relation to HR practices, under the headings of specific drivers. Also the framework demonstrates what drives practices for particular employee outcomes. Looking at positive employee feelings, the HR practices here are; training, job security, and the role of trade unions. Employees do like training, which is driven by Korean legislation. This brings good outcomes for employees, and hence it is a good idea to support government policies in this area. Employees, it was found, like trade unions to be involved with management; they feel happy about welfare and welfare facilities trade unions organized, and they were found to be helpful for employees. Therefore managers need to continue engaging in a positive way with trade unions because this brings positive outcomes for both sides.

On the other hand, looking at negative feelings, employees were generally not happy with an unjust recruitment process, unjust promotion, unfair transfer of personnel decided by company policy, and the recruitment of atypical employees which is driven by the financial context. It is a truism that a happy workforce is a more productive one, it is therefore important to see what practices make employees feel better.

Figure 7.2 Strategic Human Resource Management Model



Employees take account of unjust recruitment and selection processes, unfair promotion and unreasonable transfers. In particular, younger employees do not like HR practices such as widespread nepotism in their hotel. Therefore HR management need to have more objective methods for recruitment, make clearer promotion guidelines, and try to understand which departments are suitable for employees. In order to promote employees fairly, management need to make sound and unbiased policy decisions. After the financial crisis, flexible employment appeared in Korea and this brought with it negative outcomes. These employment policies were introduced due to the financial context.

Employees in these areas of employment felt that strong government policy needs to protect all non-regular employees by supervising and scrutinizing companies' employment practices. In the Korean context it should be noted that some companies lay off the non-regular employees before the end of their 3 years of service to avoid any legal obligation when they become regular employees, thus avoiding their responsibilities in employment law.

Sexual harassment from managers, which is codified and outlawed by Korean legislation, also brought negative outcomes. In order to reduce the negative outcomes, the government provides more regular training opportunities for HR managers. Employees are unhappy with having less empowerment, whilst managers get more empowerment which is driven by business strategy. This strategy may backfire because a more empowered workforce would bring more customers; as well trained and empowered staff will give better customer satisfaction and this generates more income by increasing the number revisiting customers.

In summary, the HR practices outlined above, in both positive and negative outcomes, show how policies from companies and government can impact on employees' attitudes and feelings towards their work environment. I would argue that it is crucial for a successful business to understand the negative impacts of HR policies in their organization; in doing so they are able to adjust policies to make employees feel better and maintain positive outcomes for all employees. As discussed above, the policy from a company or government needs to respond to each HR practice, thus the control of HR practices by policy makers is very important in this area.

7.3 LIMITATIONS OF THIS STUDY AND FURTHER RESEARCH

The study was conducted with interviews at multiple levels (HR managers, trade union representatives at hotel and trade union representative at company level) and questionnaires for HR managers and hotel employees in Korean deluxe hotels. This study was successful and accomplished valuable results, however, several limitations should be noted. The SHRM model developed for this study was based on subjective responses by HR managers, trade union representatives and employees. It had been suggested by Dess and Robinson (1984) higher reliability can be achieved, when objective data is unavailable, by substituting subjective data in research studies. Therefore it is acceptable to combine both subjective and objective data to extract greater accuracy, if time and cost are permitted for further research. The nature of cross-sectional design of this study did not allow for the examination of casual linkages, therefore longitudinal research is required to gain a more detailed relationships between SHRM and employee outcomes over time. As a result, the problems of cross-sectional design in this study will be addressed further. For example, how the government and company policy relationship changed during the global financial crisis and how this influenced HR practices and effected employee outcomes since the start of the crisis.

The fieldwork interviews and questionnaires were especially challenging, as Koreans are unaccustomed to being interviewed and, the practice is generally met with discomfort. Thus, the author made an attempt to provide a relaxed atmosphere in order to obtain a more authentic and reliable interview from the subjects. The HR managers interviewed were likely to describe mainly all the good aspects of HRM in their hotel and they were very careful and guarded in their answers. As the author shared the same ethnic and career background associated with these HR managers, there might be a possibility of bias or distortion in the data collection. In addition, a number of Korean employees are likely to get tired of answering questionnaires because they have answered various kinds of questionnaires from the hotels' own, and academic students or researchers. Again, almost all dissertations and articles in Korea are written with quantitative and not qualitative data. This study obtained a large volume of quantitative data; more time is required to thoroughly analyse all employees' data, in particular the cause or causes for such a high standard deviation in a few areas such as age and kinship. Due to time limitations, this study did not address such questions; therefore, more research is necessary to investigate correlations between high standard deviation for kinship and other factors such as age.

The research has shown that the Korean deluxe hotel industry adopts a combination of best practice and best fit HRM driven by quality enhancing business strategy, Korean culture, Korean legislation, trade unions and financial crisis from the view of HR managers, trade union representatives and employees. Korean legislation is one of the most important key drivers from the findings of this study; therefore further research is required involving the view of government charge of Korean Labour Law and the Tourism Promotion Act. Further research could explore: what is important in HR practice in relation to Korean labour, what the role of the government is in designing and improving HR practices in the Korean industry, and whether the views of HR managers in the hotel industry fit the culture of Korean and company strategy. Additionally, further research is needed to examine the impact of legislation in relation to HR in other industries in Korea.

Trade unions play a large role in providing material services such as scholarships, loan programs, however “nonfinancial services, like mental health programs, family counselling, and alcohol and drug prevention, are rarely offered” (Choi, 2009 p. 266) therefore further research is required in this area. Very little has been reported in the literature on trade unions in the hotel industry (Anastassova & Purcell, 1995; Aslan & Wood, 1993; Macaulay & Wood, 1993) based on European countries, hence emphasising the need for further work to examine this area in other country contexts.

Future research is also required to examine the new key drivers of Korean culture, trade unions and Korean legislation that impact budget hotels, and to investigate these HR practices that also apply to other sectors of the hospitality industry. Furthermore, further research is required to compare the results of how key drivers influence hotel companies in other countries (i.e. Japan, China). This research has examined the relationship between HR practices and employees’ feelings regarding positive and negative aspects; more research is required to investigate the relationship between HR practices and economic outcomes in terms of hotel management, and the relationship between HR practices and customer outcomes. In relation to aesthetic considerations, further research would examine how employees feel about HR practices associated with aesthetic factors, and why Koreans are prepared to accept ‘cosmetic employment’. In a review of the literature, kinship is shown to be an important issue in Korea; therefore, it was surprising that results indicated that HR managers and employees consider this

issue as relatively insignificant. Finally, the SHRM model can be tested in any context, and in any country, to aid further research in this area.

7.4 CHAPTER SUMMARY

The research has found that Korean deluxe hotels adopt a combination of best practice and best fit HRM. The findings of this research have contributed to a theoretical development in relation to the best practice and best fit arguments, regarding the key drivers of a quality enhancing business strategy, Korean culture, Korean legislation, trade unions and the financial context. In addition, this research has contributed to an understanding of Korean culture, aesthetic labour, Chaebol hotels, and trade unions. Also, this study has developed a new SHRM model, which can be generalized in other sectors, and in other countries. This model explains the drivers that generate both best fit and best practice and shows how distinctive HR practices impact on employee outcomes. Although I formulate a Korean approach to a SHRM modelling, I submit it can be a more internationally applicable model, emphasising the external drivers allows for a more complete understanding of the relationship between SHRM practices and employee outcomes.

Chinese and Japanese unions are likely to have a similar goal, to achieve long-term employment security for employees at the work place (Baek, 2000; Morishima, 1991). Deluxe business organisations expect best fit approach regarding quality products and hence quality enhancing HR practices arise from their business strategies. However foreign companies need to understand the distinctive culture and the role of trade unions in Asian countries, and use similar working practices in this context.

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APPENDIX 1 Different quality standards between countries

	Korea	AA	Previous studies (Hoque, 2000; Lewis, 1987; Nightingale, 1985)
1. Hotel front, lobby and hallway sector	<ul style="list-style-type: none"> ■ Evaluation of how to harmonise between hotel theme and interiors, plus evaluation of how these give an overall impression to the customers ■ Evaluation of staff uniforms, hair and appearance conditions and customer baggage service (the process of handling of customer's baggage promptly and kindly). 00 ■ Bathroom maintenance conditions of inside facilities (basin, mirror, toilet and cloth hanger) and consumable stuff (soap, towel or paper towel and air freshener) ■ Appropriate function of cashier information reception ■ Front staff capability - knowledge of their work, language capability (English, Japanese and other languages), install and operation of hotel safe, the management status of room's key, booking service of cultural events ticket, train, bus, flights, rent car, shuttle buses, computerisation of check in and out ■ The management of hallway and stairs - cleanliness conditions of stairs and hallways (floors, walls and ceiling), lighting conditions in the hallways 	<ul style="list-style-type: none"> ■ Consider guest needs (i.e. business or leisure) and provide good space and comfort atmosphere ■ Staff should dress uniforms for guests to judge between staff and guests ■ Staff provide luggage service promptly and also provide the same service before guests will leave the hotel ■ Provide spacious, numerous bathrooms including toilet facilities with refinements ■ Require well-maintained, regularly cleaned and ventilated of all toilets and provide consumable stuff (i.e. soap toilet paper) and hand drying facilities, seat with lid, covered light, mirror, hook on door, sanitary bin, bags and toilet roll holder ■ Provide 24 hour reception for guests (i.e. no delay and greeting arriving guests, accept a bell during the night) ■ Booking service (i.e. theatre, sight-seeing trips, taxi, travel and other requests) ■ Provide very good lighting and well designed for showing off features ■ Wide and spacious of corridors 	<ul style="list-style-type: none"> ■ The quality of facilities (Nightingale, 1985) ■ Require reception staff to wait on customers with standing (Hoque, 2000) ■ Front-line staff is given empowerment and authority to ensure standard of service (Hoque, 2000) ■ Provide soap in the wash rooms (Lewis, 1987) ■ Front-line staff is given responsibility and authority to solve customer complaints (Hoque, 2000)
2. Room sector	<ul style="list-style-type: none"> ■ Room number ■ The type of rooms ■ The extent of rooms ■ The extent of bathrooms ■ Key handling system, the degree of comfort of room - floor, ceiling, wall, wall paper and ventilation conditions, the design, quality of furniture and these harmonise with room's atmosphere, soundproof conditions of room ■ Management conditions of in-room consumables - 	<ul style="list-style-type: none"> ■ Be equipped with one suite at least/Numerous luxury suites ■ All bedrooms are very good spacious with bed-settees and consider layout and room size for room service ■ Provide more spacious bathroom with free space ■ Provide ease use and a very good quality of all furniture, soft furnishing, fittings and flooring ■ Alcoves should be located in the entrance or lobby area 	<ul style="list-style-type: none"> ■ Provide quality of the bed (Lewis, 1987) ■ Clean rooms (Lewis, 1987)

	<p>provide pen, cosmetics, glasses, mirrors, water bottle, desk and chair for work, tea-pot, mini bar, dressing gown, hair drier, over 4 types of towels, tissue, soap, shower cap, toilet paper</p> <ul style="list-style-type: none"> ■ Management of bed and beddings (bed size and quality, conditions of mattress spring) ■ Cleanliness conditions of room and bathroom the cleanliness conditions of room floor, wall, cell, bathroom's floor, wall, and cell, duvet cover and pillowcase, furniture, TV, window frame, lighting facilities, bath, basin, toilet, shower, soap case ■ Provide information about hotel facilities and tourism information around the hotel from TV or brochure which can offer over 3 other languages including Korean, hours for room service coverage 	<ul style="list-style-type: none"> ■ Double and twin room provide two easy chairs ■ Provide very good quality of wall coverings and paintwork ■ Provide proper style and height of seating for room service eating ■ Provide a key or keycard and safe bedroom doors ■ Provide writing materials, stationary and very good quality toiletries (i.e. hand soap, bath soap, shampoo, gels, body lotion, tissues etc) and a hairdryer ■ Provide enough quality free space for dressing and writing table ■ Provide full height dining tables and occasion for dining ■ Provide two mirrors at least in the bedroom (a full-length mirror and one in the dressing table area) ■ Provide in-room facilities (i.e. china cups and teapot, choice of hot drinks including a range of speciality teas, fresh milk, and freshly ground coffee ■ Should change bed linen and duvet covers which are very good quality at least every three days and for each new guest ■ Provide very good quality of beds (pocket sprung mattress and base with greater headboards) which is larger-sized ■ Provide high standard clean status of all bathrooms, shower rooms, plugholes, shower curtains, mirrors, extract fans, flooring, seating, bedding, linen and towels, washbasins and WCs daily ■ Provide a more comprehensive directory for guests ■ Provide 24 hour room service (i.e. light snacks, hot, cold and alcoholic, dinner menu) with a hospitality tray, if not provide the service, the hotel should inform it to guests ■ Provide multilingual directory with visually enlarged material 	
3. Restaurants	■ Management of restaurant facilities - there are	■ Hotel opens one restaurant at least for guests and	■ Appropriate number of bars (Lewis, 1987)

and kitchen sector	<p>restaurants, which include a Korean restaurant and coffee shop, restaurant atmosphere with flowers and pictures, the conditions of using space in the restaurant, the atmosphere in the types of restaurants, the quality of table and chair and the conditions of interior</p> <ul style="list-style-type: none"> ■ Restaurant staff service - the cleanliness of restaurant staff hair, shaving, nail, uniform, attitude towards guests, knowledge about menu, a command of foreign languages ■ The cleanliness conditions - restaurant floor ■ The variety and conditions of menu - menu design by the variety of restaurants and written foreign language ■ Kitchen facilities and management ■ The management and store conditions of food suppliers - keeping conditions of expiration date of food ■ Kitchen facilities and conditions - the conditions and sort of kitchen counter and cleanliness of kitchen, the conditions of drainage of kitchen floor, kitchen validation, control visitor access ■ Kitchen staff uniforms and working attitude - kitchen staff hair, clean kitchen attire worn by staff, cap and work shoes, understanding of safety and hygiene, kitchen staff shifts and management of appropriate manpower ■ Delivery system of providing food from kitchen to customers, separate garbage collection section 	<p>non-guests seven days a week (i.e. provide breakfast and dinner)</p> <ul style="list-style-type: none"> ■ Provide a very good of brasserie/bistro/bar for lunches ■ Tables are a good size and well-spaced and provide very good quality of table appointment ■ Staff provide a very good standard of customer care with polite, courteous attitudes and a very good levels of food and beverage ■ Staff need service skills and knowledge about wine ■ Staff need escort to guest's table at all meals and serve food and drinks in all areas ■ Sever all meals with appropriate temperature and a very good degree of skill and presentation ■ Require adequate full height dining tables to prevent delays/expected various seating styles ■ Consider food safety ■ Consider hygiene 	<ul style="list-style-type: none"> ■ Provide quality of meal (Lewis, 1987) ■ Provide the quality of food in a restaurant (Nightingale, 1985) ■ Serve meals at the proper temperature (Lewis, 1987)
4. Management and operation of additional facilities	<ul style="list-style-type: none"> ■ The atmosphere and the level of using of additional facilities (i.e. fitness club, saunas, swimming pool, performance hall, arcade) ■ Staff's command of foreign languages of staff; international conference facility - provide international conference facility in the hotel ■ Simultaneous interpretation, audio and video facility 	<p>Booking system – provide a prompt and effective reservation and give a confirmation by letter, fax, email or text message</p>	

		<ul style="list-style-type: none"> - over three languages, OHP, overhead projector, beam of laser pointer ■ Booking system - computerization of booking system and operation and service conditions of booking department- having web sites, can reserve booking through web, using portal sites ■ Operation of business centre - support facilities – PC, FAX, copy machine, internet communications net, customer can rent mobile, laptops, PDA etc ■ Business centre service time ■ Facilities for the disabled ■ Rooms for disabled people including blind people ■ Staff welfare facilities - operation of staff restaurant, staff response/operation of welfare facilities ■ Operation of employee benefits - scholarship, reward, holiday, go on a picnic, have a company track meet, social gathering for friendship such as climbing and choir ■ Contribution to tourism industry (i.e. international conference, academy, performance, concert and festival) ■ How many times of contribution to community- community service for local people and events which bring harmony between hotel staff and local people ■ Management of accounts in the past two years (i.e. make a profit) ■ Employee education conditions in the past two years - education method (i.e. commissioned education related to hotel association, guest speakers, using hotel instructor) ■ Education systems such as provision of job training, general education, service education and foreign language instruction ■ Hotel employee ratio per room ■ Employee turnover ratio in the past two years ■ Hire hotel managers who pass a qualifying 		
5. Hotel staff welfare and contribution to tourism industry				

	examination for hotel management conducted by Korean government		
6. Parking facilities sector	<ul style="list-style-type: none"> ■ Parking spaces at the front ■ Installation and operation of CCTV in parking lot for customer's and their car's safety ■ Reception of public TV for emergency ■ Convenience of parking facilities ■ Conditions of parking lane's painting, lightening and validations 	<ul style="list-style-type: none"> ■ Consider guests' security and safety and their belongings in car parks ■ Require appropriate levels of lighting for safety 	
7. Architecture and equipment sector	<ul style="list-style-type: none"> ■ Appearance of architecture - adds beauty or character to hotel appearance, harmony between hotel and surroundings, maintenance of building opaque walls, hotel signs and convenient access to the hotel ■ Suitability of architecture structure ■ Function of other facilities - employee welfare facilities, machine room, storage ■ Air conditioning, heating and ventilation facilities - rooms, restaurants, banquet halls, kitchen ■ Sanitary facilities ■ Facilities maintenance management - HVAC facilities condition, plumbing system sanitary facilities ■ Temperature control system of rooms ■ Lobby area 	<ul style="list-style-type: none"> ■ A very good level of maintenance and cleanliness for buildings, their fixtures, furnishings, fittings and exterior and interior décor ■ Use very good structural insulation and a consideration for the minimum of internal and external noise level ■ Provide excellent heating, ventilation and extraction ■ Provide an excellent temperature control including air conditioning ■ Provide a very good space ■ Reception area within lobby and entrance hall should be clearly designated 	
8. Electricity and communications sector	<ul style="list-style-type: none"> ■ Service communication facility management condition of communications network of maid call system ■ Emergency electricity ■ Number of hours emergency generators can operate ■ Emergency calling facility in rooms and elevator facility - regular safety inspections of elevators, public communication method during an emergency, how many of the elevators work from emergency electricity during the blackout ■ Lightening facilities conditions of rooms - variable lighting ■ TV and communications conditions in rooms ■ TV broadcast receiver conditions 	<ul style="list-style-type: none"> ■ Check all electrical and gas equipment for guests' safety ■ Lift should consider the size, comfort, quality and speed ■ A separate lift for hotel services (i.e. luggage, laundry and room service) ■ Provide enough light overall including at the mirror and well designed for lighting effects ■ Provide TV - greater than 18ins/Provide additional audio, terrestrial channels (i.e. in-house channels, CD Player, DVD or video library, satellite, cable, and playstation etc) and various radio channels ■ Provide international calls 	

	<ul style="list-style-type: none"> ■ Conditions of international calls ■ Internet connection conditions in rooms (i.e. Internet connecting facilities including computers in the rooms) ■ Wake-up calls for the rooms 	<ul style="list-style-type: none"> ■ Provide an additional socket for using internet and broadband connection ■ Provide morning call service 	
9. Fire fighting and safety sector	<ul style="list-style-type: none"> ■ Provide a guidebook for emergency situations ■ Fire fighting safety facilities of rooms, front, hallway, restaurant and additional facilities (i.e. fire detector, fire extinguisher, emergency bells) ■ Fire drill of employees in the past one year ■ Employees operation of fire fighting facilities and they have know-how of how to evacuate their customers ■ Know how of taking emergency measures of employees ■ Management conditions of CCTV - each set of stairs, elevators, lobby, front desk, parking lot, restaurants, additional facilities ■ Efficiency of CCTV facilities - identify of hotel facilities from CCTV ■ Have insurance for customers ■ Improvement conditions for indications of regular fire fighting inspections ■ Have safety manual and security procedures for terror incidents 	<ul style="list-style-type: none"> ■ Provide printed instructions including multilingual procedure for emergency in every bed room and assist guests during an emergency at night ■ Consider appropriate measures for the security of guests and their property ■ Consider a high degree of general safety and security for guests (i.e. provide information of evacuation procedures for emergency events) ■ Have public liability insurance cover 	
10. The level of customer satisfaction sector	<ul style="list-style-type: none"> ■ Front desk service - check in and out, simplification of the process for checking mini bar ■ Employee attitudes - greeting, attitudes, appearance, uniforms, speaking ■ Booking systems - satisfaction degree of various booking system of hotel home page, travel sites, phone ■ Laundry service - using time and speed ■ Customer monitoring system - there are postcards for complaints, systemization of handling complaints ■ Customer information system - tourism information guide system, various materials and information guide system customer want of rooms ■ Phone etiquette ■ Complaints response 	<ul style="list-style-type: none"> ■ Well trained professional staff provide very good service for guests ■ Staff have very good social skills for individual guests' needs ■ Staff provide a very good standard of technical skills for all areas at any time ■ Staff handle all booking with courteous manner, if they do not have reservation department ■ Provide laundry and dry-cleaning and shoe cleaning service with advertised prices ■ Offer valet parking 	<ul style="list-style-type: none"> ■ Provide prompt procedure for check in and check out (Hoque, 2000) ■ Right attitude (Hoque, 2000) ■ Evaluate hotel service by a mystery customer (e.g booking procedures, service delivery) (Hoque, 2000) ■ The quality of information (Nightingale, 1985)

	<ul style="list-style-type: none"> ■ Valet parking service and provide service when disabled and old people get on/out of cars ■ Service of calling a taxi, checking luggage of customers 		
11. Additional score mark	<ul style="list-style-type: none"> ■ Adding points ■ International conference's facilities/hire of expert staff related to international conference ■ Performance for holding international conference in the past two years ■ Sports and leisure facilities/Hire expert instructors of fitness club and swimming pool/ convenient facilities ■ Operation of Korean restaurant ■ Landscape gardening of outside ■ Hire staff who speak foreign languages ■ The ratio of employees with a license such as hotel general manager or cooks ■ Subtracting points ■ Fire, crime occurrence and robbery case in the past three years ■ Illegal act of employees and managers in the past three years ■ Have an administrative action of sanitary inspections, fire inspections and labour dispute in the past three years ■ Handling conditions for customer complaints 	<ul style="list-style-type: none"> ■ The garden is an attraction to visitors ■ Provide high degree of quality of appearance all year around with well maintained and kept tidy ■ Hire multilingual staff for an international market 	
12. Annexes		<ul style="list-style-type: none"> ■ Consider where annexe accommodation is situated with easy walking distance or provide chauffeured transport or escort for guest convenience from the main building and provide good levels of external lighting 	

APPENDIX 2 List of questions

HR managers	Trade union representatives at hotel	Trade union representatives at company level
<ul style="list-style-type: none"> ■ HR manager's role in the hotel ■ Hotel company's strategy (i.e. quality, standardised, growth plans, market) ■ If HR plays any significant role in implementing hotel strategies ■ Hotel company's HR strategy and its major elements ■ The role of quality enhancing strategy in shaping HR practices in the hotel ■ Korean culture influence on hotel's HR practices ■ How strong is the trade union in the hotel ■ What influence has it had on the development of HR practices in the hotel ■ To what extent HR practices have been influenced by the Tourism Promotion Act ■ To what extent HR practices have been informed by home country policy, values etc. and how these relate to Korean values and culture (for foreign owned hotels) ■ Which HR practices have changed in the hotel since the financial crisis ■ Effectiveness of HR practices in getting the best from Korean employees ■ Changes/ Innovations in HR practices and these HR practices' influence on hotel employees in developing these 	<ul style="list-style-type: none"> ■ Trade union representative's role in the hotel ■ Trade union's role in the hotel ■ Opinions about trade unions and how they impact the hotel ■ What designs improve HR practices for members in the hotel ■ What benefits have you obtained from the trade union presence in the hotel ■ The perceptions of your members on achievements of trade unions ■ The impact the current practices have on members ■ The future of trade unions in the hotel ■ Which HR practices have changed in the hotel since the financial crisis ■ The views on the fairness of employment conditions in the hotel ■ Perceptions on the relationship between hotel management and trade union 	<ul style="list-style-type: none"> ■ Trade union representatives' role at industry level ■ Trade unions' role in the hotel industry ■ What designs improve HR practices for members in the hotel industry ■ What do you think about trade unions and how they impact the hotel industry? ■ Are you achieving what you expect from hotel companies or the government by collective agreements for your members ■ The perceptions of your members on achievements of trade unions ■ The perceptions of the hotel industry of trade unions ■ The impact the current practices have on members ■ The future of trade unions in the hotel industry ■ Which HR practices have changed in the hotel industry since the financial crisis ■ If the HR practices in the hotel industry fit the culture of Korea and company strategy

APPENDIX 3 Questionnaire for employees

	Factor	Questionnaire content	Measurement item	Scale
Independent variable	Recruitment and selection	<ul style="list-style-type: none"> ■ Your experience ■ Your appearance ■ Your major in the university or college ■ Your grade in the university or college ■ Your foreign language score (i.e. English, Japanese, Chinese) ■ Members of extend families, regions, school relations and Kinship ■ Your age ■ Your seniority ■ Clearly defined selection criteria? ■ Structured and standardized interviews? ■ Involvement of union leaders jointly in the hiring of staff in your hotel? 	11	Likert 5 Scale
	Training and development	<ul style="list-style-type: none"> ■ My hotel has a clear policy requiring all staff to take part in a minimum amount of training each year ■ My hotel evaluates training ■ My hotel is committed to developing a broad range of skills among its staff ■ I have received excellent training to help me do my job well 	4	Likert 5 Scale
	Performance appraisal	<ul style="list-style-type: none"> ■ Your hotel measures performance with objectively quantifiable results? ■ Do your hotel managers informally discuss individual performance with you? ■ Does your hotel formally carry out a performance appraisal system link to pay and rewards? ■ Does your hotel consider group goal-setting as part of performance move appraisal? ■ Your hotel uses informal appraisal system (i.e. bosses do not give formal feedback or formally evaluate employees)? ■ Your hotel values employee loyalty as much as good performance? ■ Your hotel promotes staff on the basis of seniority? ■ Staff in your hotel are involved in setting performance targets? 	8	Likert 5 Scale

APPENDIX 3 Questionnaire for employees (continued)

	Factor	Questionnaire content	Measurement item	Scale
Independent variable	Job design	<ul style="list-style-type: none"> ■ Your hotel considers the design of jobs to make full use of worker's skills and abilities? ■ Your hotel provides flexible job descriptions that are not linked to one specific task? ■ Your hotel makes you think you belong to the group? ■ Your hotel sometimes makes you feel you have to make sacrifices for the work team as a whole? ■ Your manager expects you to do work without raising difficulties? ■ Your manager asks you to work hard in your hotel ■ Your manager consults with you about how work should be done before making decision? 	7	Likert 5 Scale
	Job security	<ul style="list-style-type: none"> ■ Your hotel guarantees job security? ■ If your hotel was facing economic problems, would the staff budget be the last thing to be cut? ■ The trade union influences the level of job security in your hotel? 	3	Likert 5 Scale
	Compensation and pay systems	<ul style="list-style-type: none"> ■ Your hotel provides pay based on group performance? ■ Your hotel provides pay based on seniority? ■ Your hotel decides pay levels by age? ■ Your hotel provides a bonus based on seniority? ■ The trade union negotiates pay increases and bonuses in your hotel? 	5	Likert 5 Scale
	Service quality issues	<ul style="list-style-type: none"> ■ Production/service staff are responsible for their own quality in your hotel? ■ Majority of employees are currently involved in quality circles or quality improvement teams in your hotel? ■ Are service staff empowered to make decisions to ensure service quality? 	3	Likert 5 Scale
	Employee voice and consultation	<ul style="list-style-type: none"> ■ Managers keep open communications with employees in your hotel? ■ Employees are provided with the opportunity to suggest improvements in the way things are done in your hotel? ■ The trade union negotiates staff welfare and benefits in your hotel? ■ The trade union influences the level of benefits such as maternity leave, holidays and pensions? ■ The trade union influences the staff welfare facilities (i.e. staff lounges, social gatherings and children's scholarship)? ■ Is the trade union involved in resolving employee grievance in your hotel? ■ Is the trade union involved in resolving employee discipline in your hotel? 	7	Likert 5 Scale

APPENDIX 3 Questionnaire for employees (continued)

	Factor	Questionnaire content	Measurement item	Scale
Independent variable	Organisational justice	<ul style="list-style-type: none"> ■ Your hotel provides fair pay? ■ Your hotel provides fair bonus? ■ Your hotel provides fair opportunity for promotion? ■ Your hotel operates a fair procedure of recruitment and selection? ■ Your hotel operates a fair procedure of promotion? ■ Your hotel operates a fair procedure of grievance and discipline? 	6	Likert 5 Scale
Dependent variable	Employee performance	<ul style="list-style-type: none"> ■ I am very happy working at the hotel and I would recommend it to others ■ I am very satisfied with my job ■ I am very satisfied with the benefits I receive (meals, holidays etc) ■ I am disappointed that I ever took my job in the hotel ■ I often think about quitting my job ■ I plan to leave the hotel jobs as soon as I can find another job 	6	Likert 5 Scale

APPENDIX 4 Example of an interview transcript (HR MANAGERS)

Name: HR MANAGERS

Description: R HOTEL (International chain hotel, dedicated hotel company)

Created On: 11/05/2011 10:21:05

Created By: SS

Modified On: 14/06/2011 06:12:46

Modified By: SS

Size: 12 KB

Read Only: No

(International chain hotel, dedicated hotel)

A: Thank you for answering the questionnaire. I start interview with you from now on. Please tell me about your role in the hotel?

B: I am a HR senior manager and my job is dealing with overall HR in my hotel.

A: Please describe to me the strategy of your hotel company?

B: Company strategy?

A: Yes. for example, your hotel strategy focuses on service quality or banquet events within luxury market hotels...

B: When my hotel opened before, my hotel sought a high price policy but now, we need to rethink our policy to make a profit by external market characteristics, and as a result, it can't be helped to choose the discount of products we provide. It has become 'hotel standardised' to some degree now I think. So, my hotel has had to focus on service aspect and we have spent lots of money on it...but now, other hotels have imitated our service and ... the service is now similar between my hotel and other hotels. As a result, we have realised that we have to focus on two things.. the first one is faithful to basic, another one is a differentiated policy?

A: What is the basic?

B: The basic is..... basically we provide a three step service which means eye contact, calling a customer by name or title name, and then provide a greeting...The basic means to politely take customers to their table, take an order properly or call a customer by name and title when they check out or pay bills at the restaurant. This are very basic things but sometimes we might be neglect them and just focus on other things..... If we deal with it as important in managing the hotel, we guess we can still make a profit or it makes increasing profits also.

A: You mean, your hotel mainly focuses on service quality and providing the good service.

B: Yes, we used to provide a voucher to customers to have breakfast in the morning..but it seemed inconvenient because they have to show the voucher to the staff ... besides the voucher looks like a ticket.. Anyway, the appearance was not good... so we have changed so that there are customer lists at two different restaurants in the hotel. So our staff provides greetings first and then the staff check customer names on the list... In addition, customers can now choose tea or coffee... and before we just provided coffee... we realised that's not good service for customers...so now, we provide a cup of coffee by brew right, as soon as the customers order it.

As you know, it takes more time but we just go back to the focusing on service quality from those things....

A: What is the differentiated policy?

B: We have a program head office provide, this doesn't exist in other hotels and the programme broadcasted on TV before. When it comes to the programme, we share information such as a customers' personality, personal details, what the customer prefers, likes, or dislikes through the programme. Also we have own our program which provides all VIP customers' information that stay in my hotel in the day. The information includes their photo, address, company name through desktop background of all computers in the hotel. So we can provide a warm welcome all the time. As I told you, the luxury hotel price is high, although it soon becomes 'hotel standardised', I mean my hotel basically charges a high price and also we provide high service quality which is focusing on the basic fundamentals as my hotel strategy to attract new customers and maintain regular customers.

A: It seems the staff's role is very important from your thinking. Does HR play any significant role in implementing your strategies?

B: Well.... We have a "DAY 365" which means we have a meeting everyday in a year. It is conducted by all Ritz carlton hotels in the world as well. We talk about common issues which are related to customer complaints and more unique problems based on local area and culture. So there are differences to talk about and problems to settle by country and culture.. But.....basically the service staff provides looks almost the same. I think the service is repeated every day and all staff are accustomed with the service. When the service is provided by staff for example, irrespective of the staffs personal worries outside of work, they provide service with smile. In order to support hotel strategy, we ask employees to control their mind through training. I mean staff can't provide high quality service, if are worried or unhappy. It is also directly associated with our hotel sales. So the HR is a very important issue I think.

- Recruitment and selection

A: Does your company have a specific HR strategy? If yes, what are its major elements?

B: Through evaluation of employees by managers of each department, we try to find the right people to work in my hotel. We don't only consider documents for interviews. I mean my hotel needs time to find the right people. After 4 months initially, the managers evaluate the employees' ability and whether they are the right people to work in the hotel. We have internship for 4 months basically, but the period of internship can be reduced depending on the employees' ability. So through this, we try to find right people for my hotel.

A: Please let me know how to select your employees?

B: We don't consider appearance in my hotel. Of course, if employees are good looking it's good but we only emphasis on her or his ability. University or college grades and foreign language level are important criteria in my hotel.

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: We provide formal training for overall employees for a year and it gives opportunities to look at the company's history such as annual reports and earnings. In addition, it also shows the projects which will be conducted by each department. Through this, employees can ask questions about what they want to know about management. Service education is conducted twice a year by the education department and it involves job skills and employee attitudes towards customers. In relation to the Kitchen for example, wine and menu development education is provided all the time by the department managers. In terms of external training, we provide English education outside. We also invite outside speakers to give training opportunities for 2 nights and 3 days. As a result, we find it difficult to operate hotel business without enough employees, besides we also had to invest a lot of money for it so now we just put emphasis on improving English and Japanese skills as an external training. We had to send my employees to work overseas in different branches in another country. This year I haven't seen any employees who want to apply for it.

- Performance appraisal

A: Please let me know HR practices which are related to performance appraisal such as how to measure employee performance based on individual performance or group performance, how to promote employees and men more successful than women in gaining promotion in your hotel?

B: Basically, my hotel is based on group performance, otherwise there is individual performance as well. However, the individual performance evaluates only specific departments such as sales and marketing in the hotel. The individual employees set individual goals based on the overall sales last year, and then they discuss them with their manager. If they exceed a target for annual output, my company appraises individual performance.

In Relation to promotion, my hotel considers working period, position types, performance development & review, which means the employees evaluate themselves about what they have conducted for hotel, and if they want to move to another department etc, evaluated employee score depending on the position of a manager. My hotel provides training about how to evaluate employees and criteria for managers. And we have interviews with individual employees for promotion.

I can't agree that the men are more successful than women in gaining promotion in my hotel. We always provide the same opportunity to all employees regardless of gender for promotion. But I can find more many men managers rather than women managers in my hotel, honestly.

- Job design

A: Please let me know about job design for example, job descriptions for your employees? Your hotel is an international hotel so does your hotel have a systematic job descriptions from home country?

B: Even though, my hotel is an international hotel we have our own job descriptions not from head office. There is some degree of difference in each department and it impacts on an employees' skill to do their jobs, furthermore it impacts on company development I think.

- Job security

A: Does your hotel guarantee job security? Have you seen that your company dismiss employees unfairly?

B: My hotel guarantees job security for employees basically, because we have to follow the Labour Law. Besides we have a trade union in my hotel. We can't dismiss employees, unless employees make a big mistake in the hotel. Also I have never seen unfair dismissal in my hotel.

- Compensation and pay systems

A: Please let me know your hotel pay system and bonus.

B: How can I say?... My hotel pay is based on a switched annual pay system so we have a different pay system from the western type of pay system. Besides there are different ways to appropriate pay between operational employees and managerial employees. For example, in the case of managerial employees, they get paid 1200won in a year. If so, my hotel provides 100won every month. Otherwise, in the case of operational employees, they get paid 20 times not 12 times in a year. Also we consider basic pay, bonus and pay step when appropriating an individual's pay. My hotel appropriates pay and bonus based on working period and job position.

- Service quality issues

A: Could you please let me know about service quality issues for example service staff empowered to make decisions to ensure service quality and some degree of the empowerment that is given to the staff in your hotel?

B: My hotel has a basic manual detailing staff empowerment. To succeed in business, my hotel must reduce customer complaints because the more often problems are not quickly settled, the more the customer complaints build up. That's an important issue. The manual said you should judge the situation and whether you can settle the problem or not. If you can't settle the problem, you call your manager. Also the manual indicates that my hotel gets the utmost of employees, all they can do. As a result, the customer complaints are reduced. We have a meeting for it once a week with all managers, the general manager and the boss. So we talk about the complaints and how to handle them and how to develop so that the problem doesn't happen again.

- Employee voice and consultation

A: I think there will be complaints after announcing the result of a promotion; in that case, some staff may raise an objection about the result. How do you handle it?

B: Yeah....There is sometimes controversy because the evaluation is conducted by managers who possibly add their subjective view not objective view. To avoid this problem, my hotel provides enough education to the evaluators in advance and HR department keep enough appraisal material of each employees to show the reasonable criteria, just in case.

A: If there are complains about promotion results, is it possible to change them?

B: No. There is no change at all. As I told you, we have reasonable data already. In addition, the manager should pay close to attention to the staff evaluation because this is related to the manager's capability so they don't make any mistakes related to promotion.

A: What role does the quality enhancing strategy play in shaping your HR practices?

B: The question looks similar to the previous question...Well.... To provide a high class of service, my hotel gives employees various training in terms of internal, external and overseas. I think the quality enhancing strategy is a direction that my hotel has to head in for employees and my hotel provides training to support the strategy. As I told you earlier, my hotel invests lots of money for employees to become a qualified person as a service man and also to improve their capability for my hotel. I bet those employees will help my hotel succeed and keep our reputation in the Korean hotel industry.

A: How would you describe the Korean culture? To what extent has it influenced your hotel's HR practices? For example, In terms of academic view, scholars says Korea is a collectivist society that means Koreans prefer to work as a group rather than individual, Korea has a high power distance which means managers have a tendency to be respected and their opinions accepted by their employees, Korea is a strong uncertainty avoidance society which means Koreans get stress in the organisation and Korea is a masculine society so men have a tendency to get promotion above women.

B: Well...guys have a duty to go to military service in Korea. So the men had experience in a well managed organisation and after that they work in the company. So they are used to the organisation already but women don't have the experience about organisations so they have a tendency to complain even though it's a really small thing. Unlike women, men don't complain a lot because they already know that a small thing is not worth complaining about. It seems that they don't want to make a big issue which will cause a big problem and employees might get stress from their organisation. There are many ways to settle a problem without getting any stress about certain issues I think. I mean I don't want blame women employees my main point is that they should provide a reasonable reason for their complaints. There were lots of rumours.....

When I have individual interviews with employees, they seem to avoid talking honestly with me and they only have good things to say about certain issues. I really want to hear the real employee's voice, such as their difficulties and complaints from their work so i can reflect on and change my organisation. They think there will be repercussions, if they reveal their opinions. Sometimes, I asked the trade union representatives to attend the meeting together because if I go to the meeting myself, employees don't say anything. So the trade union representative says. It's wrong not to say anything and please stop thinking there will be repercussions, if you say bad things about the organisation. Especially, older people dont want to say anything....Most managers just like employees who just follow their opinions and don't complain. I don't like

this as we need lots of communication. It really helps me to manage my hotel honestly. It will also help to employees to concentrate on their job and reduce their stress from work, after the communication between employees and me. So I try to build up trust between employees and me. I do memo what they want and what they expected about my organisation, and I inform how we will change and explain the procedures about getting approval from the general manager.

Apart from national culture, there is a generation gap in the organisation. Recently, young people avoid hard work such as doing a night shift.....so there is a problem to organise in the organisation. I also discussed the issue with the representative of the trade union in my hotel. The trade union representative and me do not like that kind of employee ...seems so selfish....errmmm

A: How strong is the trade union in your hotel? What influence has it had on the development of HR practices in your hotel? For example, union leaders join in the hiring of staff, staff welfare and staff welfare facilities.

B: The trade union was strong before. Because the trade union was a member of KCTU and now it is a member of FKTU, honestly... so...Basically we have a collective agreement every 2 years and it includes pay, staff welfare and staff welfare facilities. But we don't negotiate on some issues such as promotion and rewards and punishment, just we inform the trade union. The authority over human resources is the company's right. There can be possible misunderstandings, if the trade union intervenes over human resources. The trade union also doesn't want to do it. Apart from this, the trade union asks me to investigate why specific employees who work hard for the company and are reputable people within the company and want to leave hotel suddenly, in that case, we investigate the reason the employee wants to leave my hotel. If the reason was that the department manager bothered the employee a lot so the employee decided to leave. Perhaps everybody thinks the manager is not good with the employees. We have a meeting to settle the problem with the manager, trade union representative and me. Through enough communication, I can settle the problem. The trade union representative worked in the hotel so he tries to cooperate with the hotel..

A: To what extent are your HR practices influenced by the Tourism Promotion Act?

B: I think the staff welfare of my hotel is better than the Act provides because there is a trade union in my hotel. When we get the hotel grade evaluation, it is made up of 80% of documents which includes the number of restaurants, how my hotel provides training and its quality and so on.. But I suggest to employees we try to show 100% of our facilities and excellent Human Resources, not only the 80% of documents the Act require.

A: To what extent are your HR practices informed by head office policy, values etc.? How do these relate to Koran values and culture?

B: Well.. The head office policy has influence on service training, as I mentioned earlier, we have 365 days of training which means after 23 days, new employees get training again and

they are tested about their job, vision and mission knowledge so that employees know their company well. I mean the policy head office provides includes a basic training frame. ... Well...I think International hotels can't combine all world cultures together. So my hotel has to change some part of policy because of the different culture. For example, my hotel doesn't accept getting tips from customers in person according to head office policy. If Korean customers pay the bill and it is 6000won and the customer gives 10000 won and he said keep the change, the employee must refuse it. After the customer offers three times to keep the change and we still can't take it, the customer may get angry. So my hotel suggests that employees say that we will help poor people with the money you give. We put the money into an envelope for poor people.

The head office policy doesn't consider trade unions in Korea. Most general managers are from western countries so they don't have the trade union culture. The trade union representative visited the general manager's office and asked if they know the employees' complaints. Of course my boss knows them but they asked do you know them or do you have an alternative solution for the problems? The general manager looked embarrassed but he reviewed the problems for employees.

A: Which HR practices have changed in your hotel since the financial crisis? For example, pay based on individual performance, bonuses, human resource changes, such as layoffs and hiring more irregular employees than regular employees.

B: As I mentioned earlier, my hotel is based on a switched annual pay system for all employees. We had voluntary resignations in 2005 so 800 employees decreased to 600 employees. After the financial crisis, most hotels have been hiring irregular employees such as part time, internship and contract workers. It looks like a kind of trend recently. In peak season most hotels use part time workers to save their money. But my hotel doesn't hire many irregular employees compared to other hotels. Besides my hotel gives an opportunity for internship workers to change to contract workers, and their contract will continue. I mean the employees can work continuously, if they work hard. There was a special case. An employee was a part time worker from an outside company who worked at my hotel. He worked very hard and the manager of the department recommended he be hired. And then he became a regular employee.

A: How effective are your HR practices in getting the best from your Korean employees?

B: Well.. we spend more time at work than home so I think the human relations are very important in the organisation and employees feel like family with their colleagues and seniority employees. For example, I know that my colleague needs the day off tomorrow because of a personal problem, but if I don't get the day off tomorrow, I can't get rest for 10 days. In this case, I would like to give up the day for my colleague. He will really appreciate it and he will also give up a day off for me in the future. It seems that this creates a family atmosphere. In addition, an employee won a bartender contest and then he helped another employee who also won the second prize in Greece. The organisation can't collapse if employees help each other

and understand each other's situations... this is the most desirable organisation I think, rather than a case of "I am your senior so I get more pay and you are an operational employees so you get less pay than me."

A: Do you have any planned changes/innovations in HR practices what are they? What has influenced you in developing there?

B: My hotel tried to listen to the employees' voices to find out what they expect from their organisation and what are their complaints? I think if employees are unhappy working at the hotel, they absolutely can't provide high service quality to the customers. If so it is also related to the hotel business...

A: Anything else?

B: As I told you earlier, I think human relations are very important in the organisation and employees have a familial relation with their colleagues and senior employees. It's a fundamental energy to manage HR in my hotel. Also communication is very important with employees. Sometimes I provide recruitment information to my employees. For example, a department needs 1 person and I think you are the appropriate person to work there because I already know your personality and what you can do in my hotel through frequent communication.

APPENDIX 5 An example of data-related coded training and development

Name: 1. Training and development

Description:

<Internals\HR manages\1 Chosun seoul> - § 1 reference coded [14.36% Coverage]

Reference 1 - 14.36% Coverage

C hotel (International chain hotel, chaebol hotel)

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: I can't say the exact number of formal training because we provide different education by position and job types. Besides we provide education which is related to service, and on-the job training all the time to the operational staff, when they need it. We provide mainly four educational courses which are basic, job, compulsory and common education. The basic education provides qualifications as a service man at a hotel. What employees need for customers and how to handle some problem which can occur between employees and between customers. The job education is related to where employees work at hotel. For example, there is different job education between operational staff and managerial staff. So we provide different education. According to job type, employees have an academic meeting to learn more professional techniques related to their job. Two or more employees can form a learning organisation, where they can set what they will study together. The job education also includes theme education which is also different for each department of hotel. For example, the Kitchen staff, especially the chef's study calorie calculation, hotel terminology, or food culture in the world. The compulsory education involves hygiene and preventing sexual harassment in the hotel. Finally common education is related to my company organisation. So we provide a variety of education for employees, and employees can choose opportunities for themselves. As I said, the formal training depends on the employees and how much they want to train for their job type and position type. We also provide external training such as cyber education, foreign language, training programmes outside and giving employees opportunities for academic purpose in the Hawaii university. We have sent 10 employees twice in a year. Ah... so I can say we have a specific HR strategy, like to send employees to work abroad in different countries and send employees to the University. I mean my company has a system to provide opportunities to develop employees' capability and experience. In addition, we have a C-STAR which is a learning community and employees study together about a certain theme or job and operate it very well.

<Internals\HR manages\10 Grande hoteldoc> - § 1 reference coded [5.15% Coverage]

Reference 1 - 5.15% Coverage

G hotel (Korean owned hotel, dedicated hotel)

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: We provide formal training twice a year and informal training is conducted all the time, whenever employees need it. For example, we have a meeting before all employees are going to work for 10 min and we talk about instructions from management and feedback every day. Related to external training, we did it for 2 nights and 3 nights in a training institute. We invite outside speakers for specific parts to improve some skills or managers provide some training to their employees in the different departments.

Reference 1 - 7.27% Coverage

N hotel (Korean owned hotel, chaebol hotel)

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: I can't say exactly because it depends on each department... We provide education such as service education, image making, promotion education, on the job training by job type, foreign language and organisation education. We utilise our man power who have worked over 20 years in the hotel industry or have taught university students, to give appropriate education to the different department. For example, the staff of F&B need wine related knowledge of wine and coffee. We motivate employees to get a certificate of qualification about sommelier and barista. Sometimes, we invite guest speakers to develop employees' knowledge and to have cultural background as a hotel man. We don't send employees to work overseas in different branches and Universities in the world; however our hotel does send employees to have bench marketing in another country irregularly.

Reference 1 - 5.80% Coverage

W hotel (International chain hotel, chaebol hotel)

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: We provide formal training twice a year and we also provide various training by job type and job position all the time. Related to internal training, we provide basic etiquette lessons, telephone training and on-the-job training related to their job type. We provide service education all the time to operational staff. Otherwise, related to external training, we invite outside speakers for example, in case of back office, we provide human resource, accounting and marketing lessons from the outside. In facilities, we provide lessons for safety from the electricity safety organisation. In the Kitchen, we provide lessons such as barista and sommelier from the outside. We also support foreign language learning at a language institute. Finally, we send employees to Hawaii University to improve employee's capabilities for 4 months, and we send employees for bench marketing.

Reference 1 - 20.59% Coverage

W hotel (International chain hotel, dedicated hotel)

- Training and development

A: I would like to ask more about based on the questionnaire you have answered. When you say about training and education, please let me know how many times have you conducted formal training in a year? A: Please let me know how many times have you conducted formal training in a year? Also Please let me know what form of training have conducted and the content of training for employees?

B: That is..... If you ask me about it, about 7-8 times in a year officially but, I would like to say that I can't say it exactly, it depends on staff, and working department. We provide lots of educational programmes...we provide money for our staff to learn languages such as Chinese at outside language institute all the time... and coaching, leadership... well... related to each job... for example expert courses such as sommelier, barista... and... presentation which supports employees to increase work skills and word processing.

Basically we have provided role-play in how to settle customer complaints including story telling continuously. We need different education for each place of business, for example, there is a Japanese restaurant.. if so, the staff who are working at the Japanese restaurant, They need knowledge about sake which is a traditional Japanese alcohol. ... and in the case of a Chinese restaurant, the staff have to know Chinese culture, so we provide different education for each restaurant . Besides, we also provide some education which is related to product knowledge of products that we sell in the hotel.... as I mentioned above, my hotel has provided language education continuously.

A: Does your hotel give an opportunity to staff to get training overseas?

B: Yes we have it and we let our staff work at other chain hotels which is based on starwood in the world. Not many staff.... between 10-20 people a year. It depends on time (season).. In some cases...if there are many applicants who want work overseas, some hotels in another country give a minimum of staff numbers.. and vice versa...For example, the walkerhill hotel which is in China asked me to get training at a Korean restaurant to get experience and to know the real Korean food and taste.. if so we accept the staff who are chef's and service attendants in my hotel. Also my hotel staff are sent to another hotel in a different country. My hotel sent staff to Greece this year.

A: You mentioned coaching as one form of education in your hotel? What is it exactly?

B: The coaching is related to the role of middle managers such as operational managers and how to manage their staff very well in their department. Also the supervisors and senior managers got educational training like leadership.

A: You answered your hotel uses appearance as a selection requirement. Which aspects of appearance do you consider?

B: Once when it comes to luxury hotels, the customers require high standard of service. Generally we can't hire the same staff who are working at a normal restaurant outside. It looks like discrimination ... In my view as a HR manager, I have to consider the appearance, for example, if she or he is a tall a bit and good looking...I think most hotels consider it. Maybe they will say we consider staff who have a good service mind and good personality in other hotels, but the selection of appearance can't be ignored in luxury hotels.

A: You answered service mind as a selection requirement in open question, how to find the staff's service mind?

B: Through interviews we can find out if he or she has a service mind or not... from questions related to service mind. The interviewers are made up of the manager of the department, manager and senior manager. ..Well... as you know...the CV is the beginning of recruitment.. If I read it, we can assess the person's attitude, personality...please look at young people, who have very strong personalities recently, the kind of people who use their photo that they take themselves on the application form, otherwise some young people wear a suit and then take a photo, with a letter of self introduction which also includes the word processing of it. Those things are the beginning of recruitment. And then the manager of the department will have interviews and then supervisors, and then senior managers... I mean we have a systematic interview system to hire more good staff who are very appropriate in my hotel.

<Internals\HR manages\4 Hilton hotel> - § 1 reference coded [7.13% Coverage]

Reference 1 - 7.13% Coverage

H hotel (International chain hotel, dedicated hotel)

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: We provide formal training 10 times at least a year (Normally, new employees have 5 training opportunities plus legal training). Our training is focused on overall education, specific department education, personal education and position type. The education content includes legal education, such as preventing sexual harassment, fire drills, personal information, which means not revealing customers' personal information and customers' privacy. There is internal training, such as job related, service education, wine education, computer education, leadership

and our own compulsory education. We also invite outside speakers for employees and my hotel sends employees to work in different branches in the world. As you know, the hilton has many chain hotels in the world. For example, our employees are sent to learn original food preparation techniques in Italy, France and China.

<Internals\HR manages\5 Ritz carlton hotel> - § 1 reference coded [6.02% Coverage]

Reference 1 - 6.02% Coverage

R hotel (International chain hotel, dedicated hotel)

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: We provide formal training for overall employees forth a year and it gives opportunities to look at the company's history such as annual reports and earnings. In addition, it also shows the projects which will be conducted by each department. Through this, employees can ask questions about what they want to know about management. Service education is conducted twice a year by the education department and it involves job skills and employee attitudes towards customers. In relation to the Kitchen for example, wine and menu development education is provided all the time by the department managers. In terms of external training, we provide English education outside. We also invite outside speakers to give training opportunities for 2 nights and 3 days. As a result, we find it difficult to operate hotel business without enough employees, besides we also had to invest a lot of money for it so now we just put emphasis on improving English and Japanese skills as an external training. We had to send my employees to work overseas in different branches in another country. This year I haven't seen any employees who want to apply for it.

<Internals\HR manages\6 Novotel> - § 1 reference coded [6.17% Coverage]

Reference 1 - 6.17% Coverage

N hotel (International chain hotel, dedicated hotel)

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: My hotel provides formal training to overall employees over twice once a year, but we provide training all the time, whenever the department or employees need it. It includes fire drills, risk management, which prevents hurt employees hurting their backs, and service education by job types. Related to external training, we invite outside instructors, for example, in case of housekeeping, they provide training on how to make beds for customers and how to clean very well. My hotel is part of an international chain hotel so Accor send experts to train employees in my hotel and it includes customer relationships, how to settle some problem based on customers' complaints between employees and customers and how to handle any potential problem which may occur. by different department. We used to send employees overseas however we don't conduct it now.

<Internals\HR manages\7 Shlla hoteldoc> - § 1 reference coded [6.50% Coverage]

Reference 1 - 6.50% Coverage

S hotel (Korean owned hotel, chaebol hotel)

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: Well... I can't say the number of training times exactly, it is provided by job position and job type very differently. Related to internal training, we provide introduction education for new

employees and we provide education all the time, whenever employees and departments need it. Besides, we generally provide education by position type. In the case of external training, it is connected with group company education which includes group philosophy. If we need special education, we invite outside speakers. We don't have a programme to send workers overseas, but we do bench marking overseas, when we need it.

<Internals\HR manages\8 Lotte hotel> - § 1 reference coded [7.19% Coverage]

Reference 1 - 7.19% Coverage

L hotel (Korean owned hotel, chaebol hotel)

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: I can't say the exact number as the training is provided differently by each department. We provide service education all the time to the operational staff, whenever they need it. Also, we conduct education which is related to greetings and foreign language once a month. The content of training mainly focuses on service education such as the settlement of customer complaints, customer response and service content etc. Sometimes, we invite outside speakers to develop an employee's ability as a service man. We don't provide a system to work overseas but we are doing bench marketing in other countries.

<Internals\HR manages\9 Paradise hotel> - § 1 reference coded [5.41% Coverage]

Reference 1 - 5.41% Coverage

P hotel (Korean owned hotel, dedicated hotel)

- Training and development

A: Please let me know how many times a year you conduct formal training in your hotel? Also, Please let me know what form of training you have conducted and the content of the training?

B: I can't say the number of formal training because we conduct training continuously. In the case of service education, employees should take lessons for 300 min a month. Internal training is mainly focused on improving service quality, while external training is conducted on a voluntary basis and employees themselves register for extra training. HR managers then decide whether or not to provide support. We sent 1 employee to improve and learn specific knowledge in Italy for 3 months.

APPENDIX 6 Consent form

Title of Project: 'A distinctive SHRM Approach in the Korean Hotel Industry
Name, position and contact address of the Project researcher:

Yeonu Lee
The researcher
Sheffield Business School
Sheffield Hallam University, UK.
S1 1WB
Email: slee22@my.shu.ac.uk

1. I confirm that I have read and understand the information sheet for the above study	
2. I understand that my participation is voluntary and that I am free to withdraw at any time, without giving reason.	
3. I agree to take part in the above study.	
4. I have no objection to anonymous quotes being used in the research report	

Name of Participant

Date

Signature

Participant information Sheet

A distinctive SHRM Approach in the Korean Hotel Industry

Introduction

We would like to invite you to take part in a research project which will contribute towards improving the study.

Before you agree to take part it is important for you to understand why the research is being and done what it will involve. Please take time to read the following information carefully.

Purpose of the Project

What next?

We would like to set up an interview with you. This will be a one-to-one interview in a quiet place convenient for you and should last about one hour. If you are agreeable we would like to tape record the interview, which alleviates the needs to scribble throughout the interview.

Confidentiality and Ethics

All information that you give me will be kept strictly confidential and your name will be substituted with an anonymous code in any records that I keep and on the tapes. The only researcher who will have access to the interview records and tapes. The tapes that I make and the interview notes will be stored securely in the researchers' offices. These will be kept for a period of 1 year and then I will be securely destroyed. Nothing that I write, once the project is completed, will protect the names and the privacy of the individuals involved. I will write a report at the end of the study that will be made available to each of the participating universities. I have a duty to point out that there are some legal limitations to data confidentiality and that in some exceptional situations it is possible for data to be subject to subpoena, freedom of information claim or mandate reporting by some professions. The Sheffield Hallam University has approved the research. If you have any concerns about the conduct of this research project you can contact the researcher.

Further Information

If you need to make contact about any aspect of the project, details are below:

Yeonu Lee

The researcher

Sheffield Business School

Sheffield Hallam University, UK.

S1 1WB

Email: slee22@my.shu.ac.uk

Telephone:

I would like to thank you in advance for reading this information.

허락서

프로젝트 주제: 한국 호텔산업의 차별화된 전략적 인적 자원 경영 연구

연구자 이름, 이메일 주소:

이 연우

셰필드 비즈니스 스쿨

셰필드 할렘 대학, 영국.

S1 1WB

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체크

(V)

1. 나는 상기의 연구에 대한 정보에 대한 내용을 이해했고 읽었음을 확인한다	
2. 나는 이 인터뷰에 참여하는 것이 자발적이고 나의 시간을 허락한다	
3. 나는 상기의 연구에 참여하는 것을 동의한다	
4. 나는 상기의 연구에 익명으로 인용되는 것에 반대하지 않는다	

참가자 이름

날짜

사인

Participant Information Sheet

주제: 한국 호텔산업의 차별화된 전략적 인적 자원 경영 연구

안녕하십니까?

바쁘신 가운데 본 인터뷰에 응해 주셔서 감사합니다. 본 연구는 한국 호텔산업의 차별화된 전략적 인적 자원 경영에 관한 연구로 실제로 귀하의 호텔에서 사용되고 있는 인적 자원 관리와 관련하여 여러분들의 의견을 조사하여 한국에 맞는 전략적 인적 자원 모델을 개발하고자 함에 있습니다.

귀하의 응답은 익명으로 처리되며 연구자 본인만이 귀하로부터 얻은 데이터에 접근할 수 있으며, 학술적 연구 목적 이외에는 어떤 용도로도 사용하지 않을 것임을 약속 드립니다.

인터뷰에 응해주신 여러분께 다시 한번 감사드리며 귀하의 앞날에 무궁한 발전이 있으시길 바랍니다.

이 연우

셰필드 비즈니스 스쿨

셰필드 할렘 대학, 영국.

S1 1WB

Email: slee22@my.shu.ac.uk

1. Reliability, validity and factor analysis of HR practices, organisational justice, and employee outcomes

Table 5.32 shows the results of factor analysis, reliability and validity analysis of HR practices, organisational justice, and employee outcomes. In relation to HR practices, the results show that recruitment and selection variables are mainly labelled ‘selection requirements’, ‘additional selection requirements’ and ‘hotel company selection criteria’. Job design variables are mainly labelled ‘job design condition’ and ‘autocratic management style’. The employee voice and consultation variables are mainly labelled ‘collective voice’ and ‘consultative management style’. In addition, the results show that ‘training and development’, ‘performance appraisal’, ‘job security’, ‘compensation and pay systems’, ‘service quality issues’, ‘distributive justice’, ‘procedure justice’, ‘positive outcomes’ and ‘negative outcomes’ variables are categorised by the factor analysis.

In the case of recruitment and selection, the selection requirements’ factor’s eigenvalue is 3.412, explains 42.6% of the variance and Cronbach’s α coefficient is 0.744. The additional selection requirements’ factor’s eigenvalue is 1.219, explains 15.2% of the variance and Cronbach’s α coefficient is 0.760. Cumulative variance for two-component factors of recruitment and selection variables account for 57.8% of the variance. Cronbach’s α coefficient of almost all factors (i.e. selection requirements, additional selection requirements, training and development, performance appraisal, job design condition, autocratic management style, compensation and pay systems, service quality issues, collective voice, consultative management style, distributive justice, procedure justice, positive outcomes and negative outcomes) is over 0.6 Nunnally suggests that criterion, they are evaluated measurement variable has high internal consistency and admitted validity of scales. By comparison to those factors, Cronbach’s α coefficient of ‘hotel company selection criteria’ is 0.453 and Cronbach’s α coefficient of ‘job security’ is 0.564. As Cronbach’s α coefficient is $0.35 < \alpha < 0.7$ Nunnally suggests that criterion, it is evaluated measurement variable has middle internal consistency and admitted validity of scales. In total, almost all variables have strong internal reliability, which means that we can feel very confident about the questionnaire in this study.

Table 5.32 Factor analysis with varimax rotation and reliability and validity analysis of HR practices, organisational justice, and employee outcomes

Factor name		Measurement Variables	Factor loading	Eigen value	Variance	Corrected Item-Total Correlation	Cronbach's alpha
Recruitment And selection	Selection requirements	Your experience	.806	3.412	42.654	.490	.744
		Your major in the university or college	.768			.584	
		Your grade in the university or college	.595			.517	
		Your foreign language score (i.e. English, Japanese, Chinese)	.589			.464	
		Your appearance	.515			.484	
	Additional selection requirements	Your age	.846	1.219	15.238	.650	.760
		Members of close families, regions, school relations and kinship	.829			.563	
		Your seniority	.690			.576	
Cumulative variance: 57.891 %							
Recruitment and selection	Hotel company selection criteria	Clearly defined selection criteria	.916	1.682	56.056	.468	.453
		Structured and standardised interviews	.912			.420	
		Involvement of union leaders jointly in the hiring of staff in the hotel	.105			.043	
Cumulative variance: 56.056 %							
Training and development		My hotel is committed to developing a broad range of skills among its staff	.876	2.855	71.374	.759	.866
		My hotel evaluates training	.848			.724	
		I have received excellent training to help me do my job well	.840			.704	
		My hotel has a clear policy requiring all staff to take part in a minimum amount of training each year	.815			.675	
Cumulative variance: 71.374 %							
Performance appraisal		Staff in your hotel are involved in setting performance targets	.782	3.751	46.882	.670	.830
		Your hotel formally carry out a performance appraisal system link to pay and rewards	.754			.638	
		Your hotel considers group goal-setting as part of performance appraisal	.740			.628	
		Your hotel managers informally discuss individual performance with you	.733			.610	
		Your hotel values employee loyalty as much as good performance	.720			.601	
		Your hotel promotes staff on the basis of seniority	.715			.580	
		Your hotel measures performance with objectively quantifiable results	.523			.408	
		Your hotel uses an informal appraisal system (i.e. bosses do not give formal feedback or formally evaluate employees)	.428			.328	
Cumulative variance: 46.882 %							

Table 5.32 Factor analysis with varimax rotation and reliability and validity analysis of HR practices, organisational justice and employee outcomes (continued)

practices, organizational justice and employee outcomes (continued)							
Factor name		Measurement variables	Factor loading	Eigen value	Varian ce	Corrected Item-Total Correlation	Cronbach's alpha
Job design	Job design condition	Your hotel considers the design of jobs to make full of worker's skills and abilities	.809	3.239	46.267	.661	.825
		Your hotel makes you think you belong to the group	.778			.675	
		Your managers consults with you about how work should be done before making decision	.772			.645	
		Your hotel provides flexible job descriptions that are not linked to one specific task	.743			.554	
		Your manager expects you to do work without causing difficulties	.652			.573	
	Autocratic management style	Your manager asks you to work hard in your hotel	.856	1.207	17.249	.450	.621
		Your hotel sometimes makes you feel you have to make sacrifices for the work team as a whole	.805			.450	
Cumulative variance: 63.517 %							
Job Security		Your hotel guarantees job security	.805	1.626	54.207	.460	.564
		If your hotel was facing economic problems, the staff budget would be the last thing to be cut	.757			.384	
		The trade union influences the level of job security in your hotel	.636			.296	
Cumulative variance: 54.207 %							
Compensation and pay systems		Your hotel provides a bonus based on seniority	.785	2.425	48.491	.589	.727
		Your hotel provides pay based on group performance	.778			.575	
		Your hotel decides pay levels by age	.696			.485	
		Your hotel provides pay based on seniority	.686			.481	
		The trade union negotiates pay increases and bonuses in your hotel	.498			.319	
Cumulative variance: 48.491 %							
Quality issue		The majority of employees are currently involved in quality circles or quality improvement teams in your hotel	.893	2.174	72.463	.731	.808
		Service staff are empowered to make decisions to ensure service quality?	.850			.652	
		Production/ service staff are responsible for their own quality in your hotel	.809			.593	
Cumulative variance: 72.463 %							

Table 5.32 Factor analysis with varimax rotation and reliability and validity analysis of HR practices, organisational justice and employee outcomes (continued)

Factor name		Measurement variables	Factor loading	Eigen value	Varian ce	Corrected Item-Total Correlation	Cronbach's alpha
Employee voice and consultation	Collective voice	The trade union is involved in resolving employee grievances in your hotel	.871	4.181	59.734	.817	.913
		The trade union influences the staff welfare facilities available (i.e. staff lounges, social gatherings and children's scholarship)	.857			.823	
		The trade union negotiates staff welfare and benefits in your hotel	.845			.769	
		The trade union influences the level of benefits such as maternity leave, holidays and pensions	.830			.776	
		The trade union is involved in resolving employee discipline in your hotel	.790			.704	
	Consultative management style	Managers keep open communications with employees in your hotel	.736	1.208	17.252	.667	.800
		Employees are provided with the opportunity to suggest improvements in the way things are done in your hotel	.683			.667	
Cumulative variance: 76.987 %							
Distributive justice		Your hotel provides fair bonus	.931	2.469	82.288	.834	.892
		Your hotel provides fair pay	.908			.791	
		Your hotel provides fair opportunity for promotion	.882			.744	
Cumulative variance: 82.288 %							
Procedure justice		Your hotel operates a fair procedure of promotion	.913	2.391	79.684	.794	.872
		Your hotel operates a fair procedure of grievance and discipline	.895			.757	
		Your hotel operates a fair procedure of recruitment and selection	.869			.715	
Cumulative variance: 79.684 %							
Positive outcomes		I am very satisfied with my job	.899	2.264	75.475	.746	.834
		I am very happy working at the hotel and I would recommend it to others	.893			.733	
		I am very satisfied with the benefits receive (meals, holidays etc.)	.811			.613	
Cumulative variance: 75.475 %							
Negative outcomes		I often think about quitting my job	.889	2.066	68.878	.700	.768
		I am sorry that I ever took my job in the hotel	.835			.600	
		I plan to leave myhotel job as soon as I can find another job	.761			.517	
Cumulative variance: 68.878 %							

2. The relationship between HR practices and employee outcomes

2.1 The relationship between HR practices and positive employee outcomes

Multi regression analysis is conducted to evaluate the relationship between HR practices (recruitment and selection, training and development, performance appraisal, job design, job security, compensation and pay systems, service quality issues, employee voice and consultation) and positive employee outcomes in the Korean deluxe hotels.

Table 5.33 explains the result of the relationship between HR practices and positive employee outcomes. The value of F of the regression model of recruitment and selection variables is 32.856 at the level of $p=.000$. Adjusted R^2 is 0.160 and that accounts for 16%, 'selection requirements' is significant the .01 level and 'hotel company selection criteria' is significant the .01 level of the recruitment and selection variables (of 'selection requirements', 'additional selection requirements' and 'hotel company selection criteria'). The multicollinearity test is regarded as having multicollinearity if the less is tolerance and the bigger is VIF. The range of the tolerance is from 0 to 1 and it is considered having multicollinearity if VIF is over 10 (Choi, 2005). The results show that 'selection requirements' of tolerance is .876, 'hotel company selection criteria' of tolerance is .866. 'Selection requirements' of VIF is 1.141, 'hotel company selection criteria' of VIF is 1.155, that is, it is considered as not having multicollinearity. In addition, the results show that all factors are considered as not having multicollinearity.

Concerning the relationship between HR practices and positive employee outcomes, the results indicate several findings:

Employees prefer clear selection requirements and additional selection requirements used by the hotel company, and these influence positive employee outcomes in relation to recruitment and selection.

Secondly, employees feel satisfaction when staff are involved in setting performance targets, when the hotel formally carries out a performance appraisal system linked to pay rewards, when the hotel considers group goal-setting as part of performance appraisal, and when hotel managers informally discuss individual performance with staff in Korean deluxe hotels. These variables have an impact on producing positive outcomes in terms of job satisfaction.

Thirdly, positive outcomes are associated with hotel management training employees to fulfil a multi-discipline role, and designing team work. In addition, the autocratic management style results in more positive outcomes than might have been expected. Some employees feel happy to work hard and to make sacrifices for the work team as a whole in the organisation.

Fourthly, guaranteeing job security by the hotel company makes employees feel satisfied in their job and to recommend it to others.

Fifthly, employees consider it important to provide a bonus based on seniority, pay based on group performance and seniority, deciding pay levels by age, and the role of trade union in relation to pay negotiations. All these influence positive employee outcomes in Korean deluxe hotels.

Sixthly, providing high quality of service brings about positive employee outcomes. Hotel employees are likely to feel their jobs are worthwhile insofar as they are making customers really enjoy using the hotel.

Finally, collective voice from trade unions and consultative management style influence positive employee outcomes. The indirect involvement of employees in the union (i.e. trade union involved in resolving employee grievance in the hotel, trade union influences the staff welfare facilities, trade union negotiates staff welfare and benefits such as maternity leave, holidays and pensions, trade union involved in resolving employee discipline in the hotel) and keeping open communication from management are directly related to employees' satisfaction with hotel employment. This is because the collective indirect voice from trade unions impact on improving employees' welfare and welfare facilities, and as a result employees feel happy to work in the hotel. Also keeping open communication is a route to listening to employees' perceptions of how they feel about their organisation, especially negative aspects. Therefore, management can identify the employees' specific complaints and try not to let the same situation happen again. All this adds to employee satisfaction working in the hotel.

Table 5.33 SHRM practice variables influence positive outcomes

Dependent variable	Independent variable	Regression coefficient	Standard error	β	T	Sig.	Tolerance	VIF
Positive outcomes	Selection requirements	.134	.044	.134	3.061	.002**	.876	1.141
	Additional selection requirements	.040	.041	.040	.972	.332	.986	1.014
	Hotel company selection criteria	.334	.044	.334	7.587	.000**	.866	1.155
$R^2 = .165$, Constant= 9.115E-17, Adjusted $R^2 = .160$, F= 32.856, p= .000** *p<0.05, **p<0.01 Regression expression: positive outcomes = 9.115E-17+0.134×(Selection requirements) + 0.040× (Additional selection requirements) + 0.334×(Hotel company selection criteria)+ε								
Positive outcomes	Training and development	.580	.036	.580	15.930	.000**	1.000	1.000
$R^2 = .337$, Constant= 4.719E-17, Adjusted $R^2 = .335$, F=253.770, p= .000** *p<0.05, **p<0.01 Regression expression: positive outcomes= 4.719E-17 +0.580×(Training and development)+ε								
Positive outcomes	Performance appraisal	.643	.034	.643	18.787	.000**	1.000	1.000
$R^2 = .414$, Constant= 2.285E-17, Adjusted $R^2 = .413$, F= 352.950, p= .000** *p<0.05, **p<0.01 Regression expression: positive outcomes= 2.285E-17+0.643×(Performance appraisal)+ε								
Positive outcomes	Job design condition	.612	.034	.612	18.012	.000**	1.000	1.000
	Autocratic management style	.223	.034	.223	6.578	.000**	1.000	1.000
$R^2 = .424$, Constant= -1.074E-16, Adjusted $R^2 = .422$, F= 183.847, p= .000** *p<0.05, **p<0.01 Regression expression: positive outcomes= -1.074E-16+0.612×(Job design condition)+ 0.223×(Autocratic management style)+ε								
Positive outcomes	Job security	.498	.039	.498	12.837	.000**	1.000	1.000
$R^2 = .248$, Constant= 8.251E-17, Adjusted $R^2 = .246$, F= 164.779, p=.000** *p<0.05, **p<0.01 Regression expression: positive outcomes= 8.251E-17+0.498×(Job security)+ε								
Positive outcomes	Compensation and pay systems	.454	.040	.454	11.400	.000**	1.000	1.000
$R^2 = .206$, Constant= 1.163E-16, Adjusted $R^2 = .205$, F= 129.967, p= .000** *p<0.05, **p<0.01 Regression expression: positive outcomes = 1.163E-16 +0.454×(Compensation and pay systems)+ε								
Positive outcomes	Service quality issues	.558	.037	.558	15.048	.000**	1.000	1.000
$R^2 = .312$, Constant= 1.011E-16, Adjusted $R^2 = .310$, F=226.455, p=.000** *p<0.05, **p<0.01 Regression expression: positive outcomes = 1.011E-16 +0.558×(Service quality issues)+ε								
Positive outcomes	Collective voice	.287	.036	.287	8.062	.000**	1.000	1.000
	Consultative management style	.533	.036	.533	14.944	.000**	1.000	1.000
$R^2 = .366$, Constant= 1.549E-16, Adjusted $R^2 = .364$, F= 144.159, p= .000** *p<0.05, **p<0.01 Regression expression: positive outcomes= 1.549E-16 +0.287×(Collective voice)+ 0.533×(Consultative management style)+ε								

2.2 The relationship between HR practices and negative employee outcomes

Multi regression analysis is conducted to evaluate the relationship between HR practices (recruitment and selection, training and development, performance appraisal, job design, job security, compensation and pay systems, service quality issues, employee voice and consultation) and negative employee outcomes in Korean deluxe hotels.

Table 5.34 explains the result of the relationship between recruitment and selection and negative employee outcomes. The value of F of the regression model of recruitment and selection variables is 14.585 at the level of $p=.000$. Adjusted R^2 is 0.075 that account for 7.5%, 'additional selection requirements' is significant the .01 and 'hotel company selection criteria' is significant the .01 level of the recruitment and selection variables (of 'selection requirements', 'additional selection requirements' and 'hotel company selection criteria'). The results show that 'additional selection requirements' of tolerance is .986, 'hotel company selection criteria' of tolerance is .866. 'additional selection requirements' of VIF is 1.014, 'hotel company selection criteria' of VIF is 1.155, that is, it is considered as not having multicollinearity. In addition, the results show that all factors are considered as not having multicollinearity.

Concerning the relationship between HR practices and negative employee outcomes, the results indicate several findings:

The 'additional selection requirements' variables and 'hotel company selection criteria' variables influence negative employee outcomes in Korean deluxe hotels. Again, and as discussed in the literature chapter, the Korean organisation considers age, close family, regions, school relations, kinship and seniority when hiring employees. However these variables make employees feel like leaving their job in the hotel.

Secondly, employees feel disappointed they ever took a job in the hotel if hotel companies do not provide a minimum amount of training, help the employee develop a broad range of skills and provide them with excellent training to improve their capability. That is to say, those variables might influence negative employee outcomes in Korean deluxe hotels.

Thirdly, employees feel like leaving their jobs if hotel companies do not consider the following variables: to ensure staff in your hotel are involved in setting performance

targets, to formally carry out a performance appraisal system linked to pay and rewards, include group goal-setting as part of performance appraisal, ensure hotel managers informally discuss individual performance with employees, that they value employees loyalty as much as good performance, that they promote staff on the basis of seniority, that they measure performance with objectively quantifiable results, and that they use an informal appraisal system.

Fourthly, hotel management would consider job design condition variables (i.e. design of jobs to make full use of a worker's skills and abilities, employees feel they belong to the group, managers consult with employees about how work should be done before making decisions, flexible job descriptions, manager expects employees to do work without causing difficulties) because those variables have an influence on negative employee outcomes in the hotel.

Fifthly, hotel employees feel like quitting their jobs if the hotel does not guarantee job security.

Sixthly, employees consider it important to be provided with a bonus based on seniority, that pay is based on group performance and seniority, that pay levels are based on age, and that trade unions are involved in pay negotiations. However employees would leave their jobs, if these items are not accepted by the management in the Korean deluxe hotels.

Seventhly, employees do not feel happy if they are unable provide high quality service to the customers.

Finally, employees feel like quitting their jobs in the hotel if management does not provide open communication. In order to reduce the aspect of negative employee outcomes, management should consider all the variables mentioned above.

Table 5.34 SHRM practice variables influence negative outcomes

Dependent variable	Independent variable	Regression coefficient	Standard error	B	T	Sig.	Tolerance	VIF
Negative outcomes	Selection requirements	-.075	.046	-.075	-1.639	.102	.876	1.141
	Additional selection requirements	.160	.043	.160	3.702	.000**	.986	1.014
	Hotel company selection criteria	-.214	.046	-.214	-4.636	.000**	.866	1.155
$R^2 = .081$, Constant= -1.803E-16, Adjusted $R^2 = .075$, F= 14.585, p= .000** *p<0.05, **p<0.01 Regression expression: negative outcomes = -1.803E-16 +(-0.075)×(Selection requirements)+0.160×(Additional selection requirements)+ (-0.214)×(Hotel company selection criteria)+ε								
Negative outcomes	Training and development	-.320	.042	-.320	-7.556	.000**	1.000	1.000
$R^2 = .102$, Constant= -1.750E-16, Adjusted $R^2 = .101$, F=57.099, p= .000** *p<0.05, **p<0.01 Regression expression: negative outcomes= -1.750E-16 +(-0.320)×(Training and development)+ε								
Negative outcomes	Performance appraisal	-.202	.044	-.202	-4.606	.000**	1.000	1.000
$R^2 = .041$, Constant= -1.645E-16, Adjusted $R^2 = .039$, F= 21.214, p= .000** *p<0.05, **p<0.01 Regression expression: positive outcomes= -1.645E-16+(-0.202)×(Performance appraisal)+ε								
Negative outcomes	Job design condition	-.300	.043	-.300	-7.032	.000**	1.000	1.000
	Autocratic management style	-.040	.043	-.040	-.946	.344	1.000	1.000
$R^2 = .092$, Constant= -9.894E-17, Adjusted $R^2 = .088$, F= 25.176, p= .000** *p<0.05, **p<0.01 Regression expression: positive outcomes= -9.894E-17+(-0.300)×(Job design condition)+(-0.040)×(Autocratic management style)+ε								
Negative outcomes	Job security	-.197	.044	-.197	-4.491	.000**	1.000	1.000
$R^2 = .039$, Constant= -1.871E-16, Adjusted $R^2 = .037$, F= 20.167, p=.000** *p<0.05, **p<0.01 Regression expression: positive outcomes= -1.871E-16+(-0.197)×(Job security)+ε								
Negative outcomes	Compensation and pay systems	-.142	.044	-.142	-3.200	.001**	1.000	1.000
$R^2 = .020$, Constant= -1.937E-16, Adjusted $R^2 = .018$, F= 10.238, p= .001** *p<0.05, **p<0.01 Regression expression: negative outcomes = -1.937E-16+(-0.142)×(Compensation and pay systems)+ε								
Negative outcomes	Service quality issues	-.302	.043	-.302	-7.091	.000**	1.000	1.000
$R^2 = .091$, Constant= -2.040E-16, Adjusted $R^2 = .090$, F=50.283, p=.000** *p<0.05, **p<0.01 Regression expression: positive outcomes = -2.040E-16 +(-0.302)×(Service quality issues)+ε								
Negative outcomes	Collective voice	-.053	.042	-.053	-1.247	.213	1.000	1.000
	Consultative management style	-.313	.042	-.313	-7.378	.000**	1.000	1.000
$R^2 = .101$, Constant= -2.286E-16, Adjusted $R^2 = .097$, F= 27.995, p= .000** *p<0.05, **p<0.01 Regression expression: negative outcomes= -2.286E-16 +(-0.053)×(Collective voice)+(-0.313)×(Consultative management style)+ε								

3. The relationship between organisational justice and employee outcomes

3.1 The relationship between organisational justice and positive employee outcomes

Multi regression analysis is conducted to evaluate the relationship between organisational justice (distributive justice, procedure justice) and positive employee outcomes, in Korean deluxe hotels.

Table 5.35 shows the result of the relationship between distributive justice and positive employee outcomes. The value of F of regression model of distributive justice variables is 292.083 at the level of $p=.000$. Adjusted R^2 is 0.367 that account for 36.7%, 'distributive justice' is significant the .01 level. Tolerance is 1.000 and VIF is 1.000 that is, it is considered not having multicollinearity. In addition, the results show that all factors are considered not having multicollinearity as well.

Concerning the relationship between organisational justice and positive employee outcomes, the results provide the following findings:

First, providing fair bonus, fair pay and fair promotion opportunities influence positive employee outcomes in relation to job satisfaction.

Employees consider it important to provide a fair procedure of promotion, grievance and discipline, recruitment and selection. These variables may influence positive employee outcomes.

Table 5.35 Organisational justice variables influence positive outcomes

Dependent variable	Independent variable	Regression coefficient	Standard error	β	T	Sig.	Tolerance	VIF
Positive outcomes	Distributive justice	.607	.036	.607	17.090	.000**	1.000	1.000
$R^2 = .369$, Constant= 6.950E-17, Adjusted $R^2 = .367$, $F = 292.083$, $p = .000$ ** * $p < 0.05$, ** $p < 0.01$ Regression expression: positive outcomes = 6.950E-17 + 0.607 × (Distributive justice) + ε								
Positive outcomes	Procedure justice	.619	.035	.619	17.644	.000**	1.000	1.000
$R^2 = .384$, Constant= 1.438E-16, Adjusted $R^2 = .382$, $F = 311.298$, $p = .000$ ** * $p < 0.05$, ** $p < 0.01$ Regression expression: positive outcomes = 1.438E-16 + 0.619 × (Procedure justice) + ε								

3.2 The relationship between organisational justice and negative employee outcomes

Multi regression analysis is conducted to evaluate the relationship between organisational justice (distributive justice, procedure justice) and negative employee outcomes in the Korean deluxe hotels.

Table 5.36 shows the result of the relationship between distributive justice and negative employee outcomes. The value of F of regression model of distributive justice variables is 31.370 at the level of $p=.000$. Adjusted R^2 is 0.057 that account for 5.7%, 'distributive justice' is significant the .01 level. Tolerance is 1.000 and VIF is 1.000 that is, it is considered not having multicollinearity. In addition, the results show that all factors are considered not having multicollinearity as well.

Concerning the relationship between organisational justice and negative employee outcomes, the results provide the following findings:

Employees feel like leaving their job in a hotel if the hotel management does not provide a fair bonus, fair pay, and fair promotion opportunities, as this produces negative employee outcomes in the Korean deluxe hotels.

Secondly, if hotel management does not provide a fair bonus, pay and promotion opportunities, employees feel like leaving their hotel and that means those variables influence negative employee outcomes in the Korean deluxe hotels.

Table 5.36 Organisational justice variables influence negative outcomes

Dependent variable	Independent variable	Regression coefficient	Standard error	β	T	Sig.	Tolerance	VIF
Positive outcomes	Distributive justice	-.243	.043	-.243	-5.601	.000**	1.000	1.000
$R^2 = .059$, Constant= -1.821E-16, Adjusted $R^2 = .057$, $F = 31.370$, $p = .000^{**}$ * $p < 0.05$, ** $p < 0.01$ Regression expression: negative outcomes = -1.821E-16 + (-0.243) × (Distributive justice) + e								
Negative outcomes	Procedure justice	-.232	.044	-.232	-5.335	.000**	1.000	1.000
$R^2 = .054$, Constant= -2.091E-16, Adjusted $R^2 = .052$, $F = 28.466$, $p = .000^{**}$ * $p < 0.05$, ** $p < 0.01$ Regression expression: negative outcomes = -2.091E-16 + (-0.232) × (Procedure justice) + e								

4. The relationship between HR practice and demographic variables

4.1 T-test of HR practice and demographic variables

The T-test is conducted to evaluate the significant difference between HR practices and demographic variables focusing on: gender, whether they are a member of a trade union, ownership and company structure. The results show that some factors have a statistically significant difference $p < 0.05$ between HR practice and demographic variables (gender, a member of trade union, ownership and company structure summarised in Table 5.37).

Table 5.37 T-test of HR practice

			Group I (n=254)	Group II (n=248)	F test	P value	
Gender	Job design	Job design condition	3.3039	3.0145	10.377	.001**	Footnotes: I (Male), II (Female)
	Employee voice and consultation	Collective voice	3.4882	3.2669	8.189	.004**	
			Group I (n=262)	Group II (n=240)	F test	P value	
A member of trade unions	Recruitment and selection	Selection requirements	3.3641	3.3308	4.509	.034*	Footnotes: I (Yes), II (No)
			Group I (n=305)	Group II (n=197)	F test	P value	
Ownership	Recruitment and selection	Selection requirements	3.3036	3.4173	6.236	.013*	Footnotes: I (International chain hotel), II (Korean owned hotel)
	Job design	Job design condition	3.1587	3.1645	4.120	.043*	
		Autocratic management style	3.5311	3.5254	6.805	.009*	
	Employee voice and consultation	Collective voice	3.4715	3.2355	19.053	.000*	
			Group I (n=223)	Group II (n=279)	F test	P value	
Company structure	Training and development		3.4888	2.9480	4.992	.026*	Footnotes: I (Chaebol hotel), II (Dedicated hotel company)
	Job design	Job design condition	3.3480	3.0115	9.159	.003*	

* $p < 0.05$

First, the results between HR practice and gender show that almost all variables are not significant $p < 0.05$ however 'job design condition' and 'collective voice' have

statistically significant differences $p < 0.05$. By comparison to the mean value, male employees (Group I: $n=254$) are considered more significant than female employees (Group II: $n=248$) in relation to 'job design condition' variables (i.e. the design of jobs to make full use of the worker's skills and abilities, employees belong to the team, managers consulting with employee about how work should be done before making decision, flexible job descriptions that are not linked to one specific task and managers expectations on how employees should do work without raising difficulties) than female employees in the Korean deluxe hotels. In addition, male employees (Group I: $n=254$) are considered more significant than female employees (Group II: $n=248$) in relation to 'collective voice' variables (i.e. trade union involvement in resolving employee grievance, trade union influencing the staff: welfare facilities, staff welfare and benefits, resolving employee discipline in the hotel and level of benefits such as; maternity leave, holidays and pensions) than female employees in the Korean deluxe hotels.

Secondly, the results between HR practice and a member of trade unions explain that almost all variables are not significant $p < 0.05$ however 'selection requirements' is statistically significantly different $p < 0.05$. By comparison to the mean value of a member of trade union (Group I: $n=262$) is considered significant as opposed to non-member of trade union (Group II: $n=240$) in relation to 'selection requirements' variables (i.e. experience, major in the university or college, grade in the university or college, foreign language score and appearance) in the Korean deluxe hotels.

Third, the results between HR practice and ownership show that most variables are not significant $p < 0.05$ however 'selection requirements', 'job design condition', 'autocratic management style' and 'collective voice' have statistically significant differences $p < 0.05$. By comparison to the mean value, Korean owned hotels' employees (Group II: $n=197$) are considered more significant than International chain hotels' employees (Group II: $n=248$) in relation to 'selection requirements' variables. In relation to the 'job design condition' variable, employees who work in Korean owned hotels are regarded as more significant than when compared with employees who work in International chain hotels. Employees who work in Korean owned hotels are considered more significant compared with employees who work in International chain hotels in relation to 'Autocratic management style' variables (i.e. managers ask employees to work hard and the hotel sometimes makes employees feel they have to make sacrifices for the work team as a whole). In addition, employees who work in

International chain hotels are more considered as significant when compared with employees who work at Korean owned hotels in relation to 'collective voice' variable.

Finally, the results between HR practice and company structure explain that almost all variables are not significant $p < 0.05$ however 'training and development' and 'job design condition' have statistically significant differences $p < 0.05$. By comparison to the mean value, Chaebol hotels (Group I: $n=223$) are considered as more significant when compared to a dedicated hotel company (Group II: $n=279$) in relation to 'training and development' variables (i.e. hotel is committed to developing a broad range of skills among its staff, hotel evaluates training, employees have received excellent training to help them do their job well, the hotel has a clear policy requiring all staff to take part in a minimum amount of training each year) in Korean deluxe hotels. Also, Chaebol hotels are considered as more significant in relation to 'job design condition' variables than a dedicated hotel company.

4.2 One-way ANOVA of HR practice and demographic variables

Another type of analysis between HR Practices and demographic variables is the One-way ANOVA analysis, which looks at: age, period of employment, years of working in the hotel industry, educational level, position and work department in a Korean deluxe hotel. The results show that some factors have a statistically significant difference $p < 0.05$ between HR practice and demographic variables (age, education level, position, working period, years of working in the hotel industry and workdepartment) and they are summarised in Table 5.38.

First, the results between HR practice and age show that most variables are not significant $p < 0.05$, however 'training and development', 'performance appraisal', 'job design condition', 'job security', 'service quality issues' and 'collective voice' have statistically significant differences $p < 0.05$. By comparison to the mean value, Group VI (46 or above) is considered as more significant rather than Group V (41-45) and Group IV (36-40) in relation to 'training and development' variables. The results indicate that the older age group place far more significance on 'training and development' than the younger age group in the hotel, 'performance appraisal' and 'job design condition'. Almost all groups are considered as significant in relation to 'job security', 'service quality issues' and 'collective voice' especially Group V (41-45) and Group VI (46 or above) are considered as more significant concerning those variables

rather than other groups in the hotel. The results show that the older age group are more likely to consider 'job security' in terms of keeping working in the hotel rather than the younger age group. The reason is that almost all older age groups are likely to have a family to support, and therefore they feel job security is very important as opposed to than the younger age group who often have no dependents. The older age group have worked for a long time in the hotel, therefore they are likely to know how much the service quality issue is directly associated with successful business in operating hotels through their accumulated experience. They also recognise how important it is to collect employees' voices to guarantee their employees' welfare against the company or government in the Korean deluxe hotels.

Secondly, the results between HR practice and education level show that 'selection requirements', 'hotel company selection criteria', 'performance appraisal, 'compensation and pay systems' have statistically significant differences $p < 0.05$. By comparison to mean value, Group VI (university, post graduate) and Group V (university, doctoral level) are considered as more significant compared to other groups in relation to 'selection requirements' and 'hotel company selection criteria' variables. The results indicate that employees who studied at a master programme level are considered those variables as significant when compared with employees who studied at high school and college. This implies that with a higher level of education, employees are likely to perceive those variables as important. Group III (university undergraduate) and Group IV (university post graduate) are considered as significant in relation to 'performance appraisal' and 'compensation and pay systems' rather than other groups. The results show that both group employees are likely to perceive those variables as important when compared to other groups, such as Group I (high school) and Group II (college) in the hotel. In relation to education level, the results indicate that employees of a high education level are perceived as more important in comparison to employees who do not have a high education level in the hotel.

Table 5.38 One-way ANOVA of HR practice

		Group I (n=24)	Group II (n=211)	Group III (n=125)	Group IV (n=69)	Group V (n=48)	Group VI (n=25)	F test	P value	
Age	Training and development	2.9063	3.1457	3.1340	3.1703	3.4792	3.5800	3.061	.010*	Footnotes: I (Below 20), II (26-30), III (31-35), IV (36-40), V (41-45), VI (46 or above)
	Performance appraisal	2.9115	3.0024	3.0690	3.2156	3.3932	3.4150	4.884	.000*	
	Job design	2.9000	3.0711	3.1184	3.2899	3.3958	3.5760	4.494	.001*	
	Job security	3.0139	3.0885	3.1413	3.0338	3.4306	3.1467	2.282	.045*	
	Service quality issues	3.0694	3.1754	3.2960	3.2850	3.4306	3.5467	2.241	.049*	
	Employee voice and consultation	3.1250	3.2815	3.3760	3.5188	3.6125	3.6240	2.330	.041*	
Education level	Recruitment and selection	2.9000	3.3209	3.3842	3.5875	4.4000		8.986	.000*	Footnotes: I (High school), II (College), III (University, Undergraduate), IV (University, Post graduate), V (University, Doctoral level)
	Performance appraisal	2.8519	2.8456	3.0329	3.1458	3.1667		3.044	.017*	
	Compensation and pay systems	2.9931	2.9816	3.1744	3.3320	2.9688		3.467	.008*	
		2.7889	2.8847	3.0846	3.1500	2.8000		3.197	.013*	
Position	Recruitment and selection	3.1321	3.3776	3.3493	3.5333	3.5500	Group VI (n=12)	F test	P value	Footnotes: I (Part time/Internship), II (Full time), III (Operational manager), IV (Supervisor), V (Manager), VI (Senior manager)
	Performance appraisal	2.5893	2.8937	3.0978	2.8889	2.8333	3.6667	4.623	.000*	
	Job design	3.0134	3.0717	3.1750	3.1691	3.1938	3.0278	4.082	.001*	
	Employee voice and consultation	3.0964	3.1440	3.0747	3.2863	3.4600	3.6146	2.285	.045*	
		3.2268	3.3966	3.2667	3.6314	3.5600	3.6000	2.260	.047*	
	Consultative management style	3.3259	3.1983	3.2733	3.4510	3.6750	3.7833	2.451	.033*	
							3.7083	2.646	.023*	

*p<0.05

Third, the results between HR practice and position show that ‘selection requirements’, ‘additional selection requirements’, ‘performance appraisal’, ‘job design condition’, ‘collective voice’ and ‘consultative management style’ have statistically significant differences $p < 0.05$.

By comparison to the mean value, Group V (manager) and Group VI (senior manager) are considered as more significant when compared with other groups in relation to ‘selection requirements’, ‘performance appraisal’, ‘job design condition’, ‘consultative management style’ variable. The results indicate that over managers are involved in decision making, including requirements in relation to recruitment and selection. Also they are involved in decision making in the aspect of job design and performance appraisal thus they consider those variables as important rather than of an employee who does not manage staff. In relation to ‘additional selection requirements’, Group III (operational manager) is considered as more significant rather than other groups. In addition, Group IV (supervisor), Group V (manager) and Group VI (senior manager) are considered as significant compared with other groups in relation to ‘collective voice’. That is, over supervisor are likely to be perceived as important it because they have to settle all potential problems in relation to employees’ voice based on trade union in the hotel.

Table 5.38 One-way ANOVA of HR practice (continued)

		Group I (n=85)	Group II (n=155)	Group III (n=80)	Group IV (n=45)	Group V (n=137)		F test	P value	
Working period	Recruitment and selection	3.1835	3.2955	3.3350	3.3778	3.5080		3.897	.004*	
	Training and development	3.3265	2.9258	3.3500	3.1667	3.3120		6.089	.000*	
	Performance appraisal	3.0662	2.8944	3.2578	3.1556	3.2500		6.948	.000*	
	Service quality issues	3.2863	3.0323	3.2792	3.3704	3.4477		6.457	.000*	
	Employee voice and consultation	3.1765	3.2142	3.3600	3.5067	3.6599		6.403	.000*	
		3.4353	3.0677	3.3438	3.3333	3.4234		4.814	.001*	
Years of working in the hotel industry		Group I (n=163)	Group II (n=108)	Group III (n=103)	Group IV (n=68)	Group V (n=60)		F test	P value	
	Recruitment and selection	2.6769	2.9506	2.9482	3.0147	2.8389		3.390	.009*	
	Training and development	2.9448	3.0340	2.9288	2.7843	3.1389		2.688	.031*	
	Performance appraisal	3.1365	3.1759	3.1044	3.1250	3.5667		3.633	.006*	
	Job design	2.9225	3.1644	3.1299	3.0993	3.4313		7.189	.000*	
	Job security	3.0184	3.1463	3.1301	3.2706	3.5033		5.437	.000*	
	Service quality issues	2.9939	3.2130	3.1909	3.0490	3.3056		3.250	.012*	
	Employee voice and consultation	3.1186	3.2253	3.3269	3.3088	3.5222		3.812	.005*	
		3.1914	3.2907	3.4777	3.5559	3.6767		4.937	.001*	
		3.2699	3.2222	3.2379	3.2500	3.6417		3.261	.012*	
Work department		Group I (n=77)	Group II (n=149)	Group III (n=34)	Group IV (n=108)	Group V (n=8)	Group VI (n=113)	Group VII (n=8)	Group VIII (n=5)	P value
	Recruitment selection	2.9351	3.0358	2.8922	2.8056	2.5417	2.6401	2.7917	2.6667	.011*

Footnotes: I (Less than 1 year), II (Between 1-3), III (Between 4-6), IV (Between 7-9), V (10 or above)

Footnotes: I (Less than 3 year), II (Between 3-5), III (Between 6-10), IV (Between 11-15), V (16 or above)

Footnotes: I (Front office), II (Food and Beverages), III (Kitchen), IV (Back office: Marketing/Finance/Security/HR/Sales support/ An operation division of reports/revenue, Reservation department), V (House Keeping), VI (Fitness), VII (Facility), VIII (Sauna reception)

*p<0.05

Fourth, the results between HR practice and working period show that 'selection requirements', 'training and development', 'performance appraisal', 'service quality issues', 'collective voice' and 'consultative management' have statistically significant differences $p < 0.05$. By comparison to the mean value, Group VI (between 7-9) and Group V (10 or above) are considered as more significant compared with other groups in relation to 'selection requirements', 'service quality issues' and 'collective voice' variables. The results indicate that employees who have worked in the hotel for over 7 years are considered as more significant about those variables compared with employees who have worked in the hotel for less than 6 years; this means the longer the member of staff has worked in the hotel, the more likely employees are to perceive as important in relation to those variables. Group III (between 4-6) is considered as significant in relation to 'training and development' 'performance appraisal' and 'consultative management style' rather than other groups. The results show that the group employees are likely to be accustomed to the hotel company culture. Group III (between 4-6) is considered as significant in relation to 'training and development' 'performance appraisal' and 'consultative management style' rather than other groups. The results show that the group employees are likely to be accustomed to the hotel company culture and they are likely to recognise those variables are important in working hotels rather than other groups.

Fifth, the results between HR practice and years of working in the hotel industry show that 'additional selection requirements', 'hotel company selection criteria', 'training and development', 'performance appraisal', 'job design', 'job security', 'service quality issues', 'collective voice' and 'consultative management style' have statistically significant differences $p < 0.05$. By comparison to the mean value, Group VI (11-15) they are considered more significant than other groups in relation to 'additional selection requirements' variable. The results indicate that the employees who belong to the group are likely to have a position such as managers, meaning they are likely to be given the authority to consider the variable as a decision maker regarding recruitment and selection in the hotel. Group V (16 or more) is considered as more significant rather than other groups in relation to 'hotel company selection criteria', performance appraisal', 'job security' and 'service quality issues'. Employees who work for over 16 years are more aware of the importance of those variables rather than other groups because they have worked for a long time in the hotel industry and they have a large amount of experience, allowing them to understand how important they are in terms of

hotel company (i.e. hotel company selection criteria), employees (i.e. performance appraisal and job security) and customers (i.e. service quality issues) in the hotel. Group IV (between 11-15) and Group V (16 or above) are considered as significant rather than other groups in relation to 'training and development', 'job design conditions', 'collective voice' and 'consultative management style'. The results show that employees who work for the hotel for at least 11 years perceive those variables as important in the aspect of employees (i.e. collective voice, consultative management style) and hotel company (i.e. training and development, job design conditions) in the Korean deluxe hotel.

Finally, the results between HR practice and work departments show that almost all variables are not significant $p < 0.05$ however 'additional selection requirements' has statistically significant differences $p < 0.05$. By comparison to the mean value, Group I (front office) and Group II (food and beverage) are considered as more significant rather than other groups in relation to 'additional selection requirements' variable. The results indicate that operational employees perceive it as important rather than managerial employees. As discussed in an earlier chapter, Korea is a collectivist society in terms of Hofstede's view, and also Korea is influenced by the Confucian culture, therefore younger people should respect older people. For example, younger customers (around 30 years old) visit a hotel restaurant and an older employee (around 50 years old) takes their order and serves their meals. In this example, the younger customers feel uncomfortable being served by an older person. As a result, most hotels consider age when hiring employees in Korean deluxe hotels. In relation to this, the Confucian culture in Korea is discussed further in Chapter 6.

5. The relationship between organisational justice and demographic variables

5.1 T-test of organisational justice and demographic variables

A T-test is conducted to evaluate the significant difference between organisational justice and demographic variable (i.e. gender, a member of trade union, ownership and company structure). The results between organisational justice and demographic variables in relation to gender, a member of trade unions, ownership and company structure, shows that all variables are not significant $p < 0.05$, therefore the variables cannot be explained.

5.2 One-way ANOVA of organisational justice and demographic variables

One-way ANOVA analysis is conducted to examine significant differences between organisational justice and demographic variable (i.e. age, educational level, position, working period, years of working in the hotel industry, and work department) in the Korean deluxe hotels. The results show that some factors have a statistically significant difference $p < 0.05$ between organisational justice and those demographic variables mentioned above, and they are summarised Table 5.39.

Table 5.39 One-way ANOVA of Organisational justice

	Group I (n=24)	Group II (n=211)	Group III (n=125)	Group IV (n=69)	Group V (n=48)	Group VI (n=25)	F test	P value
Age								
	Distributive justice	2.5694	2.7733	2.7729	3.2431	3.1733	3.747	.002*
	Procedure justice	2.7778	2.9131	2.9333	2.8406	3.2986	3.383	.005*
	Footnotes: I (Below 20), II (26-30), III (31-35), IV (36-40), V (41-45), VI (46 or above)							
Education level								
		Group I (n=36)	Group II (n=177)	Group III (n=253)	Group IV (n=32)	Group V (n=4)	F test	P value
	Procedure justice	2.9537	2.8136	3.0290	3.2813	2.6667	3.068	.016*
	Footnotes: I (High school), II (College), III (University, Undergraduate), IV (University, Post graduate), V (University, Doctoral level)							
Position								
		Group I (n=112)	Group II (n=232)	Group III (n=75)	Group IV (n=51)	Group V (n=20)	Group VI (n=12)	P value
	Distributive justice	2.8095	2.7112	2.9422	3.0000	3.2000	3.1111	.033*
	Procedure justice	2.9494	2.8793	2.9778	3.0654	3.3167	3.5000	.043*
	Footnotes: I (Part time/Internship), II (Full time), III (Operational manager), IV (Supervisor), V (Manager), VI (Senior manager)							
Working period								
		Group I (n=85)	Group II (n=155)	Group III (n=80)	Group IV (n=45)	Group V (n=137)	F test	P value
	Procedure justice	3.0784	2.7914	2.9750	2.9556	3.0730	2.604	.035*
	Footnotes: I (Less than 1 year), II (Between 1-3), III (Between 4-6), IV (Between 7-9), V (10 or above)							
Years of working in the hotel industry								
		Group I (n=163)	Group II (n=108)	Group III (n=103)	Group IV (n=68)	Group V (n=60)	F test	P value
	Distributive justice	2.6933	2.8827	2.7896	2.7108	3.2778	5.489	.000*
	Procedure justice	2.8855	2.9846	2.8867	2.8235	3.4056	5.307	.000*
	Footnotes: I (Less than 3 year), II (Between 3-5), III (Between 6-10), IV (Between 11-15), V (16 or above)							

*p<0.05

First, the results between organisational justice and age show that 'distributive justice' and 'procedure justice' variables are statistically significant $p < 0.05$. By comparison to the mean value, Group V (41-45) and Group VI (46 or above) are considered as more significant compared with other groups in relation to 'distributive justice (i.e. fair bonus, fair pay, fair opportunity for promotion)' and 'procedure justice (i.e. a fair procedure of promotion, a fair procedure of grievance and discipline, a fair procedure of recruitment and selection)' variables. The results indicate that older age groups consider those variables as more significant, rather than the younger age group in a Korean deluxe hotel.

Secondly, the results between organisational justice and education level explain that 'procedure justice' has statistically significant differences $p < 0.05$. By comparison to the mean value, Group III (university, undergraduate) and Group IV (university, post graduate) consider the 'procedure justice' variable as significant compared to other groups. The results indicate that employees who studied at undergraduate and postgraduate levels are more likely to consider the following as significant: a fair of procedure of promotion, fair grievance and discipline procedures, and fair recruitment and selection methods.

Thirdly, the results between organisational justice and position show that 'distributive justice' and 'procedure justice' variables are statistically significant $p < 0.05$. By comparison to the mean value, Group V (manager) and Group VI (senior manager) consider the 'distributive justice' and 'procedure justice' variables are more significant. The results indicate that over managers based on position are more considerate to those variables because they are involved in decision making regarding the fair bonus, pay and opportunity for promotion in terms of distributive justice and regarding a fair procedure of promotion, grievance and discipline, recruitment and selection in the aspect of procedure justice. That is, those variables are considered by managers in managing human resource in the hotel.

Fourthly, the results between organisational justice and the working period show that 'procedure justice' has statistically significant differences $p < 0.05$. By comparison to the mean value, Group I (less than 1 year) considers the 'procedure justice' variable more significant when compared to other groups. The results indicate that employees who work at the hotel for less than 1 year consider the variable more significant when compared to employees who work at the hotel for over 1 year. That means the shorter

the duration of work at the hotel for an employee, the more likely they are to perceive it as important, in relation to a fair of procedure of promotion, grievance and discipline, recruitment and selection.

Fifthly, the results between organisational justice and years of working in the hotel industry show that 'distributive justice' and 'procedure justice' variables are statistically significant $p < 0.05$. By comparison to the mean value, Group V (16 or above) is considered more significant compared to other groups in relation to 'distributive justice (i.e. fair bonus, fair pay, fair opportunity for promotion)' and 'procedure justice (i.e. a fair procedure of promotion, a fair procedure of grievance and discipline, a fair procedure of recruitment and selection)' variables. The results indicate that the longer an employee works at the hotel, the more likely they are to consider it as significant with regards to those variables, rather than the shorter work duration in the hotel in the Korean deluxe hotel.

Finally, the results between organisational justice and the work department show that all variables have no significant differences $p < 0.05$ therefore the variables cannot be explained.

6. The relationship between employee outcomes and demographic variables

6.1 T-test of employee outcomes and demographic variables

The T-test is conducted to evaluate significant difference between employee outcomes and demographic variable (i.e. gender, a member of trade union, ownership and company structure). The results between employee outcomes and demographic variables (i.e. a member of trade union, ownership and company structure) show all variables are not significant $p < 0.05$, however 'negative outcomes' in relation to gender show a significant difference $p < 0.05$. By comparison to the mean value, female employees (Group II: $n=248$) produce more negative outcomes (i.e. quit job, disappointed in their job) than male employees (Group I: $n=254$) in the hotel. (See Table 5.40)

6.2 One-way ANOVA of employee outcomes and demographic variables

One-way ANOVA analysis is conducted to examine significant differences between employee outcomes and demographic variable (i.e. age, education level, position, working period, years of working in the hotel industry, and work department) in Korean deluxe hotels. The results show that some factors are significantly different $p < 0.05$

between employee outcomes and those demographic variables mentioned above, summarised in Table 5.40.

First, the results between employee outcomes and age show that ‘positive outcomes (i.e. very satisfied with my job, very happy working at the hotel and recommending it to others, very satisfied with the benefits received (meals, holiday etc.))’ and ‘negative outcomes (i.e. often think about quitting my job, disappointed that I every took my job in the hotel, plan to leave the hotel jobs as soon as I can find another job)’ variables are statistically significant $p < 0.05$. By comparison to the mean value, Group V (41-45) and Group VI (46 or above) consider the ‘positive outcomes’ variable more significant than the other groups. The results indicate that the older age group consider significantly the variable when compared with a younger age group in the Korean deluxe hotel. In relation to ‘negative outcomes’, Group I (below 20), Group II (26-30) and Group III (31-35) are considered as significant, that means younger age groups rather, than older age group, are likely not to be satisfied with their work and want to quit their job.

Secondly, the results between employee outcomes and education level explain that ‘positive outcomes’ has statistically significant differences $p < 0.05$. By comparison to the mean value, Group IV (university, post graduate) considers the ‘positive outcomes’ variable more significant than other groups. The results indicate that employees who studied at postgraduate level are more likely to consider as significant the variable: employees are likely to be perceived as important in relation to job satisfaction, happy working at the hotel and satisfaction with the benefits receive from the hotel company.

Thirdly, the results between employee outcomes and position show that ‘positive outcomes’ and ‘negative outcomes’ variables are statistically significant $p < 0.05$. By comparison to the mean value, Group VI (senior manager) consider the ‘positive outcomes’ variable more significant compared to other groups. It is also noticed that Group II (full time) considers ‘negative outcomes’ significant. The results indicate that employees who have a high ranking position are likely to be satisfied with their job, while employees who have a low ranking position are unlikely to be satisfied with their job in the hotel.

Fourthly, the results between employee outcomes and the working period explain that ‘positive outcomes’ and ‘negative outcomes have a statistically significant difference $p < 0.05$. By comparison to the mean value, Group IV (between 7-9) and Group V (10 or above) are considered as more significant than other groups in relation to the ‘positive

outcomes' variable. The results indicate that employees who work the hotel for longer than 7 years consider the variables more significant than employees who work for less than 6 years. That means the longer they work at the hotel the more likely they are to perceive the following as important; job satisfaction, happy working at the hotel and satisfaction with the benefits received from the hotel company. In relation to 'negative outcomes', Group II (between 1-3) and Group III (between 4-6) consider it important; that means employees who have worked for between 1 - 6 years are more likely to perceive it as important, therefore this group is less likely to be happy with their work and therefore more likely to quit work than employees who have worked for over 7 years in the hotel.

Fifthly, the results between employee outcomes and years of working in the hotel industry show that 'positive outcomes' and 'negative outcomes' variables are statistically significant $p < 0.05$. By comparison to the mean value, Group V (16 or above) consider it as significant compared to other groups in relation to 'positive outcomes' otherwise for Group II (between 3-5) they consider it more significant than other groups in relation to 'negative outcomes'. The results indicate that the longer employees work for a hotel, the more those employees are likely to experience positive outcomes, whilst the less time employees have been employed by a hotel, the more likely these employees are to experience negative outcomes.

Finally, the results between employee outcomes and the work department show that the 'negative outcomes' variable is also statistically significant $p < 0.05$. By comparison to the mean value, Group VII (facility), Group II (food and beverages) and Group I (front office) consider the 'negative outcomes' variable more significant when compared to other groups. The results indicate that employees who provide services to customers in person, and employees who work at facility are unlikely to experience job satisfaction in the hotel. In relation to employees who work in the front office, and food & beverages, they are likely to experience increased stress from working face-to-face with customers, and as a result they are likely to leave their work in the Korean deluxe hotels.

In summary, Table 5.41 presents the analysis of the findings of how employees feel about HR practices, organisational justice and employee outcomes in Korean deluxe hotels, showing the following table highlights the key results.

Table 5.41 The relationship between demographic variables and HR practice, organisational justice and employee outcomes

gender	Male employees consider 'collective voice' more important than do female employees.
Age	<ul style="list-style-type: none"> - Older age groups consider 'job security' and 'organisational justice' as more important rather than do the younger age group. This may be due to almost all employees in older age groups having already formed families, increasing risk aversion and increasing the need for stability. - Younger age groups are more likely to be dissatisfied with their work and want to quit their jobs than older age groups.
Working period	<ul style="list-style-type: none"> -The longer employees work at a hotel, the more likely they are to perceive as important variables of 'selection requirements', 'training and development', 'performance appraisal', 'service quality issues', collective voice' and 'consultative management'. - The shorter the duration of work at the hotel for an employee, the more likely they are to perceive as important matters of a fair of procedure for promotion, grievance and discipline, recruitment and selection.
Years of working period	<ul style="list-style-type: none"> -The longer tenured employees are more aware of the importance of 'hotel company selection criteria', performance appraisal', 'job security', 'service quality issues' and 'collective voice' than the employees with less tenure, because their long experiences makes them more aware of their importance relative to the hotel company (i.e. hotel company selection criteria), other employees (i.e. performance appraisal and job security) and customers (i.e. service quality issues). -The longer tenured employees are more likely to have positive outcomes whilst those with less tenure are more likely to have negative outcomes.
Education level	<ul style="list-style-type: none"> -Employees who have a high education level are more likely to perceive as important 'selection requirements', 'hotel company selection criteria', 'performance appraisal' and 'compensation and pay systems' compared to less-well educated employees. -Employees who studied at undergraduate and post graduate levels are more likely to consider the following as significant; a fair of procedure of promotion, fair grievance and discipline procedures, fair recruitment and selection practices. -Employees who have a high education level are more likely to perceive as important in relation to job satisfaction, happy working at the hotel and satisfaction with the benefits receive from hotel company.
Position	<ul style="list-style-type: none"> -Employees who have a superior position consider as more important 'recruitment and selection', 'job design' and 'performance appraisal'. -Employees who have a superior position perceive as more important distributive justice and procedural justice, than do employees who have a low position, as these are involved in managing human resource in the hotel. -Employees who have a superior position are more likely to be satisfied with their jobs than other employees.
Workdepartment	<ul style="list-style-type: none"> -Operational employees perceive age as more important than do managerial employees. Younger customers feel uncomfortable to get any service from the older employees. -Employees who work at the front office and in food & beverages are more likely to feel increased stress from working face-to-face with customers, and as a result are more likely to leave their work.
A member of trade union	-A member of a trade union is more likely to consider as significant 'selection requirements' variables (i.e. experience, major in the university or college, grade in the university or college, foreign language score and appearance).

Ownership	<p>-Employees who work in Korean owned hotels are more likely to consider as significant 'autocratic management style' and 'job design condition' variable when compared to those who work in international chain hotels.</p> <p>-Employees who work in international chain hotels are more likely to consider as significant 'collective voice'.</p>
Company structure	<p>-Employees in Chaebol hotels are more likely to consider as significant 'training and development' and 'job design condition' compared to those in dedicated hotel companies.</p>

November 10

To whom it may concern

Title of Project: Does the Korean Hotel Industry Have a Distinctive Approach to Strategic HRM ?

QUESTIONNAIRE

I obtained my first PhD at the Department of Tourism Management, Dong-A University in Korea and I conducted several research projects in connection with World Tourism Organisation in Korea. I am currently doing my second PhD at Sheffield Hallam University, UK.

I am writing to invite you to take part in my research. My PhD topic is “Does the Korean Hotel Industry Have a Distinctive Approach to Strategic HRM?” The research aim is to develop a model of Strategic Human Resource Management for the Korean hotel industry. That means to find out the best way of managing people in the Korean hotel industry which will lead to the implementation of HR practices which will contribute to the success of hotels. Therefore, your participation in this project will help me to develop a model of strategic human resource management which fits the needs of the Korean hotel industry.

This questionnaire is the first stage of the research aimed to investigate actual human resource practices in the Korean hotel industry. I would be grateful if you would allow me to conduct an interview for the second stage of my research, after you have completed the questionnaire for your hotel. I will be telephoning you within a week or two to discuss this and, to hopefully arrange a meeting.

All the information will be treated in strict confidence and your name and the name of your hotel will be substituted with an anonymous one. The data will be used only for academic purposes. The survey questionnaire should be completed by the HR manager(s) or general manager(s) of the hotel.

I would like to thank you in advance for agreeing to take part in the research project. I anticipate the questionnaire will take no longer than 20 minutes to complete and it is easy to fill out.

If you need to contact of me about any aspect of the research project, my details are below:

Yeonu Lee
The researcher
Sheffield Business School
Sheffield Hallam University, UK.
S1 1WB
Email: slee22@my.shu.ac.uk

Mobile number: (82) 010-

Please tick the answer appropriately.

Part A: General information

1. Are you working at? ① International chain hotel ② Korean owned hotel
2. Do you have trade union in your hotel? ① Yes ② No
3. If yes, which trade union?
 - ① Korean Federation of Tourism & Service Industry Worker's Unions (KFTSIWU)
 - ② Federation of Civil Service (FCS)
 - ③ Other, please specify _____

Part B: Business strategy in your hotel – These questions are about a range of business strategies used in your hotel

Questionnaire items

- | | | | | |
|----|---|-------|------|-------------|
| 1) | Does your hotel compete on the basis of high quality service rather than cost? | ① Yes | ② No | ③ Sometimes |
| 2) | Does your hotel emphasise continuous improvement of products/services to secure a long-term competitive edge? | ① Yes | ② No | ③ Sometimes |
| 3) | Is your hotel usually the first company to introduce new products or services in the market? | ① Yes | ② No | ③ Sometimes |
| 4) | Does your hotel constantly seek new business opportunities? | ① Yes | ② No | ③ Sometimes |
| 5) | Does your hotel emphasise selecting highly skilled employees? (e.g. problem-solving skilled individuals) | ① Yes | ② No | ③ Sometimes |

Part C: HR practices used in the hotel

C-1: These questions are about a range of recruitment and selection practices used in your hotel

Questionnaire items

- | | | | | |
|-----|--|-------|------|-------------|
| 1) | Does your hotel use clearly defined selection criteria? | ① Yes | ② No | ③ Sometimes |
| 2) | Does your hotel conduct structured and standardized interviews? | ① Yes | ② No | ③ Sometimes |
| 3) | Does your hotel consider extended families, regionalism, school relations and kinship for your hotel, when hiring employees? | ① Yes | ② No | ③ Sometimes |
| 4) | Does your hotel consider age to be an important quality when hiring employees? | ① Yes | ② No | ③ Sometimes |
| 5) | Does your hotel consider seniority to be an important quality in the previous work when hiring employees? | ① Yes | ② No | ③ Sometimes |
| 6) | Do union leaders participate jointly in the hiring of staff in your hotel? | ① Yes | ② No | ③ Sometimes |
| 7) | Does your hotel use psychometric testing as a selection method? | ① Yes | ② No | ③ Sometimes |
| 8) | Does your hotel use personality tests as a selection method? | ① Yes | ② No | ③ Sometimes |
| 9) | Does your hotel use aptitude tests as a selection method? | ① Yes | ② No | ③ Sometimes |
| 10) | Does your hotel use past experience as a selection requirement? | ① Yes | ② No | ③ Sometimes |
| 11) | Does your hotel use appearance as a selection requirement? | ① Yes | ② No | ③ Sometimes |
| 12) | Does your hotel use university or college degrees as a selection requirement? | ① Yes | ② No | ③ Sometimes |

- 13) Does your hotel use degree grade as a selection requirement? ① Yes ② No ③ Sometimes
- 14) Does your hotel use foreign language score as a selection requirement? ① Yes ② No ③ Sometimes

Please state, if your hotel uses recruitment and selection practices which are not mentioned above.

C-2: These questions are about a range of training and development practices used in your hotel

Questionnaire items

- | | |
|---|------------------------|
| 1) Does your hotel provide formal training programmes for employees? | ① Yes ② No ③ Sometimes |
| 2) Does your hotel have an explicit policy requiring all staff to spend a specified minimum period annually in formal training? | ① Yes ② No ③ Sometimes |
| 3) Does your hotel evaluate training programmes? | ① Yes ② No ③ Sometimes |
| 4) Does your hotel require development of a broad range of skills? | ① Yes ② No ③ Sometimes |
| 5) Does your hotel provide training in fire drill? | ① Yes ② No ③ Sometimes |
| 6) Does your hotel provide training in sex education? | ① Yes ② No ③ Sometimes |
| 7) Does your hotel provide training in general knowledge about hotels? | ① Yes ② No ③ Sometimes |
| 8) Does your hotel provide training in foreign language? | ① Yes ② No ③ Sometimes |
| 9) Does your hotel provide training in polite phone etiquette? | ① Yes ② No ③ Sometimes |
| 10) Does your hotel provide training in problem-solving skills? | ① Yes ② No ③ Sometimes |
| 11) Does your hotel provide training in complaints response? | ① Yes ② No ③ Sometimes |
| 12) Does your hotel provide training in polite greeting with smile? | ① Yes ② No ③ Sometimes |
| 13) Does your hotel provide training in polite attitudes to guests with hospitality? | ① Yes ② No ③ Sometimes |
| 14) Does your hotel provide training in polite speaking? | ① Yes ② No ③ Sometimes |
| 15) Does your hotel provide training in the use of make up? | ① Yes ② No ③ Sometimes |
| 16) Does your hotel provide training in hygiene education? | ① Yes ② No ③ Sometimes |
| 17) Does your hotel use case studies in its training? | ① Yes ② No ③ Sometimes |
| 18) Does your hotel use role playing? | ① Yes ② No ③ Sometimes |
| 19) Does your hotel use educators from the hotel association, guest speakers, or hotel instructor? | ① Yes ② No ③ Sometimes |

Please state, if your hotel uses training and development practices which are not mentioned above.

C-3: These questions are about a range of performance appraisal practices used in your hotel

Questionnaire items

- | | | |
|-----|--|------------------------------|
| 1) | Does your hotel measure performance by objectively quantifiable results? | ① Yes ② No ③ Sometimes |
| 2) | Do your hotel managers informally discuss staff individual performance with subordinates? | ① Yes ② No ③ Sometimes |
| 3) | Does your hotel use a formal performance appraisal system for some staff groups? | ① Yes ② No ③ Sometimes |
| 4) | Does your hotel use an informal appraisal system? (e.g. bosses do not give formal feedback or formally evaluate employees) | ① Yes ② No ③ Sometimes |
| 5) | Does your hotel formally carry out a performance appraisal system link to pay and rewards? | ① Yes ② No ③ Sometimes |
| 6) | Does your hotel consider group goal-setting as part of performance appraisal? | ① Yes ② No ③ Sometimes |
| 7) | Does your hotel value employee loyalty as much as good performance? | ① Yes ② No ③ Sometimes |
| 8) | Does your hotel promote staff on the basis of seniority? | ① Yes ② No ③ Sometimes |
| 9) | Are men more successful than women in gaining promotion in your hotel? | ① Yes ② No ③ Sometimes |
| 10) | Are staff in your hotel involved in setting performance targets? | ① Yes ② No ③ Sometimes |
| 11) | Is the trade union in your hotel involved in decision about promotions? | ① Yes ② No ③ Sometimes |

Please state, if your hotel uses performance appraisal practices which are not mentioned above.

C-4: These questions are about a range of job design used in your hotel

Questionnaire items

- | | | |
|----|--|------------------------------|
| 1) | Does your hotel deliberately design jobs to make full use of worker's skills and abilities? | ① Yes ② No ③ Sometimes |
| 2) | Does your hotel organise work around teamworking for the majority of staff? | ① Yes ② No ③ Sometimes |
| 3) | Does your hotel provide flexible job descriptions that are not linked to one specific task? | ① Yes ② No ③ Sometimes |
| 4) | Does your hotel expect individual employees to sometimes make sacrifices for the work team as a whole? | ① Yes ② No ③ Sometimes |
| 5) | Do managers in your hotel expect employees to do what they are asked without raising difficulties? | ① Yes ② No ③ Sometimes |
| 6) | Do managers in your hotel consult with employees about how work should be done before making decision? | ① Yes ② No ③ Sometimes |

Please state, if your hotel uses job design practices which are not mentioned above.

C-5: These questions are about a range of job security used your hotel

Questionnaire items

- | | | |
|----|---|------------------------|
| 1) | Does your hotel guarantee job security? | ① Yes ② No ③ Sometimes |
| 2) | Is it very difficult to dismiss permanent employees in your hotel? | ① Yes ② No ③ Sometimes |
| 3) | If your hotel was facing economic problems, would the staff budget be the last thing to be cut? | ① Yes ② No ③ Sometimes |
| 4) | Does your hotel value long-term employment relationship? | ① Yes ② No ③ Sometimes |
| 5) | Does the trade union influence the level of job security in your hotel? | ① Yes ② No ③ Sometimes |

Please state, if your hotel uses job security practices which are not mentioned above.

C-6: These questions are about a range of compensation and pay systems used in your hotel

Questionnaire items

- | | | |
|----|--|------------------------|
| 1) | Does your hotel provide a merit element in the pay of staff at all levels? | ① Yes ② No ③ Sometimes |
| 2) | Does your employees pay increase annually? | ① Yes ② No ③ Sometimes |
| 3) | Does your hotel provide pay based on group performance? | ① Yes ② No ③ Sometimes |
| 4) | Does your hotel provide pay based on seniority? | ① Yes ② No ③ Sometimes |
| 5) | Does your hotel decide pay levels by age? | ① Yes ② No ③ Sometimes |
| 6) | Does your hotel provide a bonus based on loyalty? | ① Yes ② No ③ Sometimes |
| 7) | Does your hotel provide a bonus based on seniority? | ① Yes ② No ③ Sometimes |
| 8) | Does trade union negotiate pay increase and bonuses in your hotel? | ① Yes ② No ③ Sometimes |
| 9) | Does your hotel provide pay based on individual performance? | ① Yes ② No ③ Sometimes |

Please state, if your hotel uses compensation and pay systems practices which are not mentioned above.

C-7: These questions are about a range of service quality issues used in your hotel

Questionnaire items

- | | | |
|----|---|------------------------|
| 1) | Are production/service staff responsible for their own quality in your hotel? | ① Yes ② No ③ Sometimes |
| 2) | Are majority of employees currently involved in quality circles or quality improvement teams in your hotel? | ① Yes ② No ③ Sometimes |
| 3) | Are service staff empowered to make decisions to ensure service quality in your hotel? | ① Yes ② No ③ Sometimes |

Please state, if your hotel uses service quality practices which are not mentioned above.

C-8: These questions are about a range of employee voice and consultation methods used in your hotel

Questionnaire items

- 1) Do your managers keep open communications with employees in your hotel? ① Yes ② No ③ Sometimes
- 2) Are employees provided with the opportunity to suggest improvements in the way things are done in your hotel? ① Yes ② No ③ Sometimes
- 3) Are employees allowed to make decisions in your hotel? ① Yes ② No ③ Sometimes
- 4) Does your hotel conduct regular attitude surveys? ① Yes ② No ③ Sometimes
- 5) Do you negotiate with the trade union on staff welfare and benefits in your hotel? ① Yes ② No ③ Sometimes
- 6) Has the trade union influenced the level of benefits such as maternity leave, holidays and pensions? ① Yes ② No ③ Sometimes
- 7) Has the trade union influenced the staff welfare facilities (e.g. staff lounges, social gatherings and children's scholarship)? ① Yes ② No ③ Sometimes
- 8) Is the trade union involved in resolving employee grievance in your hotel? ① Yes ② No ③ Sometimes
- 9) Is the trade union involved in resolving employee discipline in your hotel? ① Yes ② No ③ Sometimes

Please state, if your hotel uses employee voice and consultation practices which are not mentioned above.

Part D: Factors which influence HR practices in your hotel.

D-1: How important are the following factors which influence the HR practices in your hotel? Please indicate your opinion by circling the number that matches closest your opinion. The answers to the following questions range from extremely important to not at all important.

1= Not at all important 2= Not very important 3= Somewhat important 4= Very important 5= Extremely important

How important is: Questionnaire items

- 1) The overall strategy and market position of the hotel
- 2) The external standards set by the Tourism Promotion Act
- 3) Korean culture and values
- 4) The culture and values of the hotel company
- 5) Trade union pressure

Not at all important	Not very important	Somewhat important	Very important	Extremely important
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

Others, please specify

November 10

To whom it may concern

Title of Project: A distinctive SHRM Approach in the Korean Hotel Industry

QUESTIONNAIRE

This survey is part of my PhD research project aimed to collect information on to develop a model of Strategic Human Resource Management for the Korean hotel industry. That means to find out the best way of managing people in the Korean hotel industry which will contribute to the success of hotels. The information which has been collected by this survey is aimed to understand the employees' experience of Human Resources and how they are feeling about HR practices that the hotels are using.

All the information will be kept confidential and any names will be made anonymous, they will be used for academic purposes only.

The questionnaires should be completed by the employees of the hotel.

Your participation in this survey is very important. I would like to thank you in advance for agreeing to take part in the research project. I anticipate the questionnaire lasting no longer than about 20 minutes to complete and it is easy to fill out.

Thank you for your co-operation and best wishes to you.

Yeonu Lee

If you need to contact of me about any aspect of the research project, my details are below:

Yeonu Lee
PhD Candidate
Sheffield Business School
Sheffield Hallam University, UK.
S1 1WB
Email: slee22@my.shu.ac.uk

Part A: Employees experience of HR practices used in the hotel

What do you think about the following statements? Please circle the answer appropriately.

1. How many times have you received formal training over the last year?

- ① Never ② Once ③ Between 2-3
④ Between 5-10 ⑤ 11 or above

2. Do you think that men are more successful in getting promoted than women in your hotel?

- ① Yes ② No ③ Don't know

3. Is the trade union in your hotel involved in decisions about promotions?

- ① Yes ② No ③ Sometimes ④ Don't know

4. Do you prefer to work as part of a team or alone?

- ① Alone ② Part of a team

5. Is it difficult to dismiss permanent employees in your hotel?

- ① Yes ② No ③ Sometimes

6. Does your hotel value a long-term employment relationship?

- ① Yes ② No ③ Sometimes

7. Do you feel anxious and stressed at work?

- ① Yes ② No ③ Sometimes

8. Do you prefer to have a fixed rate of pay or would you prefer your pay to be linked to how well you do your job?

- ① Fixed of pay ② Linked to performance

9. If you are working in a team, would you be happy to have your pay linked to the performance of the team?

- ① Yes ② No ③ Doesn't matter

10. Does your hotel provide a bonus system?

- ① Yes ② No

11. Does your hotel conduct attitude surveys?

- ① Yes ② No

12. Do you feel you are commanded by managers to answer 'YES' (e.g. ignore employees' opinion) in your hotel?

- ① Yes ② No ③ Sometimes

13. If you have problems at work, are you happy with the way your manager or supervisor supports you?

- ① Yes ② Unsure ③ No

14. If you make suggestions, do you feel that management takes any notice?

- ① Yes ② To some extent ③ No

15. In which of the following areas have you received training over the last year, please tick all the apply.

① Fire drill	<input type="checkbox"/>	② Sexual harassment prevention education	<input type="checkbox"/>	③ General knowledge about hotels	<input type="checkbox"/>
④ Foreign language	<input type="checkbox"/>	⑤ Polite phone etiquette	<input type="checkbox"/>	⑥ Problem-solving skills	<input type="checkbox"/>
⑦ Complaint response	<input type="checkbox"/>	⑧ Polite greeting with smile	<input type="checkbox"/>	⑨ Polite attitudes to guests	<input type="checkbox"/>
⑩ Polite speaking	<input type="checkbox"/>	⑪ Use of make up	<input type="checkbox"/>	⑫ Hygiene education	<input type="checkbox"/>

⑬ Others, please specify

16. What form of training did you receive?

- | | | | |
|---|-------|------|-------------|
| 1) On-the-job | ① Yes | ② No | ③ Sometimes |
| 2) Off-the-job | ① Yes | ② No | ③ Sometimes |
| 3) Internal to hotel | ① Yes | ② No | ③ Sometimes |
| 4) External to hotel | ① Yes | ② No | ③ Sometimes |
| 5) Use of outside speaker (e.g. from the hotel association, guest speakers) | ① Yes | ② No | ③ Sometimes |
| 6) Case study | ① Yes | ② No | ③ Sometimes |
| 7) Role play | ① Yes | ② No | ③ Sometimes |

8) Others, please specify

A-1: Recruitment and selection

1. Please think about the time when you recruited to the hotel how important were following. Please indicate your opinion by circling the number that matches closest your opinion. The answers to the following questions range from extremely important to not at all important.

Questionnaire items	Not at all important	Not very important	Somewhat important	Very important	Extremely important
1) Your experience	1	2	3	4	5
2) Your appearance	1	2	3	4	5
3) Your major in the university or college	1	2	3	4	5
4) Your grade in the university or college	1	2	3	4	5
5) Your foreign language score (e.g. English, Japanese, Chinese)	1	2	3	4	5
6) Members of extend families, regions, school relations and Kinship	1	2	3	4	5

7) Your age

8) Your seniority

1	2	3	4	5
1	2	3	4	5

1= Not at all important 2= Not very important 3= Somewhat important 4= Very important 5= Extremely important

2. To what extent do you think your hotel uses the following in making hiring decisions? Please indicate your opinion by circling the number that matches closest your opinion. The answers to the following questions range from always to never.

1= Never 2= Occasion 3= Sometimes 4= Quite often 5= Always

Questionnaire items

- Clearly defined selection criteria?
- Structured and standardized interviews?
- Involvement of union leaders jointly in the hiring of staff in your hotel?

Never	Occasion	Sometimes	Quite often	Always
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-2: Training and development

1. To what extent do you agree with the following statements? Please indicate your opinion by circling the number that matches closest your opinions. The answers to the following questions range from strongly agree to strongly disagree.

1= Strongly disagree 2= Somewhat disagree 3= Neither disagree or agree 4= Somewhat agree 5= Strongly agree

Questionnaire items

- My hotel has a clear policy requiring all staff to take part in a minimum amount of training each year
- My hotel evaluates training
- My hotel is committed to developing a broad range of skills among its staff
- I have received excellent training to help me do my job well

Strongly disagree	Somewhat disagree	Neither disagree or agree	Somewhat agree	Strongly agree
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-3: Performance appraisal

Questionnaire items

- Your hotel measures performance by objectively quantifiable results
- Do your hotel managers informally discuss individual performance with you
- Does your hotel formally carry out a performance appraisal system link to pay and rewards
- Does your hotel consider group goal-setting as part of performance appraisal
- Your hotel uses informal appraisal system (e.g. bosses do not give formal feedback or formally evaluate employees)
- Your hotel values employee loyalty as much as good performance
- Your hotel promotes staff on the basis of seniority
- Staff in your hotel are involved in setting performance

Strongly disagree	Somewhat disagree	Neither disagree or agree	Somewhat agree	Strongly agree
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

--	--	--	--	--

A-4: Job design

Questionnaire items

- 1) Your hotel considers the design of jobs to make full use of worker's skills and abilities
- 2) Your hotel provides flexible job descriptions that are not linked to one specific task
- 3) Your hotel makes you think you belong to the group
- 4) Your hotel sometimes makes you feel you have to make sacrifices for the work team as a whole
- 5) Your manager expects you to do work without raising difficulties
- 6) Your manager asks you to work hard in your hotel
- 7) Your manager consults with you about how work should be done before making decision

Strongly disagree	Somewhat disagree	Neither disagree or agree	Somewhat agree	Strongly agree
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-5: Job security

Questionnaire items

- 1) Your hotel guarantees job security
- 2) If your hotel was facing economic problems, the staff budget would be the last thing to be cut
- 3) The trade union influences the level of job security in your hotel

Strongly disagree	Somewhat disagree	Neither disagree or agree	Somewhat agree	Strongly agree
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-6: Compensation and pay systems

Questionnaire items

- 1) Your hotel provides pay based on group performance
- 2) Your hotel provides pay based on seniority
- 3) Your hotel decides pay levels by age
- 4) Your hotel provides a bonus based on seniority
- 5) The trade union negotiates pay increases and bonuses in your hotel

Strongly disagree	Somewhat disagree	Neither disagree or agree	Somewhat agree	Strongly agree
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-7: Service quality issues

Questionnaire items

- 1) Production/service staff are responsible for their own quality in your hotel
- 2) Majority of employees are currently involved in quality circles or quality improvement teams in your hotel
- 3) Are service staff empowered to make decisions to ensure service quality

Strongly disagree	Somewhat disagree	Neither disagree or agree	Somewhat agree	Strongly agree
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-8: Employee voice and consultation

Questionnaire items		Strongly disagree	Somewhat disagree	Neither disagree or agree	Somewhat agree	Strongly agree
1)	Managers keep open communications with employees in your hotel	1	2	3	4	5
2)	Employees are provided with the opportunity to suggest improvements in the way things are done in your hotel	1	2	3	4	5
3)	The trade union negotiates staff welfare and benefits in your hotel	1	2	3	4	5
4)	The trade union influences the level of benefits such as maternity leave, holidays and pensions	1	2	3	4	5
5)	The trade union influences the staff welfare facilities (e.g. staff lounges, social gatherings and children's scholarship)	1	2	3	4	5
6)	Is the trade union involved in resolving employee grievance in your hotel	1	2	3	4	5
7)	Is the trade union involved in resolving employee discipline in your hotel	1	2	3	4	5

Part B: How do you feel about working in your hotel? (Organisational justice)

Questionnaire items		Strongly disagree	Somewhat disagree	Neither disagree or agree	Somewhat agree	Strongly agree
1)	Your hotel provides fair pay	1	2	3	4	5
2)	Your hotel provides fair bonus	1	2	3	4	5
3)	Your hotel provides fair opportunity for promotion	1	2	3	4	5
4)	Your hotel operates a fair procedure of recruitment and selection	1	2	3	4	5
5)	Your hotel operates a fair procedure of promotion	1	2	3	4	5
6)	Your hotel operates a fair procedure of grievance and discipline	1	2	3	4	5

Part C: How do you feel about working in your hotel? (Employee performance)

Questionnaire items		Strongly disagree	Somewhat disagree	Neither disagree or agree	Somewhat agree	Strongly agree
1)	I am very happy working at the hotel and I would recommend it to others	1	2	3	4	5
2)	I am very satisfied with my job	1	2	3	4	5
3)	I am very satisfied with the benefits I receive (meals, holidays etc)	1	2	3	4	5
4)	I am disappointed that I ever took my job in the hotel	1	2	3	4	5
5)	I often think about quitting my job	1	2	3	4	5
6)	I plan to leave the hotel jobs as soon as I can find another job	1	2	3	4	5

If you could improve one thing about how the hotel manages its employees what would it be?

Part D: Personal basic information

Please tick the answer appropriately.

1. What is your gender? ① Male ② Female

2. What is your age?

① Below 20
④ 36-40

② 26-30
⑤ 41-45

③ 31-35
⑥ 46 or above

3. How long have you worked for your hotel?

① Less than 1 year
④ Between 7-9

② Between 1-3
⑤ 10 or above

③ Between 4-6

4. How many years have you worked in the hotel industry?

① Less than 3
④ Between 11-15

② Between 3-5
⑤ 16 or above

③ Between 6-10

5. What is your level of education?

① High school
④ University, Post graduate

② College
⑤ University, Doctoral level

③ University, undergraduate

6. What is your position?

① Part time/ Internship
④ Supervisor
⑦ General manager

② Full time
⑤ Manager

③ Operational manager
⑥ Senior manager

7. What is your department?

① Front office
④ Back office (Marketing/Finance department)
⑥ Fitness

② Food and Beverages
⑤ House Keeping

③ Kitchen

⑦ Others, please specify _____

8. Are you a member of trade union?
① Yes ② No

9. Where are you working at?
① International chain hotel ② Korean owned hotel

10. Is your work based in?
① Chaebol hotels ② Non-Chaebol hotels

APPENDIX 10 INTERVIEW QUESTIONS IN ENGLISH

Interviews with HR hotel managers, trade union representatives at hotel and company level

Title of Project: A distinctive SHRM Approach in the Korean Hotel Industry

Name and contact address of Researcher:

Yeonu Lee
The Researcher
Business School
Sheffield Hallam University, UK.
S1 1WB
Email: slee22@my.shu.ac.uk

November 10

Dear Sir/Madam

I am writing to invite you to take part in my research. My PhD topic is “Does the Korean Hotel Industry Have a Distinctive Approach to Strategic HRM?” The research aim is to develop a model of Strategic Human Resource Management for the Korean hotel industry. That means to find out the best way of managing people in the Korean hotel industry which will contribute to the success of hotels. Therefore, your participation in this project is important to help me to develop a model which fits the needs of the Korean hotel industry.

I would be grateful if you would allow me to conduct an interview with you for the second stage of my research. I anticipate an interview lasting no longer than about an hour. All the information will be treated strictly confidential and your name will be anonymous and will be used only for academic purposes. Only the researcher who will access to the interview records and tapes and the tapes of interviews will be destroyed following their transcription.

I would like to thank you in advance for agreeing to take part in the research project. I will be telephoning you visiting a week to discuss this and, if appropriate, to arrange a meeting.

Yours faithfully

The researcher

Yeonu Lee

Interviews with HR hotel managers, trade union representatives at hotel and company level

Introduction

- A brief introduction to the project and participant information sheet
- Assure the interviewee about the confidentiality of information provided
- Ask for the permission of the interviewees to record the interview
- Explain the purpose and the structure of the interview

Questions for HR managers

1. Please tell me about your role in the hotel?
2. Please describe to me the strategy of your hotel company
(Prompt: quality, standardised, Korean, growth plans, market)
3. Does HR play any significant role in implementing your strategies? (please expand)
4. Does your company have a specific HR strategy? If yes, what are its major elements? (Prompt: refer to questionnaire, recruitment, hiring, appraisal, job design, job security, compensation and voice)
5. What role does the quality enhancing strategy play in shaping your HR practices?
6. How would you describe the Korean culture? To what extent has it influenced your hotel's HR practices? (Prompt: high power distance, collectivism, masculine society and strong uncertainty avoidance)
7. How strong is the trade union in your hotel? What influence has it had on the development of HR practices in your hotel? (Prompt: Involvement of union leaders jointly in the hiring of staff, staff welfare and staff welfare facilities)
8. To what extent are your HR practices influenced by the Tourism Promotion Act (Prompt: staff language capability, provide training programme and employee education conditions)
9. (For foreign owned hotels) To what extent are your HR practices informed by home country policy, values etc? How do these relate to Korean values and culture?
10. Which HR practices have changed in your hotel since the financial crisis?
(Prompt: pay based on individual performance, bonus)

11. How effective are your HR practices in getting the best from your Korean employees? (Prompt: what works use, what is not so good, reasons, how is it related to this question about non Korean employees)
12. Do you have any planned changes/innovations in HR practices what are they? What has influenced you in developing these?
13. Anything else?

Questions for trade union representatives at hotel

1. Please tell me about your role in the trade union?
2. Please tell me about the role of the trade union in the hotel?
3. Do you think the trade union has an impact your hotel?
4. Is this about the role of trade union in designing improving HR practices for members? (Prompt: improving employee welfare)
5. What have you achieved from the trade union in your hotel?
6. What are the perceptions of your members on achievements of trade unions?
7. What impact do you think current practices have on members?
8. What is the future of trade unions in your hotel?
9. Have any HR practices have changed in your hotel since the financial crisis?
(Prompt: pay based on individual performance, bonus)
10. What are your views on the fairness of employment conditions in your hotel?
(Prompt: fair pay, bonus and opportunity for promotion/ fair recruitment and selection, promotion, grievance procedure)
11. Do you think there is a good working relationship between the trade union and hotel management?
12. Anything else?

Questions for trade union representatives at company level

1. Please tell me about your role in the trade union?
2. Please tell me about the role of the trade union in the hotel industry?
(Prompt: how the trade union impacts the hotel industry)

3. Is this about the role of trade union in designing improving HR practices in the hotel industry? (Prompt: improving employee welfare)
4. Are you achieving what you expect from hotel companies or government by collective agreements for your members?
5. What are the perceptions of your members on achievements of trade unions?
6. What are the perceptions of hotel industry of the trade unions?
7. What impact do you think current practices have on members?
8. What is the future of trade unions in the hotel industry?
9. Which HR practices have changed in the hotel industry since the financial crisis?
(Prompt: pay based on individual performance, bonus)
10. Do you think the HR practices in the hotel industry fit the culture of Korea and company strategy?
11. Anything else?

APPENDIX 11 QUESTIONNAIRE IN KOREAN (HR MANAGERS)

주제: 한국 호텔산업의 차별화된 전략적 인적 자원 경영 연구

안녕하십니까?

바쁘신 가운데 본 설문에 응해 주셔서 감사합니다. 본 설문서는 한국 호텔산업의 차별화된 전략적 인적 자원 경영에 관한 실증적 연구로 실제적으로 귀하의 호텔에서 사용되고 있는 인적 자원 관리와 관련하여 여러분들의 의견을 조사하여 한국에 맞는 전략적 인적 자원 모델을 개발하고자 함에 있습니다.

귀하의 응답은 익명으로 처리되며 학술적 연구 목적 이외에는 어떤 용도로도 사용하지 않을 것임을 약속 드립니다.

본 설문에 응해주신 여러분께 다시 한번 감사드리며 귀하와 귀사의 앞날에 무궁한 발전이 있으시길 바랍니다.

셰필드 할렘 대학교 비즈니스 스쿨

박사과정 이성석

이 메 일 : slee22@my.shu.ac.uk

해당사항에 체크해 주시기 바랍니다.

Part A: 일반 사항

1. 귀하가 일하는 호텔은?

- ① 인터네셔널 체인 호텔 ② 한국 고유 호텔

2. 귀하의 호텔은 노동조합이 있습니까?

- ① 예 ② 아니오

3. 만약 예라고 답했다면, 어느 노동조합에 속해 있습니까?

- ① Korean Federation of Tourism & Service Industry Worker' s Unions (KFTSIWU)
② Federation of Civil Service (FCS)
③ 그 외 다른 것이 있다면 구체적으로 적어주시기 바랍니다

Part B: 귀 호텔의 비즈니스 전략

질문 사항

- | | |
|---|------------------|
| 1) 귀 호텔은 경쟁력은 저렴한 가격보다는 양질의 서비스에
근거한다고 생각하십니까? | ①예 ②아니오 ③때로는 그렇다 |
| 2) 귀 호텔은 안전하게 장기간의 경쟁력을 위해 계속적으로
상품과 서비스를 향상시키는 것을 강조하십니까? | ①예 ②아니오 ③때로는 그렇다 |
| 3) 귀 호텔은 보통 시장에서 새로운 상품들과 서비스를 소개하는
첫번째 기업입니까? | ①예 ②아니오 ③때로는 그렇다 |
| 4) 귀 호텔은 끊임없이 새로운 비즈니스 기회를 추구하십니까?
(예: 마케팅: 패키지 상품, 프로모션) | ①예 ②아니오 ③때로는 그렇다 |
| 5) 귀 호텔은 고도로 숙련된 직원들을 채용하니까? (예 문제
해결 능력이 뛰어난 직원들) | ①예 ②아니오 ③때로는 그렇다 |

C-1: 아래의 질문들은 귀 호텔의 채용과 선발에 관한 것입니다.

질문 사항

- | | |
|--|------------------|
| 1) 귀 호텔은 명확하게 정의된 직원 채용 기준을 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 2) 귀 호텔은 표준화 면접을 사용합니까? (예를들면 상세한 내용의 질문문항을 사용: 당신의 배경, 지식, 태도 동기 등에 대해서 자세한 질문을 많이 함) | ①예 ②아니오 ③때로는 그렇다 |
| 3) 귀 호텔은 직원을 채용할 때 학연, 지연, 혈연을 고려합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 4) 귀 호텔은 직원을 채용할 때 나이가 중요하게 고려됩니까? | ①예 ②아니오 ③때로는 그렇다 |
| 5) 귀 호텔은 직원을 채용할 때 이전직장의 직급이 중요하게 고려됩니까? | ①예 ②아니오 ③때로는 그렇다 |
| 6) 귀 호텔은 직원을 고용할 때 노동조합의 간부들을 공동으로 참여시킵니까? | ①예 ②아니오 ③때로는 그렇다 |
| 7) 귀하의 호텔은 직원선발 방법으로 감성, 기억력, 지식에 관한 테스트를 실시하고 있습니까? | ①예 ②아니오 ③때로는 그렇다 |
| 8) 귀하의 호텔은 직원선발 방법으로 인성검사를 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 9) 귀하의 호텔은 직원선발 방법으로 적성검사를 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 10) 귀하의 호텔은 직원선발 요건으로 과거 경력을 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 11) 귀하의 호텔은 직원선발 요건으로 외모를 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 12) 귀하의 호텔은 직원선발 요건으로 학력을 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 13) 귀하의 호텔은 직원선발 요건으로 학점을 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 14) 귀하의 호텔은 직원선발 요건으로 외국어 성적을 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |

만약 귀 호텔에서 위에서 언급하지 않은 채용과 선발 관련된 업무가 있다면, 적어주시기 바랍니다.

C-2: 아래의 질문들은 귀 호텔의 훈련과 개발에 관한 것입니다.

질문 사항

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| 1) 귀 호텔은 직원들을 위해 공식적인 훈련 프로그램을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 2) 귀 호텔은 모든 직원들이 매년 최소한의 공식훈련에 참가하도록 명확한 방침을 가지고 있습니까? | ①예 ②아니오 ③때로는 그렇다 |
| 3) 귀 호텔은 훈련 프로그램을 평가합니까? (예: 인사담당자가 훈련을 받은 직원에 대해 평가) | ①예 ②아니오 ③때로는 그렇다 |
| 4) 귀 호텔은 폭넓은 스킬 (기술) 개발을 요구합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 5) 귀 호텔은 소방훈련을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 6) 귀 호텔은 성교육을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 7) 귀 호텔은 호텔에 대한 전반지식을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 8) 귀 호텔은 외국어 교육을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 9) 귀 호텔은 공손한 전화 에티켓 훈련을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 10) 귀 호텔은 문제 해결 방법에 대한 훈련을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 11) 귀 호텔은 고객 불평 처리 방법에 관한 훈련을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 12) 귀 호텔은 공손한 인사법에 관한 훈련을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 13) 귀 호텔은 고객에 대한 공손한 태도에 관한 훈련을 제공합니까?? | ①예 ②아니오 ③때로는 그렇다 |
| 14) 귀 호텔은 공손한 언어사용에 관한 훈련을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |

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|---|------------------|
| 15) 귀 호텔은 화장법에 관한 훈련을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 16) 귀 호텔은 위생교육을 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 17) 귀 호텔은 사례연구를 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 18) 귀 호텔은 역할극(롤 플레이)을 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 19) 귀 호텔은 외부강사를 사용합니까? (예 호텔협회나, 그외 강사) | ①예 ②아니오 ③때로는 그렇다 |

만약 귀 호텔에서 위에서 언급하지 않은 훈련과 개발 관련된 업무가 있다면, 적어주시기 바랍니다.

C-3: 아래의 질문들은 귀 호텔의 성과 평가에 관한 것입니다.

질문 사항

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|---|------------------|
| 1) 귀 호텔은 객관적인 양적 결과 성과를 평가합니까?
(예를들면, 객실을 얼마만큼 팔았는지에 대한 성과 또는 성수기로 인해 객실 청소를 비수기보다 더했다던지 레스토랑에서 평소보다 더 많이 수익을 가져온것에 관해 성과를 평가합니까?) | ①예 ②아니오 ③때로는 그렇다 |
| 2) 귀 호텔 상사는 비공식적으로 개인적 성과를 당신과 논의합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 3) 귀 호텔은 일부 직원들에 대해 공식 성과 평가 시스템을 사용합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 4) 귀 호텔은 비공식 평가 시스템을 사용합니까? (예를들면 상사들은 공식적으로 직원 평가에 대해 피드백을 주지 않는다면지 또는 공식적으로 직원을 평가하지 않는 것) | ①예 ②아니오 ③때로는 그렇다 |
| 5) 귀 호텔은 공식적으로 급료 그리고 보상과 연결된 성과 평가 시스템을 수행하고 있습니까? | ①예 ②아니오 ③때로는 그렇다 |
| 6) 귀 호텔은 성과 평가의 부분으로서 그룹 목표 설정을 고려합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 7) 귀 호텔은 직원의 근무성적(성과) 만큼 직원의 충성도를 가치있게 생각합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 8) 귀 호텔은 직원들의 직급을 토대로 해서 승진시킵니까? | ①예 ②아니오 ③때로는 그렇다 |
| 9) 귀 호텔은 남자가 여자보다 더 승진할수 있는 기회가 많습니까? | ①예 ②아니오 ③때로는 그렇다 |
| 10) 귀 호텔은 직원이 성과 목표를 설정하는데 참여시킵니까? | ①예 ②아니오 ③때로는 그렇다 |
| 11) 귀 호텔의 노동조합은 승진에 관한 의사결정을 하는데 참여합니까? | ①예 ②아니오 ③때로는 그렇다 |

만약 귀 호텔에서 위에서 언급하지 않은 성과 평가 관련된 업무가 있다면, 적어주시기 바랍니다.

C-4: 아래의 질문들은 귀 호텔의 직무 디자인(job design)에 관한 것입니다.

질문 사항

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|---|------------------|
| 1) 귀 호텔은 직원들에게 직무에 필요한 기술이나 수완을 충분히 활용할 수 있도록 하는 직무 디자인을 고려합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 2) 귀 호텔은 대다수의 직원을 위해 협동작업 (팀워킹)을 체계화합니까? | ①예 ②아니오 ③때로는 그렇다 |
| 3) 귀하의 호텔은 단지 특정한 업무와 관련된 것이 아닌 자유자재로 사용할 수 있는 직무 기술서(매뉴얼 or 매뉴얼 북)를 제공합니까? | ①예 ②아니오 ③때로는 그렇다 |

- 4) 귀하의 호텔은 가끔 당신이 전체로서의 당신이 참가하는 작업팀에 대해 희생을 해야 한다고 기대합니까? ①예 ②아니오 ③때로는 그렇다
- 5) 귀하의 호텔 상사는 당신이 어려움 없이 일하도록 기대합니까? ①예 ②아니오 ③때로는 그렇다
- 6) 귀하의 호텔 상사는 의사결정을 하기전에 어떻게 일이 행해져야 하는지를 당신과 상의합니까? ①예 ②아니오 ③때로는 그렇다

만약 귀 호텔에서 위에서 언급하지 않은 직무 설계와 관련된 업무가 있다면, 적어주시기 바랍니다.

C-5: 아래의 질문들은 귀 호텔의 고용보장에 관한 것입니다.

질문 사항

- 1) 귀 호텔은 일자리를 보장해줍니까? ①예 ②아니오 ③때로는 그렇다
- 2) 귀 호텔에서는 정규직원을 해고하는 것이 어렵습니까? ①예 ②아니오 ③때로는 그렇다
- 3) 만약에 귀 호텔이 경제적 문제에 직면한다면, 직원과 관련된 예산은 마지막으로 삭감될까? ①예 ②아니오 ③때로는 그렇다
- 4) 귀 호텔은 장기간 고용 관계에 대해 가치있게 생각합니까? ①예 ②아니오 ③때로는 그렇다
- 5) 귀 호텔 노동조합은 고용보장에 영향을 미칩니까? ①예 ②아니오 ③때로는 그렇다

만약 귀 호텔에서 위에서 언급하지 않은 고용보장 관련된 업무가 있다면, 적어주시기 바랍니다

C-6: 아래의 질문들은 귀 호텔의 보상과 급료 시스템에 관한 것입니다.

질문 사항

- 1) 귀 호텔은 각계각층의 직원들에게 개인적 성과급을 제공하고 있습니까? ①예 ②아니오 ③때로는 그렇다
- 2) 직원들의 급료는 해마다 인상되고 있습니까? ①예 ②아니오 ③때로는 그렇다
- 3) 귀 호텔은 그룹성과에 근거해서 급료를 제공합니까? ①예 ②아니오 ③때로는 그렇다
- 4) 귀 호텔은 직급에 근거해서 급료를 제공합니까? ①예 ②아니오 ③때로는 그렇다
- 5) 귀 호텔은 연령에 따라 급료를 정합니까? ①예 ②아니오 ③때로는 그렇다
- 6) 귀 호텔은 직원 충성도에 근거해서 보너스를 제공합니까? ①예 ②아니오 ③때로는 그렇다
- 7) 귀 호텔은 직급에 근거해서 보너스를 제공합니까? ①예 ②아니오 ③때로는 그렇다
- 8) 귀 호텔의 노동조합은 임금과 보너스 인상에 관해 호텔경영진과 협상을 합니까? ①예 ②아니오 ③때로는 그렇다
- 9) 귀 호텔은 개인 성과에 근거해서 급료를 제공합니까? ①예 ②아니오 ③때로는 그렇다

만약 귀 호텔에서 위에서 언급하지 않은 보상과 급료 시스템 관련된 업무가 있다면, 적어주시기 바랍니다.

C-7: 아래의 질문들은 귀 호텔의 서비스 향상에 관한 것입니다.

질문 사항

- 1) 귀하의 호텔은 생산(객실 판매) 그리고 서비스를 제공하는 직원이 그들의 자질에 대해 책임감을 가지고 있다고 ①예 ② 아니오 ③ 때로는 그렇다 생각하십니까?
- 2) 대부분의 직원들은 최근에 직원들의 업무와 관련해서 발생한 문제들을 해결한다던지 또는 서비스 질을 향상시키기 위해 팀 (그룹)을 만들어 직원을 참여시킵니까? ①예 ② 아니오 ③ 때로는 그렇다
- 3) 서비스 질을 위해 서비스를 제공하는 직원에게 의사결정 권한을 부여하니까? ①예 ② 아니오 ③ 때로는 그렇다

만약 귀 호텔에서 위에서 언급하지 않은 서비스 향상 관련된 업무가 있다면, 적어주시기 바랍니다.

C-8: 아래의 질문들은 귀 호텔의 직원견해와 상담방법에 관한 것입니다.

질문 사항

- 1) 귀 호텔의 상사는 항상 직원들과 의사소통(커뮤니케이션)을 하고 있습니까? ①예 ② 아니오 ③ 때로는 그렇다
- 2) 귀 호텔의 직원은 일을 이런 방식으로 하면 향상될 수 있다고 제안할 수 있는 기회를 가질 수 있습니까? ①예 ② 아니오 ③ 때로는 그렇다
- 3) 귀 호텔의 직원들은 의사결정이 허락됩니까? ①예 ② 아니오 ③ 때로는 그렇다
- 4) 귀 호텔은 의식조사(직원들이 호텔에 대해서 어떻게 생각하는지 조사)를 합니까? ①예 ② 아니오 ③ 때로는 그렇다
- 5) 귀 호텔의 노동조합은 직원의 복지와 이익을 위해 협상합니까? ①예 ② 아니오 ③ 때로는 그렇다
- 6) 귀 호텔의 노동조합은 직원들의 이익 예를 들면 출산휴가, 휴가 그리고 연금에 영향을 미칩니까? ①예 ② 아니오 ③ 때로는 그렇다
- 7) 귀 호텔의 노동조합은 직원들의 복지 시설 (예: 직원 휴게소, 직원 친목활동 그리고 자녀 장학금)에 영향을 미칩니까? ①예 ② 아니오 ③ 때로는 그렇다
- 8) 귀 호텔의 노동조합은 직원들의 불평을 처리하는데 참여하니까? ①예 ② 아니오 ③ 때로는 그렇다
- 9) 귀 호텔의 노동조합은 직원들의 징계를 처리하는데 참여하니까? ①예 ② 아니오 ③ 때로는 그렇다

만약 귀 호텔에서 위에서 언급하지 않은 직원견해와 상담과 관련된 업무가 있다면, 적어주시기 바랍니다.

Part D: 귀 호텔에서 인적자원 업무에 영향을 미치는 요인들

D-1: 아래의 질문들이 인적자원 업무에 얼마만큼 중요하게 영향을 미치는지 해당번호에 체크해 주시기 바랍니다. 대답은 상당히 매우 중요하다부터 전혀 중요하지 않다 까지 입니다.

1= 전혀 중요하지 않다 2= 매우 중요하지 않다 3= 다소 중요하다 4= 매우 중요하다 5= 상당히 매우 중요하다

- 1) 호텔의 전체전략과 시장 위치?
- 2) 관광진흥법에 의한 외부적 규정 (관광진흥법을 보면 어떻게 한국의 특급호텔이 정해지는지 그 기준을 제시하고 있습니다. 이러한 기준들이 호텔들로 하여금 인적 훈련을 시키는데 영향을 미치는가에 대한 귀하의

전혀 중요하지 않다	매우 중요하지 않다	다소 중요하다	매우 중요하다	상당히 매우 중요하다
1	2	3	4	5
1	2	3	4	5

생각)

3) 한국인 문화와 가치

4) 문화와 호텔 기업의 가치

5) 노동조합의 압력

1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

그 외 다른 것이 있다면, 구체적으로 적어주시기 바랍니다.

시간 내 주셔서 진심으로 감사 드립니다

주제: 한국 호텔산업의 차별화된 전략적 인적 자원 경영 연구

안녕하십니까?

바쁘신 가운데 본 설문에 응해 주셔서 감사합니다. 본 설문서는 한국 호텔산업의 차별화된 전략적 인적 자원 경영에 관한 실증적 연구로 실제적으로 귀하의 호텔에서 사용되고 있는 인적 자원 관리와 관련하여 여러분들의 경험과 느낌을 조사하여 한국에 맞는 전략적 인적 자원 모델을 개발하고자 함에 있습니다.

귀하의 응답은 익명으로 처리되며 학술적 연구 목적 이외에는 어떤 용도로도 사용하지 않을 것임을 약속 드립니다.

본설문에 응해주신 여러분께 다시 한번 감사드리며 귀하와 귀사의 앞날에 무궁한 발전이 있으시길 바랍니다.

셰필드 할렘 대학교 비즈니스 스쿨
박사과정 이성석
이메일: slee22@my.shu.ac.uk

Part A: 호텔에서 행해지는 인적 자원 업무에 대한 직원의 경험

아래의 질문들에 대해 귀하의 의견을 듣고자 합니다. 해당사항에 체크해 주시기 바랍니다.

1. 작년 한해 동안 귀하께서 받은 공식적인 훈련 횟수는 얼마나 되나요?

- ① 전혀 받은 적이 없다 ② 1 회 ③ 2-3 회
④ 5-10 회 ⑤ 11 회 이상

2. 귀하께서는 귀 호텔에서 남자가 여자보다 승진할 수 있는 기회가 더 주어진다고 생각하십니까?

- ① 예 ② 아니오 ③ 모르겠다

3. 귀 호텔에서는 노동조합이 승진과 관련해서 의사결정을 내리는데 참여하니까?

- ① 예 ② 아니오 ③ 때때로 그렇다 ④ 모르겠다

4. 귀하께서는 혼자 일하는 것을 선호하십니까? 아니면 그룹으로 일하는 것을 선호하십니까?

- ① 혼자 일하는 것을 선호한다 ② 그룹의 일원으로서 일하는 것을 선호한다

5. 귀 호텔에서는 정규직원을 해고하는 것이 어렵습니까?

- ① 예 ② 아니오 ③ 때때로 그렇다

6. 귀 호텔에서는 장기간 고용 관계에 대해 가치있게 생각하니까?

- ① 예 ② 아니오 ③ 때때로 그렇다

- 4) 호텔밖에서의 교육 (예, 국내연수, 해외연수) ①예 ②아니오 ③때로는 그렇다
 5) 외부강사 초청 (예; 교수, 호텔협회 기타등등) ①예 ②아니오 ③때로는 그렇다
 6) 사례연구 ①예 ②아니오 ③때로는 그렇다
 7) 역할극 (롤 플레이) ①예 ②아니오 ③때로는 그렇다

8) 그 외 다른 것이 있다면, 구체적으로 적어주시기 바랍니다.

A-1: 채용과 선발

1. 귀하께서 호텔에 채용될때를 생각하셔서 다음의 질문들이 얼마만큼 중요했었는지 해당사항에 체크해주시기 바랍니다. 질문에 대한 대답은 상당히 매우 중요하다 부터 전혀 중요하지 않다 입니다.

1= 전혀 중요하지 않다 2= 매우 중요하지 않다 3= 다소 중요하다 4= 매우 중요하다 5= 상당히 매우 중요하다

질문 사항	전혀 중요하지 않다	매우 중요하지 않다	다소 중요하다	매우 중요하다	상당히 매우 중요하다
1) 귀하의 경험	1	2	3	4	5
2) 귀하의 외모	1	2	3	4	5
3) 귀하의 전공 (대학 또는 전문대학)	1	2	3	4	5
4) 귀하의 학점 (대학 또는 전문대학)	1	2	3	4	5
5) 귀하의 외국어 성적 (예: 영어, 일본어, 중국어)	1	2	3	4	5
6) 귀하의 학연, 지연, 혈	1	2	3	4	5
7) 귀하의 나이	1	2	3	4	5
8) 귀하의 직급	1	2	3	4	5

2. 당신이 일하는 호텔이 직원 채용 결정을 하는데 있어서 아래사항에 관해 어느 정도 고려하는지 해당번호에 체크해 주시기 바랍니다. 대답의 범위는 항상 고려한다 부터 결코 고려하지 않는다 까지 입니다.

1= 결코 고려하지 않음 2= 특정한 경우에만 고려함 3= 가끔은 고려함
 4= 자주 고려함 5= 항상 고려함

질문 사항	결코 고려하지 않음	특정한 경우에만 고려함	가끔은 고려함	자주 고려함	항상 고려함
1) 명확하게 정의된 채용기준?	1	2	3	4	5
2) 표준화 면접? (예를들면 상세한 내용의 질문문항을 사용: 당신의 배경, 지식, 태도 동기 등에 대해서 자세한 질문을 많이함)	1	2	3	4	5
3) 당신이 일하는 호텔은 직원을 고용할 때 노동조합의 간부들을 공동으로 참여시킵니까?	1	2	3	4	5

A-2: 훈련과 개발

1. 아래의 질문들에 대해서 당신이 어느 정도 동의하는지 해당번호에 체크해주시기 바랍니다. 대답의 범위는 매우 동의한다 부터 매우 동의하지 않는다 까지 입니다.

1= 매우 동의하지 않는다 2= 다소 동의하지 않는다 3= 보통이다
4= 다소 동의한다 5= 매우 동의한다

질문 사항

- 1) 내가 일하는 호텔은 모든 직원들이 매년 최소한의 훈련에 참가하도록 명확한 방침을 요구하고 있다
- 2) 내가 일하는 호텔은 훈련(교육)을 평가한다
- 3) 내가 일하는 호텔은 직원들에게 폭넓은 스킬(기술)들을 개발시키고 있다
- 4) 나는 내 직무를 잘 수행하도록 훌륭한 훈련(교육)을 받아오고 있다

매우 동의하지 않는다	다소 동의하지 않는다	보통이다	다소 동의한다	매우 동의한다
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-3: 성과 평가

질문 사항

- 1) 귀하의 호텔은 객관적인 양적 결과 성과를 평가한다 (예를들면, 객실을 얼마만큼 팔았는지에 대한 성과 또는 성수기로 인해 객실 청소를 비수기보다 더했다던지 레스토랑에서 평소보다 더 많이 수익을 가져온것에 관해 성과를 평가합니까?)
- 2) 귀하의 호텔 상사는 비공식적으로 개인적 성과에 대하여 당신과 논의한다
- 3) 귀하의 호텔은 공식적으로 급료 그리고 보상과 연결된 성과 평가 시스템을 수행한다
- 4) 귀하의 호텔은 성과 평가의 부분으로서 그룹 목표 설정을 고려한다
- 5) 귀하의 호텔은 비공식 평가 시스템을 사용한다 (예를들면 상사들은 공식적으로 직원 평가에 대해 피드백을 주지 않는다던지 또는 공식적으로 직원을 평가하지 않는 것)
- 6) 귀하의 호텔은 직원의 근무성적(성과) 만큼 직원의 충성도를 가치있게 생각한다
- 7) 귀하의 호텔은 직원들의 직급을 토대로 해서 승진시킨다
- 8) 귀하의 호텔은 직원이 성과 목표를 설정하는데 참여시킨다

매우 동의하지 않는다	다소 동의하지 않는다	보통이다	다소 동의한다	매우 동의한다
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-4: 직무 디자인 (Job design)

질문 사항

- 1) 귀하의 호텔은 직원들에게 직무에 필요한 기술이나 수완을 충분히 활용할 수 있도록 하는 업무 설계를 고려한다
- 2) 귀하의 호텔은 단지 특정한 업무와 관련된 것이 아닌 자유자재로 사용할 수 있는 직무 기술서(매뉴얼 or 매뉴얼 북)를 제공한다
- 3) 귀하의 호텔은 당신이 호텔의 일원으로 속해있다고 생각하게끔 한다
- 4) 귀하의 호텔은 가끔 당신이 전체로서의 당신이 참가하는 작업팀에 대해 회생을 해야 한다고 느끼게 만든다
- 5) 귀하의 호텔 상사는 당신이 어려움 없이 일하도록 기대한다
- 6) 귀하의 호텔 상사는 당신이 열심히 일하도록 요구한다

매우 동의하지 않는다	다소 동의하지 않는다	보통이다	다소 동의한다	매우 동의한다
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

- 7) 귀하의 호텔 상사는 의사결정을 하기전에 어떻게 일이 행해져야 하는지를 당신과 상의한다

1	2	3	4	5
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A-5: 고용보장

질문 사항

- 1) 귀하의 호텔은 일자리를 보장해준다
- 2) 만약에 귀하의 호텔이 경제적 문제에 직면한다면, 직원과 관련된 예산은 마지막으로 삭감된다
- 3) 귀하의 호텔 노동조합은 고용보장에 영향을 미친다

매우 동의하지 않는다	다소 동의하지 않는다	보통이다	다소 동의한다	매우 동의한다
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-6: 보상과 급여 시스템

질문 사항

- 1) 귀하의 호텔은 그룹성과에 근거해서 급여를 제공한다
- 2) 귀하의 호텔은 직급에 근거해서 급여를 제공한다
- 3) 귀하의 호텔은 연령에 따라 급여를 정한다
- 4) 귀하의 호텔은 직급에 근거해서 보너스를 제공한다
- 5) 귀 호텔의 노동조합은 임금과 보너스 인상에 관해 호텔경영진과 협상한다

매우 동의하지 않는다	다소 동의하지 않는다	보통이다	다소 동의한다	매우 동의한다
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-7: 서비스 질

질문 사항

- 1) 귀하의 호텔은 생산(객실 판매) 그리고 서비스를 제공하는 직원이 그들의 자질에 대해 책임감을 가진다
- 2) 대부분의 직원들은 최근에 직원들의 업무와 관련하여 발생한 문제들을 해결한다던지 또는 서비스 질을 향상시키기 팀 (그룹)에 직원을 참여시킨다
- 3) 서비스 질을 위해 서비스를 제공하는 직원에게 의사결정 권한을 부여한다

매우 동의하지 않는다	다소 동의하지 않는다	보통이다	다소 동의한다	매우 동의한다
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

A-8: 직원견해와 상담

질문 사항

- 1) 귀 호텔의 상사는 항상 직원들과 의사소통(커뮤니케이션)을 한다
- 2) 귀 호텔의 직원들은 일을 이런 방식으로 하면 향상될 수 있다고 제안할 수 있는 기회가 있다
- 3) 귀 호텔의 노동조합은 직원의 복지와 이익을 위해 협상한다
- 4) 귀 호텔의 노동조합은 직원들의 이익 예를 들면 출산휴가, 휴가 그리고 연금에 영향을 미친다
- 5) 귀 호텔의 노동조합은 직원들의 복지 시설 (예: 직원 휴게소, 직원 친목활동 그리고 자녀 장학금)에 영향을 미친다
- 6) 귀 호텔의 노동조합은 직원들의 불평을 처리하는데 참여한다
- 7) 귀 호텔의 노동조합은 직원들의 징계를 처리하는데 참여한다

매우 동의하지 않는다	다소 동의하지 않는다	보통이다	다소 동의한다	매우 동의한다
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5
1	2	3	4	5

Part B: 귀하께서는 호텔에서 일하는 것을 어떻게 생각하십니까? (조직 공정성)

질문 사항	매우 동의하지 않는다	다소 동의하지 않는다	보통이다	다소 동의한다	매우 동의한다
1) 귀하의 호텔은 공정한 급료를 제공한다	1	2	3	4	5
2) 귀하의 호텔은 공정한 보너스를 제공한다	1	2	3	4	5
3) 귀하의 호텔은 승진에 대한 공정한 기회를 제공한다	1	2	3	4	5
4) 귀하의 호텔은 직원을 채용 선발할 때 공정한 절차를 운영한다	1	2	3	4	5
5) 귀하의 호텔은 승진에 관해 공정한 절차를 운영한다	1	2	3	4	5
6) 귀하의 호텔은 직원의 불평이나 징계에 대해 공정한 절차를 운영한다	1	2	3	4	5

Part C: 귀하께서는 호텔에서 일하는 것을 어떻게 생각하십니까? (직원 성과)

질문 사항	매우 동의하지 않는다	다소 동의하지 않는다	보통이다	다소 동의한다	매우 동의한다
1) 나는 호텔에서 일하는 것이 매우 만족스럽고 그래서 나는 다른 사람에게 호텔에서 일할 것을 추천한다	1	2	3	4	5
2) 나는 내 직업에 매우 만족한다	1	2	3	4	5
3) 나는 호텔에서 제공하는 이점(식사, 휴가 등)에 만족한다	1	2	3	4	5
4) 나는 호텔에서 직업을 구한 것을 후회한다	1	2	3	4	5
5) 나는 자주 호텔에서 일하는 것을 그만둘 생각을 한다	1	2	3	4	5
6) 나는 다른 직업을 구한다면 이 호텔을 떠날 계획이다	1	2	3	4	5

호텔이 어떻게 호텔직원을 관리하는 것에 관해, 만약 귀하가 향상시키고 싶은 한가지가 있다면 그것은 무엇입니까?

Part D: 인구통계학적 특성

해당사항에 체크해주시기 바랍니다

- 귀하의 성별은?
 - 남성
 - 여성
- 귀하의 연령은?
 - 20 세 이하
 - 26-30 세
 - 31-35 세
 - 36-40 세
 - 41-45 세
 - 46 세 이상
- 귀하의 현재 호텔 근무년수는?
 - 1 년이하
 - 1-3 년
 - 4-6 년
 - 7-9 년
 - 10 년 이상
- 귀하께서 호텔에서 근무한 전체 경력은?
 - 3 년이하
 - 3-5 년
 - 6-10 년
 - 11-15 년
 - 16 년 이상
- 귀하의 학력은?
 - 고등학교
 - 전문대학
 - 대학교
 - 석사
 - 박사

6. 귀하의 직급은?

- ① 시간제급(아르바이트)/ 인턴십/계약직 ② 정직원 ③ 주임(캡틴)
④ 대리 ⑤ 과장 ⑥ 차장, 부장 ⑦ 이사, 총지배인 이상

7. 귀하께서 근무하는 부서는?

- ① 프론트 오피스 ② 식 & 음료 ③ 키친
④ 백 오피스 (마케팅/재무관리/세일즈 부서) ⑤ 하우스키핑 ⑥

퀴트니스

- ⑦ 그 외 다른 부서는, 구체적으로 적어주시기 바랍니다

8. 귀하는 노동조합에 속해 있습니까?

- ① 예 ② 아니오

9. 귀하가 일하는 호텔은 어디입니까?

- ① 인터네셔널 체인 호텔 ② 한국 고유 호텔

9. 귀하가 일하는 호텔은 어디입니까?

- ① 재벌 호텔 ② 재벌 호텔 아님

시간 내 주셔서 진심으로 감사 드립니다

Questions for HR managers

1. 호텔에서 당신의 역할이 무엇인지 말씀해주세요
2. 귀하가 일하시는 호텔기업의 전략에 대해 말씀해 주세요 (예: 서비스질, 표준화, 한국, 성장 계획, 시장)
3. 귀사에서 사용되고 있는 인적 자원이 그 전략들을 수행하는데 있어서 중요한 역할을 하고 있습니까?
4. 당신의 호텔은 특정한 인적자원 전략이 있습니까? 만약 예스라면, 무엇이 그 중요한 요소들인지 말씀해주시겠습니까? (설문서와 관련하여, 채용, 선발, 성과, 직무 디자인, 고용보장, 보상 그리고 직원들 보이스)
5. 서비스 질을 향상시키는 전략은 귀사의 인적자원관리를 형성하는데 주도적인 역할을 합니까?
6. 당신은 어떻게 한국 문화를 묘사하시겠습니까? 이러한 한국문화가 당신의 호텔 인적자원관리에 영향을 미친다고 생각하십니까? (예/ 하이 파워 디스턴스, 집단주의, 남성지향주의 사회 그리고 불안정한 사회)
7. 귀사의 호텔은 노조가 강하다고 생각하십니까? 귀하의 호텔에서 인적자원 관리와 관련해서 노조에 의해 영향받은 인적자원관리는 무엇이라고 생각하십니까?
8. 귀사의 인적자원 업무들이 어느 정도까지 한국관광진흥법에 의해 영향을 받았다고 생각하십니까? (예: 노조는 직원을 고용하는데 참여한다, 직원 복지 그리고 직원 복지 시설들)
9. (인터체인 호텔) 체인본사 (예 미국)로부터 지침된(정책, 가치 등) 인적 자원과 관련된 것은 어떠한 것이 있나요? 이러한것들은 한국의 가치와 문화와 어떻게 관련이 있다고 생각하십니까?
10. 1997 년 금융위기 이후 귀하의 호텔에서는 어떠한 인적 자원 관리들이 바뀌었나요? (예, 개인적 성과에 근거한 급료, 보너스)
11. 한국인 직원들에게 가장 효과적인 인적자원 관리는 무엇이라고 생각하십니까?(예: 무엇이 좋은지, 무엇이 나쁜지 이유들, 어떻게 이러한 질문들이 외국인 직원들과 관련되어 있는지)
12. 귀사는 인적자원과 관련해서 변경 또는 혁신할만한 것이 있었나요? 무엇으로 당신으로 하여금 이러한 것들을 발전시키게 만들었나요?
13. 그밖에 다른 것이 있습니까?

Questions for trade union representatives at hotel

1. 당신의 노동조합내에서의 역할에 대해 말씀해 주시겠습니까?
2. 호텔에서 노동조합의 역할에 대해 말씀해 주시겠습니까?
3. 당신은 노조가 당신의 호텔에 영향을 미친다고 생각하십니까?
4. 실제로 노조 회원들을 위해 인적자원 관리를 향상시키기 위한 노조의 역할은 무엇입니까? (직원 복지 향상)
5. 당신은 당신의 호텔에서 노조를 통해 무엇을 이루었습니까?
6. 노동조합 회원들은 노조가 이룬 성취 (성과)에 대해서 어떻게 생각하십니까?
7. 근래에 어떠한 것들이 인적자원과 관련하여 영향을 미쳤습니까?
8. 당신 호텔에서 노조의 미래는 무엇입니까?
9. 1997 년 금융위기 이후 어떠한 인적자원들이 변경되었습니까? (개인적 성과에 근거한 급료, 보너스)
10. 당신의 호텔에서는 직원과 관련된 것들이 공정하다고 생각하십니까 (정당한 급료, 보너스, 승진 기회/ 정당한 채용 선발, 승진 불평불만)
11. 당신은 노조와 호텔관리자와의 관계가 좋다고 생각하십니까?
12. 그밖에 다른것이 있다면 말씀해 주십시오.

Questions for trade union representatives at company level

1. 당신의 노동조합내에서의 역할에 대해 말씀해 주시겠습니까?
2. 호텔산업에서의 노조의 역할에 대해 말씀해 주시겠습니까?
3. 실제로 노조 회원들을 위해 인적자원 관리를 향상시키기 위한 노조의 역할은 무엇입니까? (직원 복지 향상)
4. 당신은 호텔기업이나 정부에 대해 집단협상을 통해 무엇을 이루기를 기대합니까?
5. 노조 회원들은 노조를 향상시키는데 있어서 무엇을 인식하고 있습니까?
6. 호텔산업의 노조에 대해 어떻게 생각하십니까?
7. 근래에 어떠한 것들이 인적자원과 관련하여 영향을 미쳤습니까?
8. 호텔산업에서의 노조의 미래는 무엇입니까?
9. 1997 년 금융위기 이후 호텔산업에서 어떠한 인적자원들이 변경되었습니까?
(개인적 성과에 근거한 급료, 보너스)
10. 호텔산업에서 사용되고 있는 인적자원과 관련된 것들이 한국과 기업의 전략에 맞는다고 생각하십니까?
11. 그밖에 다른것이 있다면 말씀해 주십시오.