2010

Cultural Diversity in the Hotel Industry: A Study of Performance Management Systems

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Cultural Diversity in the Hotel Industry:
A Study of Performance Management Systems

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CULTURAL DIVERSITY IN THE HOTEL INDUSTRY: A STUDY OF PERFORMANCE MANAGEMENT SYSTEMS

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SUBMITTED TO CORK INSTITUTE of TECHNOLOGY
SEPTEMBER 2010
The author hereby declares that, except where duly acknowledged, this thesis is entirely her own work and has not been submitted for any degree in any University or Institute of Technology.

Deirdre O' Donovan (Student)

Dr. Margaret Linehan (Supervisor)
Abstract

Recent years have seen a sharp increase in the numbers of people immigrating to Ireland, making Irish society much more culturally diverse than in previous decades. At present, there are approximately 420,000 migrants living in Ireland, of whom approximately 350,000 individuals are of an age to work (Central Statistics Office 2006). Consequently, Irish workforces are now more culturally diverse.

This thesis focuses on the implications of cultural diversity on performance management practices in a number of Irish hotels. Due to the large number of culturally diverse employees in the hospitality industry, the hotel sector was chosen as the focus of primary research. In-depth interviews were conducted with ten Irish managers and twenty-three non-Irish employees in nine hotels. The interviews focus specifically on whether Irish hotel managers consider it necessary to adapt performance management systems due to cultural diversity in their workforces, and whether non-Irish employees are capable of adapting to Irish performance management practices.

Both sets of interviews reached similar conclusions suggesting that adapting performance management practices for different cultures may be unnecessary. The experiences of the majority of managerial respondents in the participant hotels illustrated that employees from a variety of cultures are satisfied with current Irish performance management practices. A number of the interviewed non-Irish employees also believed that the performance management systems in place in Ireland are preferable to those in their home countries.

A second salient finding illustrated that the perceptions, opinions, and behaviours of individuals may be due to their individuality, rather than constrained by national culture. Employees from similar cultures expressed a variety of opinions on a number of matters, while employees from different cultures also expressed similar opinions on a number of issues. Both the similarity and variety in views serves to indicate that individuals are capable of deviating from their cultural categorisation to express individual opinions.
Acknowledgements

There are a number of people without whom this research would not have been possible. My thanks to Brian McGrath and Gerard O’Donovan for not only enabling me to continue my education, but also for welcoming me into the Management and Marketing Department and always taking an interest in my progress. Thank you also to Antoinette Hourican for taking me on board, allowing me to begin this journey. I wish to express my eternal sincere gratitude to Dr Margaret Linehan for taking me on, for her incredible supervision, guidance and endlessly motivating “can-do” attitude. It has been nothing short of a pleasure working with you.

I would also like to thank Dr Felix Rackson, Rose Leahy, Kieran O’ Reilly and Aileen Cotter for always taking an interest in my progress and never being too busy for questions (and occasional venting!), and to the entire Management and Marketing Department, and to Paul Mahony of the Continuing Education Department, for being so welcoming. Sincere thanks also to the managers and employees who so kindly gave of their valuable time to help me.

Of course, the D247 “detainees” – we really had a great office! Flora and Shirley, I’ll miss lunch, coffee, chats, giggles, shopping and our “whinge” times! It made the worst days so much better. Steve, it’s been six years, maybe three more…! Who knows? Barry, John, Tim, Ronan, and of course the ex-D247 inhabitants, Fergus, Christine and Michelle, we had some great times. Thank you all!

Last, but by no means least, thank you to my family and friends. Thanks to mam for driving me to train stations at the crack of dawn, and to dad for collecting me from said stations in the middle of the night! Thanks to Helen for listening to my frustrations, and to Niamh for always making me laugh by being exhaustingly energetic! To my fantastic friends, especially Lyn (and our three hour lunches), Sarah, Niall and Eoin, and all my other great friends, thanks for being there through this whole process.
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Chapter 1
Introduction
Chapter 1: Introduction

1.1 Introduction and Background

Cultural arrogance is a luxury individuals, companies, and nations can no longer afford in a global economy (Kinicki and Kreitner, 2006:73).

This chapter, and in specific this section, provides an introduction and background to this research thesis. Recent years have seen a sharp increase in immigration, resulting in the presence of many diverse cultures in Ireland (Connolly and McGing, 2006; SIPTU, 2006). Indeed, the most recent figure available to the researcher indicates that there are approximately 419,733 migrants living in Ireland, of whom approximately 352,149 individuals are of an age to work (Central Statistics Office 2006). On a global scale, it has been suggested that the recent increasing business trend of globalisation is turning attention to the management of cultural differences within organisations (Cox and Blake, 1991). Consequently, one of the most prevalent forms of diversity in Irish workplaces today is cultural diversity.

Cultural diversity incorporates many differences, such as diversity in customs, attitudes towards time-keeping, work ethics, pay expectations and styles of management (Lussier 2008). Additionally, culture influences the behaviour of employees in the workplace (Gardenswartz and Rowe, 2001). A number of cultural dimensions have been developed to help distinguish these differences. The dimension of power distance, for example, addresses the extent to which individuals from certain cultures accept, and indeed expect, a large power distance between those in authority and the rest of the population (House et al., 2001; Hofstede, 1983). High power distance cultures expect a large gap in power, thus are hierarchical in nature, while low power distance cultures expect a more equal distribution of power, and do not expect a large gap in power. This dimension translates directly into organisations. Employees from a high power distance culture expect a large gap between superiors and subordinates. Subordinates do not expect to be consulted on decisions, nor is it considered appropriate for a subordinate to comment on the work of a
superior. In contrast, employees from a low power distance culture do expect to be involved in decisions that affect them, and consider themselves relatively equal with those in power over them. A number of other cultural dimensions, identified by House et al. (2001), Hofstede (1983) and Trompenaars (1996) are discussed in the literature review contained in chapter two of this thesis.

Due to the differences between cultures, and in order to keep staff of different cultural backgrounds satisfied, motivated, and retained, managers must attempt to understand the implications of cultural differences on employees' expectations in terms of a number of work-related issues, such as decision making, feedback, participation and reward for performance. Cultural differences also result in different employees being motivated in different ways to perform (Pimentel 2000; Thorpe and Homan 2000; Beardwell & Holden 1994). This has a direct effect on performance management, as performance management deals with the challenges organisations face in defining, measuring, and stimulating employee performance with the ultimate goal of improving organisational performance (den Hartog et al 2004). Stimulating the performance of employees from different cultures, requires managers to develop an understanding of what motivates employees from different cultures, and capitalising on this knowledge by building it into their reward systems, as reward forms an integral part of performance management (Armstrong and Baron 1998).

There are a number of other arguments to be made for a study on the subject of cultural diversity and performance management. To begin, cultural diversity is a relatively new phenomenon in Ireland. While information and research on the topic is becoming more available, there is little research of Irish origin. Thus, it is arguable that there is a gap in the available research.

In addition, as previously mentioned, it is proposed that cultural diversity has implications for performance management in a number of ways (Fletcher, 2001). It has been suggested that employees have a desire to participate in the performance appraisal component of performance management (Huo and Von Glinow, 1995; Philips, 1987).
Some methods of performance appraisal, however, may not be acceptable to some cultures (Hofstede 1999). In high power distance cultures, for example, it is considered disrespectful for a subordinate to comment on a superior's performance. Similarly, it is considered inappropriate for a superior to directly criticise a subordinate's work. As a result, the widely used 360 degree method of performance appraisal may need to be adapted for the employee, or cannot be used to appraise the work of employees from some cultures. Similarly, individual-based performance appraisal may be inappropriate in collectivist cultures. Collectivist cultures value group cohesion, and from birth, individuals are integrated into groups. In the workplace, collectivist individuals devote themselves to the success of the group, rather than to their own success (Peretz and Fried, 2008). Individual appraisal, therefore, which by its very nature appraises the performance of the individual, may be considered inappropriate, as singling out an individual for appraisal, rather than appraising the group as a whole, interrupts group harmony. In addition, individuals from high uncertainty avoidance cultures will most likely display a preference for a formal appraisal system, to remove any ambiguity around the process (Peretz and Fried, 2008). High uncertainty avoidance cultures need formal structures, and formal, written, rules and regulations, as such cultures rely on norms and rules to avoid risk and the unknown (House et al., 2001). Organisations, therefore, prior to performance appraisal, must strive to develop knowledge of employees' cultural tendencies in order to both conduct appraisal effectively, and to adequately prepare for varying employee reactions to the process.

The manner in which goals are set in an organisation may also be impacted by culture. A number of authors advocate the use of participative employee goal setting (Herbig and Genestre, 1997; Galpin, 1994; Chang and Lorenzi, 1983; Latham and Locke, 1979). Employee participation may not, however, be deemed appropriate in certain cultures. In strong uncertainty avoidance cultures employees aim to avoid personal risk, thus participative goal setting may not be effective, as employees will aim to avoid setting goals for themselves, or being involved in goal setting, for fear of failure (Sue-Chan and Ong, 2002). Employees from such cultures may more readily accept assigned goals. The timeframe of a goal may be of concern for other cultures. Short term oriented cultures,
for example tend to focus more on the present that the future, thus, may not adhere to long-term goals. Prior to embarking on a goal setting process therefore, and in order to ensure effective goal-setting, organisations must be aware of the potential implications of cultural diversity on the process.

Another component of effective performance management is feedback. Feedback can, however, present organisations with a cultural minefield (Schneider and Barsoux 1997). It is assumed that employee performance will improve if the employee receives direct feedback from their superior (Hofstede, 1999b). Giving direct feedback in collectivist cultures, however, destroys the harmony that is expected to govern relationships. Additionally, direct feedback can interrupt group harmony by singling out an individual from the group. Critical or negative feedback may not be well received by employees from feminine cultures. Such cultures place great emphasis on good working relationships (Hofstede, 1983). Thus, as negative feedback may damage superior-subordinate relationships, superiors may avoid giving negative feedback, and subordinates may take negative feedback more personally. It is also noteworthy that individuals from affective cultures are prone to openly displaying emotions (Trompenaars, 1996). Consequently, it may appear that employees from such cultures, should they receive negative feedback, are more concerned by the feedback than employees from neutral cultures, who do not display their emotions so readily. It is important, therefore, that organisations display cultural sensitivity when providing employees with feedback.

Rewards offered as part of performance management may also be affected by culture, as different cultures attach different values to various types of reward (Aycan 2005; Chiang, 2005). All cultures, for example, are not motivated by financial reward. Feminine cultures place value on improved relationships and work-life balance, while collectivist cultures value group cohesion and stability. In relation to reward equity, cultures vary in the extent to which they believe rewards should be individual or collective, intrinsic or extrinsic. Highly individualistic cultures place value on individual achievement and status, thus expect to be rewarded individually (Hofstede, 1983). In contrast, collectivist
cultures may consider individual rewards inappropriate, as group loyalty is valued, thus, accepting an individual reward for performance may be frowned upon by other group members. Individuals from high uncertainty avoidance cultures fear risk and the unknown, thus, may be motivated by permanency or job security. Based on literature, it is important that organisations recognise cultural differences in terms of motivators and reward preferences if they are to succeed in rewarding employees effectively.

Finally, a business case for managing diversity, and indeed cultural diversity, has also been proposed, which suggests a number of potential advantages for organisations with diverse workforces. This case includes factors such as cost savings due to reduced employee turnover, lower absenteeism and fewer discrimination lawsuits, the recruitment of the best talent, and a valuable insight into the diversity of the marketplace (Robinson & Dechant 1997). Faced with the proposed advantages afforded to organisations that have a diverse workforce and leveraging the many facets of diversity within that workforce, it is imperative that in the globally competitive marketplace of today, organisations take a proactive approach to the attraction, and retention, of diverse employees.

1.2 Research Methodology and Objectives

This research aims to analyse whether cultural diversity within a workforce presents implications for the performance management processes in Irish hotels. The specific objectives of the research are the following:

- To establish as much background information as possible on the subject through the use of secondary research. Data will be sourced from articles, journals, academic textbooks and public information. This data will be studied and analysed to assess the strengths and weaknesses of currently available knowledge and existing research on the subject.
To investigate whether the hotels have performance management programmes in place, and study and analyse the implications of cultural diversity on performance management systems within the Irish hotel sector. This will be achieved by conducting primary research in the form of in-depth interviews with managers in selected hotels. If managers, who actively try to manage cultural diversity, believe it calls for performance management systems to be adapted to meet the needs of their employees, the researcher will examine what changes they have made, and why those specific changes. The researcher will identify whether the management of cultural diversity has, in the opinion of managers, any bearing on the business case for managing cultural diversity, especially in the current economic climate where jobs are scarce.

To conduct primary research in the form of in-depth interviews with non-Irish employees. The researcher will assess the attitudes and opinions of non-Irish workers to performance management systems in place in their organisations. The researcher will also assess whether they believe their needs are being met by the system, and whether they have had to adapt their expectations of how their performance is managed.

To gather necessary data to address the research objectives, both primary and secondary research was conducted. Secondary research is presented in this thesis via a literature review. The aim of undertaking the literature review was to satisfy the first research objective by gathering as much background information the subject matter as possible, prior to constructing and undertaking primary research.

Primary research in this study was gathered using qualitative methods, and undertaken to meet the second and third research objectives. A qualitative research methodology was considered the most appropriate for this research, as the aim of the research was to analyse and explore the thoughts, opinions and perceptions of the ten managerial and 23 non-Irish employee respondents. While qualitative and quantitative research need not be mutually exclusive, quantitative research deals primarily with numerical data, thus was
inappropriate for this research. The most appropriate qualitative research method for this research was the in-depth interview. In-depth interviews afford an opportunity to probe responses to questions and gain a deeper insight into the thoughts and opinions of respondents. In-depth interviewing was considered more appropriate than structured interviews, as in-depth interviews allow some flexibility, thus the researcher can explore further avenues of questioning based on the interviewees responses to pre-determined questions.

1.3 Structure and Chapter Content

This section outlines the structure and content of the remaining chapters of this research study. This thesis consists of six chapters in total, as diagrammatically represented in Figure 1.1

Chapter two contains a review of pertinent existing literature relating to performance management and cultural diversity. The chapter comprises three key sections. The first section addresses literature on performance management. Following a brief introduction to the subject matter, performance and performance management are defined, and the aims of the process are explored. A number of components of performance management, specifically goal-setting, feedback and appraisal are discussed in detail. The second section addresses diversity, focussing on the management of workforce diversity and the challenges that may arise when attempting to manage diversity. The section also details reasons organisations should manage, or the advantages of managing, workforce diversity. The section concludes with a discussion of cultural diversity, in specific a review of a number of cultural theorists are presented. The third section of this chapter deals with cultural diversity and performance management. In particular, this section discusses literature concerning the effect of cultural diversity on performance appraisal, goal setting, feedback and reward. The section also outlines three alternative performance management or appraisal formats which may be more appropriate to different cultures. The three alternative methods outlined are Management by Objectives, Multi-source Feedback and Upwards Ratings Performance Appraisals.
Figure 1.1 Thesis Chapter Structure

Cultural Diversity in the Hotel Industry: A Study of Performance Management

Chapter 1: Introduction
- Introduction
- Research
- Methodology
- Chapter content

Chapter 2: Literature Review
- Performance Management
- Diversity
- Cultural diversity and performance management

Chapter 3: Research Methodology
- Primary and secondary research
- Qualitative research
- In-depth interviews

Chapter 4: Findings
- Outline of dominant themes and findings

Chapter 5: Analysis and Discussion of Findings
- Discussion of themes presented in Chapter 4

Chapter 6: Conclusion
- Main conclusions
- Recommendations
Chapter three outlines the research methodology employed in this study. The chapter begins by defining both management research and the objectives of the study. The chapter also outlines the scope of the research, and the research question. Methods of primary and secondary data collection are outlined, with a specific focus on qualitative research. Qualitative research, in the form of in-depth interviews, was used to gather primary data for this thesis, as it was considered the most appropriate method of gathering data to address the primary research objective. The closing section of the chapter focuses on the concerns of research validity and transparency.

Chapter four outlines the findings of the primary research undertaken. In-depth interviews were conducted with 10 Irish Managers and 23 non-Irish employees across nine hotels in Munster, Leinster, and Connaught. The results of the interviews were analysed, resulting in the identification of a number of themes, which are set out in this chapter. Sixteen themes were identified in total.

Chapter five presents an analysis of the sixteen themes which were introduced in Chapter four. This chapter follows the same order of the thematic areas presented in chapter four.

The final chapter of this thesis, chapter six, concludes the research. The chapter draws conclusions from the most significant findings of this study, and outlines the limitations of the research. The chapter also makes a number of recommendations for further research and practice.

1.4 Conclusion

There are a number of arguments presented in literature for studies on cultural diversity. Moreover, there appears to be a gap in the existing research on cultural diversity and performance management in Ireland, thus, rendering a study on the area both pertinent and relevant. A review of literature relating to the subject matter is contained in the following chapter.
Chapter 2
Literature Review
Chapter 2: Literature Review

2.1 Introduction to Literature Review

This chapter provides an overview of relevant literature pertaining to three specific areas. The three areas examined are performance management, diversity, and the impact of cultural diversity on performance management consecutively. Following a brief introduction, each topic is further explored through analysis of the literature on a number of aspects relating to the specific area.

The first number of sections of the chapter will explore performance management. Following an introduction to the topic, definitions of performance will be discussed, as will the aims of performance management. Literature concerning various components of performance management, specifically performance appraisal, goal setting, goal acceptance and commitment, and feedback, will then be analysed.

Performance Management

2.2 Introduction to Performance Management

Performance management addresses the alignment of individual objectives with those of the organisation. It is a continuous and comprehensive process of management, which serves to clarify expectations of both the employee and the employer (Armstrong, 2009). Performance management is concerned with establishing an understanding about what is to be achieved, how it is to be achieved, and the development of an approach to managing people that increases the organisation's probability of achieving success (Weiss and Hartle, 1997). Performance management has also been referred to as a proactive process undertaken to improve and increase the effectiveness and efficiency of both an organisation and its employees (Duggan, 2008). Similarly, performance management can be viewed as an integrated management system that boosts the valuable output of employees to its maximum, and maintains that level of output (Phelps, 2005). In essence,
performance management deals with the challenges organisations face in defining, measuring, and stimulating employee performance, with the ultimate goal of improving organisational performance (den Hartog et al., 2004). Performance management has been defined by DeNisi (2000:557) as:

The range of activities engaged in by an organisation to enhance the performance of a target person or group, with the ultimate purpose of improving organisational effectiveness.

Similarly, Armstrong (2009:618) defines performance management as:

A systematic process for improving organisational performance by developing the performance of individuals and teams.

The focus of performance management is on the improvement of an employee's overall performance which ultimately serves to add value to the organisation (Bowes, 2009; Nudelman, 2008). There is an emphasis on partnership between management and employees, with a view to performance management being something that is done for the benefit of employees (Buchner, 2007; den Hartog et al., 2004). Additionally, performance management views managers as coaches for the organisation's employees, rather than judges (Armstrong, 2009). As such, it has been suggested that there is no single correct method for managing performance. The approach organisations take must depend on the context of the organisation, specifically its culture, structure, technology, the views of its stakeholders and the type of people involved (Armstrong and Baron, 1998).

According to Walker (2007), performance management is the single largest contributor to the effectiveness of organisations. Indeed, the potential significance of an effective performance management system for organisations has been underlined by Duggan (2008:7) and Nudelman (2008:12), who believe that performance management, through the evaluation and analysis of an individual employee's performance, can aid an organisation in:
• Determining how to build on the strengths of both the employee, and the organisation as a whole
• Establishing where structures and processes can be modified to encourage and support improved performance
• Identifying where the enhancement of performance is required
• Addressing performance issues or problems as they arise
• Recognising and rewarding excellent performers
• Determining skill gaps within the organisation which need to be filled through strategic recruitment and retention, and suitable employees for potential succession or progression opportunities
• Clarifying the contributions, or lack thereof, of individual employees.

According to Duggan (2008), performance management systems tend to, and ideally should, follow a somewhat logical path. To begin, the organisation’s vision should be communicated to all employees, enabling them to see where the organisation is going, and where they fit in to the overall plan (Nudelman, 2008; Gunnigle et al., 2006). Standards of performance are then established for the organisation, followed by an analysis of the essential functions of each employee in relation to the organisation’s goals. Employee’s performance is observed, after which feedback is given to individual employees for developmental purposes. Employee performance is appraised, and the strengths and weaknesses of employees are discussed. This generally takes place through a formal review, typically annually (Gunnigle et al., 2006). Finally, a development plan is established. This plan builds on the strengths of the employee, and further aligns their work contribution to the mission and goals of the organisation (Duggan, 2008; Nudelman, 2008).

A similar view of this path has been proposed by Muller-Camen et al. (2008:227) via the following diagrammatic representation of a performance management system (Figure 2.1).
The above diagram illustrates a point which has also been stressed by Nudelman (2008), specifically that an effective performance management system does not have to be a complex, highly complicated process, but rather simplistic and straightforward.

Finally, it should be noted that in order for a performance management system to be effective, management of an organisation need to recognise the importance of maximising the performance of employees. Doing so requires the organisation to acknowledge and reward the effort of its employees, and the provision of career development opportunities with the aim of increasing employee commitment to the organisation (Duggan, 2008). Indeed Consantinou (2004, 178) states that:

*The effectiveness of any organisation is reflected on the performance of its employees; moreover, it is reflected on the management’s leadership abilities to*
record, evaluate, and inspire the performance of the people who contribute to the success of their organisation.

In order to analyse more fully performance management, it is useful to examine some definitions of performance. These definitions will be outlined in the next section.

2.3 Defining Performance

The process of performance management involves managing employee efforts based on measured performance outcomes. As such, prior to creating a performance management process, determining what actually constitutes good or bad performance, and how different aspects of high performance can be measured, is seen as critical to the design of any effective performance management process (Cunneen, 2006, den Hartog et al., 2004). Armstrong and Baron (1998) believe that if an organisation does not define performance, they can neither measure nor manage it. Perspectives on what constitutes performance, however, can be extensively divergent (Thomas, 2006). Performance is defined in a rather concise manner by Lebas (1995) as:

*The potential for future successful implementation of action in order to reach...objectives and targets.*

A more expansive definition of performance is offered by Brumbrach (1988:16), who defines performance as:

*Both behaviours and results. Behaviours emanate from the performer and transform performance from abstraction to action. ...behaviours are also outcomes in their own right – the product of mental and physical effort applied to tasks – and can be judged apart from results.*

From this definition, the author concludes that when performance is being observed, both the inputs/behaviours, and the outputs/results, should be taken into consideration. Adopting a similar view, Nickols (2003:2), who views performance as being defined by the outcomes of behaviour, rather than simply what people do, defines performance as:
The achievement of some condition that reflects one or more outcomes of the behaviour of one or more individuals.

Observing behaviour when considering performance has also been advocated by Randell (1973), who views behaviour observation as a necessary step prior to performance review.

The process of performance management has a number of different aims, both for individuals, and the organisation as a whole. Some of these aims will be briefly examined in the following section.

2.4 The Aims of Performance Management

Performance management, a term first used in the 1970s, has become more than a list of singular practices aimed at measuring and adapting employee performance (den Hartog et al., 2004). Performance management is now seen as an integrated process, in which managers' work with employees, and is considered necessary for maintaining a vibrant organisation (Consantinou, 2004). Indeed, Mondy et al. (2002) believe the aim of performance management is to:

Set expectations, measure and review results, and reward performance, in order to improve employee performance, with the ultimate aim of positively affecting organisational success.

It has also been proposed that the basic aims of performance management are:

To share understanding about what is to be achieved, to develop the capacity of people and the organisation to achieve it, and to provide the support and guidance individuals and teams need to improve their performance (Armstrong and Baron, 1998:51).

More detail regarding the aims of performance management is offered by Armstrong and Baron (1998), who proffer seven main aims. They suggest that performance management aims to assist the organisation in achieving sustainable improvements in overall
organisational performance. Additionally, performance management aims to act as a lever for change via developing a performance-oriented culture within the organisation. While hoping to increase employee commitment and motivation, performance management also aims to enable employees to develop their abilities, increase their job satisfaction, and work towards achieving their full potential. This aim is beneficial not solely for the employee concerned, but also for the organisation as a whole. Further aims focus on enhancing the development of group or team performance and cohesion, and the development of open, constructive relationships between employees and management. The final aim of performance management proposed by Armstrong and Baron (1998) centres on performance management providing opportunities for individual employees to express to management their aspirations and expectations about their work.

An alternative view considers the overall aim of performance management as aiding in the establishment of an organisational culture in which individual employees, and groups, take responsibility for the continuous improvement of various organisational processes, and the continuous improvement of their own skills and contributions to the organisation. Additionally, performance management enables management to clarify their expectations of both individual employees and groups. Similarly, performance management enables those employees and groups to clarify their expectations in a number of areas, such as how they believe they should be managed, and the support and resources they need to perform (Armstrong and Baron, 1998). Essentially, it could be considered that a main aim of performance management is to serve as a communications platform between management and subordinates, and, furthermore, improve the quality of the interrelationships between managers and individuals, managers and teams or groups, and between members of teams or groups.

Additionally, according to Armstrong (2009), a further aim of performance management is to develop the ability or capacity of employees to meet and exceed expectations of their performance. Performance management aims to develop employees to the extent that they are capable of achieving their full potential, both for their own benefit, and for the organisation’s. While providing the basis for employee self-development, a further
aim of performance management is to ensure that the support and guidance needed by employees to improve and develop is provided by the organisation (Armstrong, 2009).

The terms performance management and performance appraisal are often used loosely. Performance appraisal is, however, simply one component of the overall performance management process. Performance appraisal will be explored in the following section.

2.5 Performance Appraisal

While a number of authors use the terms performance management and performance appraisal interchangeably (Armstrong, 2009; Gunnigle et al., 2006), there are obvious differences between the two terms. Most notably, performance appraisal is usually a component of the overall process of performance management, rather than a substitute or synonym for performance management (Armstrong, 2009). Performance appraisal can be defined as:

The mechanism that motivates and inspires goals, and builds self-esteem and pride in an individual's contributions (Consantinou, 2004:178).

Performance appraisal should, according to the UK Chartered Management Institute (2006), take place every six to twelve months. Similarly, Patten (1982) proposes that appraisals should be given annually, with the exception of employees on probation, who should be appraised after three months, six months, and annually thereafter. The UK Chartered Management Institute (2006) further suggests that the appraisal should focus on behaviours and outcomes, issues and problems, constructive development to improve the employee's motivation, and growth and performance of the appraisee.

DeNisi (2000:557) defines performance appraisal as:

The system whereby an organisation assigns some 'score' to indicate the level of performance of a target person or group.
A different viewpoint is adopted by Mabey et al. (1998) who view appraisal as employees learning about themselves, and working together, to help both themselves and the organisation. Rarick and Baxter (1986) refer to performance appraisal as simply an important activity. Stone (1972) is of the opinion that performance appraisal is now so ingrained in organisational activity it has become a fact of life. Furthermore, Rarick and Baxter (1986) believe that improvement of the performance appraisal process will enhance the overall performance of the organisation. Indeed, Sauer (2005) holds that performance appraisals are a vital element of organisational life, while Den Hartog et al. (2004:558) simply state that:

*Performance appraisal is an important part of the performance management process.*

Performance appraisal affords a number of benefits for managers, employees, and the organisation as a whole (Gunnigle et al., 2006). Performance appraisals can be used to facilitate communication between supervisors and subordinates (Asmüß, 2008; Schraeder et al., 2007; Torrington and Hall, 1998). According to Schraeder et al. (2007), communication is an important factor affecting employee motivation in organisations. Performance appraisals are also considered an important tool for communicating with employees in regard to how well their job-related performance is meeting the organisations expectations (Spinks et al., 1999). A well-structured appraisal should relate directly to noted improvements in any of the employee’s weak areas (Broady-Preston and Steel, 2002).

Organisations can use performance appraisal to:

*Improve current performance, provide feedback, increase motivation, identify training needs, identify potential, let individuals know what is expected of them, focus on career development, award salary increases and solve job problems* (Torrington and Hall, 1998:320).

During performance appraisals, managers are afforded an opportunity to uncover the hopes, fears and concerns of their employees relating both to their present job, and their
future within the organisation. In addition, appraisal interviews provide an opportunity for managers to clarify, and reinforce, goals and priorities deemed important by the organisation (Gunnigle et al., 2006). Furthermore, performance appraisals can, when properly approached, serve to motivate employees by recognising achievements (Domeyer, 2007).

For employees, appraisals are an opportunity to receive feedback on their performance, and recognition of good performance. Appraisals can be used by employees to discuss their career options, and communicate any thoughts or opinions about their job, and set future goals (Gunnigle et al., 2006). The appraisal process may also, through the giving of feedback, help employees to identify skill sets which can be refined or improved upon (Domeyer, 2007).

There is, however, considerable disagreement on the subject of performance appraisals, with many commentators taking a dim view of the process. Indeed Scholtes (1993) is of the opinion that, at best, performance appraisals do not work. At worst, they cause serious damage to morale within the organisation. This view is supported by Gray (2002), but is in stark contrast to that of Morriss (1999), who believes that an organisation’s performance-evaluation process can instead serve to keep its employees focussed and motivated. According to Heathfield (2007) however no appraisal system is perfect. Morriss (1999:66) suggests that no one system automatically suits all, stating that:

*There are no hard and fast rules for performance appraisals. What works for one organisation might not be the right fit for yours.*

Morriss (1999) further recommends that organisations need to select the type of appraisal system that will work best for their staff.

It has been suggested that a number of the drawbacks of formal performance appraisals stem from two issues (Schraeder et al., 2007). The first issue mentioned is that performance appraisals can actually be detrimental for an organisation if not utilised properly. The second issue identified is that if the performance appraisal system chosen...
by the organisation does not match the culture or the systems within the organisation, then the system will not be effective. A number of problems associated with performance appraisals have been identified, stemming from the aforementioned two issues.

The first problem put forward by some authors is that performance appraisals can be detrimental to quality improvement, a view shared by Soltani (2005), who suggests that an organisation's performance appraisal system can impede the pursuit of quality. The problem of negative perceptions has also been referred to. Individuals often have negative perceptions of performance appraisals, and can find receiving a performance appraisal an unnerving, perhaps even frightening, experience (Pettijohn et al., 2001; Spinks et al., 1999). Supervisors and employees alike often find the whole experience to be painful and de-motivating (Davis and Landa, 1999). Furthermore, Jenks (1991) suggests that performance appraisals can create tension between supervisors and subordinates. Moreover, Gray (2002) raises the issue of scepticism of the process on the part of employees, believing that many employees are sceptical of the results of the appraisal, and even more so of the ability of their managers in relation to the appraisal process. In addition, Gray (2002) is also of the opinion that performance appraisals are not in line with the way businesses currently operate, arguing that while emphasis today is on team contribution, the rewards resulting from performance appraisals are still based on individual merit. Thus, Gray (2002) believes that the signals organisations are giving their employees are confusing.

Errors in performance appraisals also pose a problem. It has been suggested, therefore, that appraisals should be based on pre-established criteria, directly related to the employee’s job assignment (Amsterdam et al., 2005). Thus, the ratings should provide a more accurate reflection of the individual’s performance. Limiting the focus of the appraisal to the past behaviour of the employee, covering the time between the last performance review and the present has also been suggested (Patten, 1982).

Supervisors, however, often tend to avoid giving honest feedback, and give employees ratings that exceed their true performance, either in an attempt to avoid conflicts, or other
unpleasant consequences (Schraeder et al., 2007; Heathfield, 2007; Oberg, 1972). This unwillingness, or inability, to provide negative feedback is considered by Latham and Wexley (1981) as a very serious, and very common, problem. Indeed, according to Phillips (1987) the inclusion of negative feedback in appraisal is a rarity.

The influence of superiors fondness for their subordinates on the accuracy of appraisals has been considered by Fletcher (2001), substantiating findings by Lefkowitz (2000), who having reviewed 24 studies on the relationship between supervisors' sentimental regard for their subordinates and their performance appraisal ratings, concluded that a supervisors positive regard for their subordinates often relates to more lenient appraisal ratings.

A different approach has been taken by Mabey et al. (1998), who instead focus on the likelihood of an appraisee being honest during the process. Findings suggest that it is unlikely that the appraisee will discuss job difficulties and anxieties if there is a possibility that the appraisal will be used in assessing promotion, transfer or even a demotion. Similarly, employees may be cautious in what they say in an attempt to not jeopardise a possible pay rise (Torrington and Hall, 1998). Employees may in fact view appraisal as a manipulation process which places the burden of development or improvement on themselves (Mabey et al., 1998).

Jenks (1991) has warned organisations that appraisals which are not carried out well by supervisors can, from a legal standpoint, be costly for organisations. Similarly, as some organisations use appraisals as a basis for promotion decisions, if the appraisals are not performed correctly, the subsequent decision may have negative effects on employees, and thus again possibly lead to legal action.

It has also been suggested that a lack of training in relation to the undertaking of appraisals could be a contributing factor in rater errors (Gray, 2006). Gray (2002) further believes that performance appraisal requires a process that is objective, consistent and dependable. Many programmes however are implemented without proper training, under
the assumption that managers are already capable of implementing them, leading Gray to question how a system can possibly be objective, consistent and dependable if the appraiser lacks the appropriate skills and training (Nudelman, 2008; Gray, 2002).

A number of drawbacks to performance appraisal have also been identified by Nickols (2007:14). These drawbacks include:

- Decrease in productivity
- Performance erosion over time
- Performance appraisal can create emotional anguish for employees
- The performance appraisal process can be damaging to employee morale and motivation
- Performance appraisals emphasise individual performance versus team performance and task performance versus process performance
- A short-term view is inherent in performance appraisal, as past or future contributions by the employee are rarely considered
- The existing values and biases of those in power can become institutionalised through the performance appraisal process
- Performance appraisals can result in fear and a lack of trust in management
- The performance appraisal may be shaped by internal organisational politics

It is further argued by some researchers that the failure of performance based pay can be associated with problems in performance appraisal systems (Selden, et al., 2001), as a company cannot reward or manage performance properly if it cannot measure performance accurately (Armstrong and Baron, 1998). Another important component of performance management is goal setting. Goal setting will be explored in the next section.
2.6 Goal Setting and Performance Management

The problem of employee motivation has puzzled managers for generations (Latham and Locke, 1979). One of the reasons for the problem in relation to motivation stems from motivation coming from within individuals themselves, therefore, it cannot be directly observed (Latham and Locke, 1979). Latham and Locke (1979:68) suggest that as managers are generally not:

*In a position to change an employee’s personality. The best they can do is try to use incentives to direct the energies of their employees toward organizational objectives.*

Money is the primary incentive organisations can use to motivate employees, as without it few employees would come to work (Latham and Locke, 1979). Money is not, however, always enough to motivate performance (Galpin, 1994; Latham and Locke, 1979). It is important to note that motivators vary from person to person, and culture to culture (Pimentel 2000; Thorpe and Homan, 2000). There are a number of alternative incentives that could be used by organisations, such as the participation of employees in decision making, job enrichment, and behaviour modification (Latham and Locke, 1979). Organisations could also involve employees in the setting of their goals.

Latham and Locke (1979:68) believe that goal setting is:

*Probably not only more effective than alternative methods, but may be the major mechanism by which these other incentives affect motivation. Even money has been found most effective as a motivator when the bonuses offered are made contingent on attaining specific objectives.*

Chang and Lorenzi (1983) are in agreement, simply stating that goal setting is a very effective technique for motivating individuals and increasing performance. Goal setting is quite a simple concept, and does not have to be part of a management system to effectively motivate performance, but rather can be used as a technique by itself (Rausch, 1980; Latham and Locke, 1979). The basic assumption of goal setting is that goals are
immediate regulators of behaviour. Goal setting, therefore, can be used as an effective way of influencing performance (Erez et al., 1985). It is proposed that organisations can use performance management systems as a way of setting goals, and to reinforce desired behaviours/performance, especially if important rewards such as pay and promotion are linked to performance appraisal ratings (Roberts, 1998).

Ideally, organisations aim to match individual goals and the performance of individuals to the overall objectives of the organisation (Schraeder et al., 2007). Performance appraisal provides an opportunity to do so (Nickols 2007). Matching individual goals and performance to the goals of the organisation may help to reduce the uncertainty of employees in relation to what their job-related expectations are (Pettijohn et al., 2001; Galpin, 1994). If employees do not have a clear picture of the goal they are meant to achieve, they will be unable to tell if they are making progress (Nickols, 2007; Pritchard et al., 1988). Without clear goals, management becomes haphazard which means that no group or individual can expect to perform effectively (Koontz, 1977). Latham (2004) is in agreement, believing that setting a specific goal makes explicit for employees what needs to be attained. Additionally, Nickols (2007) adds that without a clear picture of what they are to achieve, employees will be unable to tell when they have completed the task, or if the task has been carried out properly.

Latham and Locke (1979) believe that specific and challenging goals lead to better performance by employees' rather than easy or vague goals. Erez and Kanfer (1983) are in agreement, believing that if the goals are accepted, specific hard goals result in better performance. When performance goals are too challenging however, this can have negative consequences for organisations. Furthermore, it has been argued that over-challenging performance goals have an adverse effect on the effectiveness of employees in the early stages of learning, thus, learning goals may be more appropriate than performance goals in some situations (Kanfer and Ackerman, 1989). Other concerns include the argument that that performance appraisal devours vast amounts of time and energy, depresses and demotivates people, and destroys trust and teamwork (Nickols, 2007). Additionally, Rausch (1980) warns against setting too many goals for one
employee, suggesting that when there are too many goals individuals suspect that the main aim of the goals is to make them work harder, often with few rewards for them in return. It has been further suggested that there must always be at least one goal set, and there should be at least two goals for each individual. Rausch (1980:25) proposes that goals can only be set for:

_Those things that are important, those that will improve effectiveness, in terms of quality and quantity of product and service, or quality of work life, or any other dimension of importance to the organisation._

The participation of employees in goal setting is not just useful as a motivational technique for use by managers, but can also benefit the managers themselves. When a manager has competent subordinates, subordinate participation can serve to increase the manager’s knowledge, thus helping to improve the quality of management’s decisions (Latham and Locke, 1979). Participation requires at least two individuals to be involved, and implies that something must be shared between the individuals. While there must be some degree of sharing between the two, however, the sharing does not have to be equal (Chang and Lorenzi, 1983).

To produce the best results for both the employee and the organisation, managers should follow a number of steps when setting goals. The first step is in relation to setting the actual goal. Goals should have two main characteristics: they should be specific rather than vague, and where possible there should be a time limit for the accomplishment of the goal (Latham and Locke, 1979). Latham (2004) later states that employees with specific hard goals perform better than those who have either vague goals, or specific easy goals.

The next step in the setting of goals concerns creating a goal that is both challenging, and attainable, as:

_If accepted, difficult goals lead to better performance than do easy goals...if the goals are perceived as unreachable, employees will not accept them. Nor will employees get a sense of achievement from pursuing goals that are never attained._ (Latham and Locke, 1979:77)
It is noteworthy that external constraints can, and often do, affect the setting of goals. External constraints include the actions of the organisation's competition, deadlines imposed externally in line with contract agreements and legal regulations (Latham and Locke, 1979).

Galpin (1994:208) has also suggested guidelines for effective goal setting. Goals should be:

- Short, simple, and understandable,
- Achievable,
- Challenging,
- Have a time limit,
- Arrived at through employee participation,
- Clearly outline the reward(s) the employee will receive upon completion
- Clearly communicated, and visible.

Evenden and Anderson (1992) are in agreement with the above guidelines, but also suggest that goals should be revisable, a little flexible, and should identify any constraints that may affect the achievement of the goals.

There are a number of reasons managers can use goals to increase performance. One reason suggested by Pritchard et al. (1988:70) is that as goal setting is based on regular feedback on performance, it enables employees to work "smarter", in that:

They now know where to focus their efforts, they can correct mistakes, they can diagnose reasons for problems, and they know when a problem has been resolved.

Pritchard et al. (1988) further suggest that goal setting makes employees more accountable for their work. Goal setting also gives employees a level of performance to aim for, and an understanding of what is expected of them. It is further suggested that as many goals, and the employees success or failure in reaching them, is common
knowledge, there is an added motivation to reach the goal. The reasoning behind this suggestion is the belief that when an employee meets their goal they receive recognition, feel proud, and feel compelled or driven to achieve new accomplishments (Latham, 2004; Pritchard et al., 1988).

A number of other reasons in relation to why goal setting affects performance have been put forward. Goal setting has a directive effect, in that it focuses an individual’s activity in one direction rather than another direction. It is further suggested that if a goal is accepted, employees tend to exert effort in proportion to the goal difficulty. In addition, difficult goals lead to a persistent directed effort over time (Locke and Latham, 2006; Cascio, 1998).

There are, however, conditions for the effective use of goal setting. Employees must have both the ability and the knowledge to actually achieve the goal. The employee must also be committed to the goal itself, particularly if the goal is difficult (Locke and Latham, 2006; Latham, 2004). Latham (2004) makes reference to the importance of feedback on the employee’s progress in relation to achieving the goal. Feedback enables the employee to adjust their effort and strategy necessary for the attainment of the goal. In addition, goals should not be overly complicated, because if a goal is too complex for an individual, the usual positive effects associated with setting a high goal become void. Three solutions for overcoming this problem include training, the setting of a learning goal rather than an outcome goal, and the setting of sub-goals. Sub-goals provide information for employees as to whether their progress is in line with what is needed for them to attain their goal (Latham, 2004).

As with most techniques, goal setting has some drawbacks. Employees may try too hard for quantity to the detriment of quality and vice versa. In addition, employees’ who are highly committed to their goals may become less likely to help colleagues attain their goals (Latham 2004).
A further issue may arise if two or more goals are present. Should such a circumstance arise, goal conflict may occur and employee performance on both goals may suffer (Latham, 2004). Austin and Bobko (1984) refer to goal conflict as the extent to which different goals interfere with each other.

Employees may also suffer from exhaustion if presented with challenging goals over a prolonged period of time without sufficient periods of time between them. Moreover, if employees are forced to aim for hard goals, some may be tempted to "fudge the figures" by attempting to make their performance look superior to its reality, thus organisations need to have controls in place to prevent such cheating. Furthermore, if the failure of employees to achieve goals is judged severely, they may find ways of setting easy goals that can appear difficult to their managers (Latham, 2004).

Goal setting however will be ineffective if employees are not committed to the goals that have been set. The following section will examine the importance of employee commitment to, and acceptance of, goals.

2.7 The Importance of Goal Commitment/Acceptance for Goal Achievement

In order for goal setting to be successful, the superior setting the goal must ensure that subordinates will accept the goals, and remain committed to them (Latham and Locke, 1979). Locke et al. (1988) simply state that if there is no commitment to a goal, goal setting does not work.

The use of the terms goal acceptance and goal commitment presents some confusion (Locke et al., 1988). Locke (1968) implies that goal acceptance refers to initial agreement with a goal, while goal commitment refers to resistance to changing the goal later on. More recently, goal commitment is seen as a more inclusive concept as it refers to an individual's attachment to a goal or their determination to reach a goal, whereas goal acceptance is seen as one type of commitment, and refers specifically to commitment to an assigned goal (Locke et al., 1988).
One way to measure goal commitment is inference from performance, as according to Salancik (1977), an individual who is committed to a goal will try harder to achieve the goal than if they were not committed. Although, actually demonstrating the effect of goal commitment on performance has proven difficult, Locke et al. (1988) believe that there is indeed a relationship between commitment and performance. Thus, there is a need for organisations to be aware of a number of factors that affect goal commitment. Locke et al. (1998) have further suggested that three such factors exist, specifically external influences (authority, peer/group influence, external rewards), interactive influences (employee participation, competition), and internal factors (expectancy of success and internal rewards).

Employees must perceive goals as being both fair and reasonable and trust their superiors, because if employees perceive goals as merely a means of exploitation, they will be more likely to reject the goals (Latham and Locke, 1979). Erez and Kanfer (1983) also believe that employees are more likely to accept a goal when they perceive it as being under their own control, rather than when they perceive the goal as being externally imposed. When an individual believes that their sense of control is being threatened, the result is noncompliance with goals. It is recommended that employees participate in the setting of specific goals, as it clarifies for the employee exactly what is expected of them (Cascio, 1998).

Latham and Locke (1979) suggest that an employee's success in reaching a goal tends to reinforce acceptance of future goals. It is further proposed that once the process of setting goals is introduced in an organisation, informal competition often breaks out between employees. This competition serves to further reinforce employee commitment to the goal. It may even result in employees raising the goals of their own accord.

Latham and Locke (1979) identify two reasons for employee resistance to assigned goals. Employees may lack confidence, knowledge or ability, and thus, may think they are incapable of achieving the goal. Alternatively, employees may not see a personal benefit, be it in the form of intrinsic or extrinsic rewards, in achieving assigned goals. As such, it
has been proposed that rewards are of considerable importance, as they are what individuals focus on while striving to achieve their goal (Galpin, 1994).

A number of methods have been suggested in order to overcome employee resistance to goals. Organisations can provide employees with training to raise employees' levels of skill and confidence. Rewards, such as recognition, time off, or monetary rewards could be offered for the achievement of goals. Group incentives as opposed to individual incentives may encourage goal acceptance when the goal is a group goal, or calls for a great deal of cooperation (Latham and Locke, 1979). It has also been suggested that to increase the likelihood of goal acceptance, employees should participation should be incorporated in the goal setting process (Cascio, 1998; Erez and Kanfer, 1983; Latham and Locke, 1979; Willer and Miller, 1976). Indeed Erez et al. (1985) hypothesise that the level of goal acceptance increases as the degree of participation in the process increases.

Erez et al. (1985) add to the catalogue of methods for rectifying employee resistance to goals, making reference to the use of employee participation in decision making. Locke and Schweiger (1979) put forward the theory that participation in decision making indirectly influences productivity through two mechanisms. The first mechanism is that of cognitive aid. The cognitive benefits of participation in decision making are increased knowledge and understanding of the goal. The second mechanism is motivational aid, which may include increased commitment to the goal, as well as the setting of higher goals. Locke and Schweiger (1979) further propose that participation in decision making influences goal acceptance, which, in turn, influences performance.

Whether goals are assigned by the employee's superior or set via a participative process, the support of the subordinate's immediate superior is critical to success. A supportive superior uses goals to clarify what is expected of their employees, not to threaten them. The superior's role, in this context, is primarily that of helper and facilitator. Indeed, some authors suggest the area of management and leadership is geared towards motivating employees to accept organisational goals (Latham, 2004; Erez and Kanfer, 1983; Latham and Locke, 1979).
A component of performance management closely related to goal setting is feedback. The provision of feedback to employees on their performance is an important aspect of performance management, be it positive or negative. Without feedback employees will be unable to determine to what degree they are reaching, or falling short of achieving their goals. The following section will examine the importance of feedback, identify different types of feedback, and suggest a method managers or supervisors can follow when giving feedback.

2.8 Feedback on Performance

Feedback aids individual, team, and organisational improvement, and can be defined as keeping people aware of what is happening, or has just happened (Galpin, 1994). It is suggested, however, that employees often do not receive enough performance-related feedback (Tuckey et al., 2002). Feedback should be delivered on a regular basis, in written form, and followed by a meeting in which past and planned future performance should be discussed (Pritchard et al., 1988). It is recommended that this discussion is conducted in person as opposed to over the telephone or via e-mail (Zofi and Meltzer, 2007).

Latham and Locke (1979) highlight the importance of performance feedback. Employees must be provided with precise feedback so they will be aware to what degree they are reaching or falling short of their goal, and so they can adjust their effort accordingly. Armstrong and Baron (1998) are in agreement, stating that feedback helps employees understand how well they have been doing, and how effective their behaviour has been. In addition, feedback not only allows employees to gauge how well they are performing, but also helps them to set goals for the future (Pritchard et al., 1988). Moreover, positive feedback supports employee motivation (Simonsen, 1998).

In the absence of adequate feedback, employees will not know how well they are performing, or how to change ineffective work behaviour into effective behaviour. When performance feedback gaps occur, employee confusion ensues regarding the desired or
appropriate job behaviour. Employees, however, do not suffer in isolation, rather the organisation as a whole also suffers from problems such as poor performance, a lack of professional development for its employees, and higher turnover. Thus, both organisations and employees benefit from closing the performance feedback gap (Van Fleet et al., 2005). Furthermore, when feedback is not given, learning occurs at best by chance. When learning stops, performance ceases to improve (Galpin, 1994). While feedback is not a sufficient factor on its own for improved performance, it is a necessary factor (Latham and Locke, 1979).

There are a number of reasons in relation to why individuals may be reluctant to give feedback, either positive or negative. In relation to giving positive feedback, managers may fear embarrassing the employee, or believe the employee already knows they are performing well. Managers may also be of the belief that giving an employee positive feedback may result in the employee becoming complacent, and not putting as much effort into their work, or the employee seeking a pay rise. A further possible reason is that managers may wish to avoid sounding insincere (Van Fleet et al., 2005; Galpin 1994).

On the other hand, a number of reasons have also been suggested to explain why managers may be reluctant to give negative feedback. Managers may fear employees becoming defensive, upset, or demotivated (Manzoni, 2002; Galpin, 1994). Managers may also be of the opinion that employees should already know what needs to be improved, or fear that they may be perceived as being too critical (Galpin, 1994).

Receiving feedback can be useful for employees in a number of ways. Feedback can provide employees with an opportunity to gain insight into what they need to develop or improve upon. Feedback also gives employees the opportunity to see how they are perceived by others, although Estep (2004) considers this to be the most painful aspect of feedback. Additionally, feedback presents the opportunity for employees to discover how others respond to their behaviour (Zofi et al., 2008). It is further suggested that feedback can motivate and encourage employees to take responsibility, and to improve their performance (Zofi et al., 2008; Armstrong and Baron, 1998). Feedback can also be
simply an opportunity for growth (Estep, 2004). As a large part of an individual’s self-image is based on how they are viewed by others, negative feedback, especially from someone in authority, can be potentially devastating (Zofi et al., 2008). Indeed, negative feedback has been referred to as the conundrum and dilemma of feedback (Ilgen and Davis, 2000).

To make negative feedback easier for employees, managers should use what has been termed a “sandwich approach”. This involves starting a feedback discussion by saying something positive, followed by the negative feedback, and ending the discussion by saying something positive (Zofi and Meltzer, 2007). This approach, however, has been disputed in the past, and deemed dubious. It has been argued that it is not definitively known whether it is better to begin with positive, rather than negative, feedback (Patten, 1982). It is, however, recommended that employees should be allowed to participate in the feedback process and discussion if the aim of motivating and encouraging them to improve or change their behaviour is to be achieved.

Feedback generally exists in two forms: corrective and reinforcing (Estep, 2004, Armstrong and Baron, 1998). Corrective feedback indicates that something has gone wrong, while reinforcing feedback refers to more positive feedback, as it recognises achievements made (Armstrong and Baron, 1998). Positive feedback rewards and reinforces good behaviour. To achieve the result of employees changing their behaviour, it is proposed that feedback given needs to be a combination of both positive and corrective feedback (Simonsen, 1998).

Giving corrective feedback requires approaching behaviour as a controllable factor, not an unchangeable trait (Simonsen, 1998). There are a number of steps a manager can take when giving corrective feedback to avoid it sounding like criticism, which only serves to demotivate and anger recipients (Dee prose, 1994). The first step managers should take is to set the stage. Setting the stage involves choosing a quiet, private place to deliver criticism, as public criticism is demeaning to the person to whom it is directed and embarrassing for other employees who overhear it (Estep, 2004; Dee prose, 1994; Latting,
The next phase in this step should be investigating the situation in question to make sure the manager has the full picture, as reacting too quickly can lead to embarrassment if the situation has been misread (Armstrong and Baron, 1998; Deeprose, 1994). The final phase is to give feedback in a timely manner (Estep, 2004; Armstrong and Baron, 1998; Deeprose, 1994). Feedback should be given as close to the time the behaviour occurs as possible, ideally within a day or two of the activity taking place (Estep, 2004; Armstrong and Baron, 1998). Managers are warned against waiting too long to draw attention to a problem, because if nothing is said as problems occur the ineffective behaviour is validated. In addition, keeping all complaints for one session results in no improvements in the interim period (Deeprose, 1994). Furthermore, there is a limited amount of criticism an individual can take (Armstrong and Baron, 1998). Estep (2004) notes however that the circumstances for giving feedback are rarely ideal.

The second step managers should take before giving feedback, specifically negative, is to control their own emotions. Anger should be under control before feedback is given, as it is suggested that if feedback giving starts angrily, it ends in a hostile confrontation, rather than a mutual problem-solving session. Sarcasm should also be avoided, as it demeans the employee (Deeprose, 1994).

The third step managers should take when giving feedback is to focus on performance. The behaviours of the individual or the outcomes should be focussed on, rather than the person (Armstrong and Baron, 1998; Deeprose, 1994). Furthermore, the manager should describe, very specifically, both the expected performance, and the unacceptable performance. The feedback session should begin with the identification of the performance that was required, and the employee's actual performance. Managers should also avoid attributing motives or underlying thoughts to employee behaviour, as they will generally be wrong, which can lead to two problems (Deeprose, 1994; Latting, 1992). If the manager is wrong, the employee is unlikely to correct them during the feedback session, but rather will most likely withdraw and become uncooperative. Furthermore, even if the manager is correct, the employee may feel that their motivators and personal thoughts are their personal business. Feedback should focus only on aspects of
performance that the employee can actually improve, rather than aspects the employee can do nothing about (Armstrong and Baron, 1998).

The fourth and final step managers should take when giving feedback is to explore the problem and its possible solutions. The feedback process should be participatory (Deeprose, 1994; Latting, 1992). Employees should be asked what is causing the variance between expected and actual performance, be listened to without interruption, and their point of view should be taken into account and considered. Furthermore, employees should be encouraged to determine the solution to the problem (Deeprose, 1994; Armstrong and Baron, 1998). Finally, a follow-up session should be scheduled, with the aim of warning the employee that results will be checked, while giving the employee time to solve the problem (Deeprose, 1994). Estep (2004) suggests that clarity is the final step in effective feedback, believing it ensures better outcomes, as the receiver of feedback can misinterpret feedback for a number of reasons. These reasons include high emotions, previous experiences with feedback, and lack of clarity on the part of the feedback giver. Latting (1992) adds that an employee is more likely to understand and act on corrective feedback if the consequences of their behaviour are explained to them. While the receiver of the feedback is not obligated to alter their behaviour in response, they need to understand the consequences of not changing (Estep, 2004).

Some authors view feedback as a double-edged sword (Kluger and DeNisi, 1998). A study by Kluger and DeNisi (1996) on the performance levels of people who received feedback in comparison to those who did not, found that while the performance of those who received feedback did increase on average, it also decreased in over a third of cases. This is contrary to the belief that feedback generally improves performance. It was also found that there is no actual evidence that feedback on failure, or success, have different effects on performance (Kluger and DeNisi, 1996). Thus, while it is assumed that performance will improve as a result of feedback, data to validate this assumption is in fact rare (DeNisi and Kruger, 2000).
The preceding sections of this chapter have sought to develop an understanding of the performance management process. They have also sought to develop an in-depth understanding of a number of the components of performance management, specifically performance appraisal, goal setting, goal commitment and acceptance, and feedback.

The subsequent sections of this chapter will begin by exploring diversity in general, with a focus on workforce or organisational diversity. An assessment of the reasons an organisation should manage diversity, and how they may do so, will also be explored. Further, challenges to managing diversity within an organisation's workforce will be discussed, following which cultural diversity in specific will be explored.
Diversity

2.9 Introduction to Diversity

Diversity is not a new phenomenon. It has always been present within societies. Indeed, organisations have always had small numbers of diverse employees within their workforces. Organisational workforces are, however, rapidly becoming increasingly diverse (Griffin and Moorhead, 2006; Morley et al., 2004; Robbins, 2003). The increase in organisational diversity, can in some cases, be attributed to changing demographics among populations. In other organisations, the increase can be attributed to the globalisation of the organisations products, services, employees, customers and suppliers (Griffin and Moorhead, 2006; Morley et al., 2004; Gordon, 2002).

Diversity concerns both visible and invisible characteristics, thus, defining it is a complex process (Morley et al., 2004; Moore, 1999). At its most basic and fundamental level, however, diversity simply refers to all the ways in which people differ (Rowe, 1993). Joplin and Daus (1997) refer to diversity as encompassing any characteristic used to differentiate one person from others. Robbins (2003:15) approaches the term diversity from a different view-point, stating that diversity:

*Encompasses anyone who varies from the so-called norm.*

This definition, however, may not be useful in organisational settings, as it implies that there is indeed a norm, thus, anyone deviating from this norm may be held as abnormal. A more inclusive definition of diversity, specifically workforce diversity, has been provided by Griffin and Moorhead (2006:31), who define diversity as:

*The similarities and differences in such characteristics as age, gender, ethnic heritage, physical abilities and disabilities, race and sexual orientation among the employees of organisations.*
Diversity studies traditionally focused on diversity in terms of differences in gender, culture and ethnic background. Diversity does, however, encompass other differences, including age, race, background, personality, physical ability or disability and work style (Garfield, 2005; Morley et al., 2004; Gordon, 2002). Indeed, Loden (1996:8) identifies two extensive dimensions to diversity, primary and secondary, which are represented in diagrammatic form through a diversity wheel (Figure 2.2). The inner circle of the wheel displays the primary dimensions of diversity, while the outer circle shows the secondary dimensions.

Figure 2.2 Loden's Diversity Wheel (1996)

The optimistic view of diversity in the workplace is that it creates value for organisations and has the potential to provide a number of business benefits (Mannix and Neale, 2005; Robinson and Dechant, 1997). This view aligns itself with the access and legitimacy
paradigm for managing diversity, which accepts and values diversity in the workforce, and all differences that create opportunities for gaining power in multicultural and new markets. The optimistic view could also be said to reflect the learning and effectiveness paradigm for managing diversity. This paradigm encourages organisations to internalise the differences among its employees so that the organisation learns and grows because of those differences (Thomas and Ely, 1996). This paradigm is also referred to as the integration and learning paradigm (Lockwood, 2005).

There is also, however, a pessimistic view of diversity, which suggests that diversity creates social divisions, resulting in negative outcomes for the organisation (Mannix and Neale, 2005). This phenomenon is sometimes referred to as the resistance paradigm. The resistance paradigm views diversity as a threat rather than an opportunity. Companies operating under the resistance paradigm believe that managing diversity is unacceptable to shareholders, as they believe it increases costs and reduces profits.

Diversity in the workplace has important implications for management. Diverse employees behave in different ways (Lussier, 2008; Robbins, 2003). Indeed, employees who may appear similar, perhaps having the same gender, ethnicity or educational background, are still very different individuals, who may respond differently to different styles of management (Griffin and Moorhead, 2006). Traditionally, a melting-pot approach to diversity within organisations has been taken, rooted in the assumption that employees who were different from the majority would aim to assimilate into the culture of that majority. In the organisational climate of today, however, rather than treating every employee in the same manner, managers must recognise, and respond to, differences in their employees, in such a way that employee retention and productivity are maintained, while also aiming to avoid discrimination. Adapting to this challenge, and indeed adapting to diversity in general, is considered one of the most important challenges currently facing organisations (Robbins, 2003). In essence, diversity must be managed. The following section will identify and examine what diversity management is, and illustrates how organisations manage diversity.
2.10 Managing Workforce Diversity

Ivancevich and Gilbert (2000:75) define diversity management as

*The systematic and planned commitment by organizations to recruit, retain, reward, and promote a heterogeneous mix of employees.*

Diversity management is more than simply acknowledging differences between people (Kim, 2006, Farrer, 2004). Instead, it involves recognising the value or potential benefits of those differences, as well as combating discrimination and promoting inclusiveness throughout the organisation (Armstrong, 2009, Kim, 2006). Anderson (1993) sees diversity management as a continuum with different levels of commitment at each end. Some organisations see diversity management as equal opportunities or affirmative action, which, while in themselves important tools, are not sufficient to result in a significant change in the structure of the organisation. Bagshaw (2004) believes that diversity can lead to remarkable benefits for organisations, but organisations need to learn how to manage it effectively. Cox and Blake (1991) share this view, stating that having diversity in organisations is not enough to produce benefits or competitive advantage, but rather it must be actually managed. Joplin and Daus (1997) also agree, being of the opinion that diversity is not self-managing, thus must be managed.

Managing diversity does not mean controlling it or containing it. Instead, managing diversity refers to a concept of enabling each and every member of a workforce to perform to their potential (Thomas, 1990). This requires organisations to adopt a new way of thinking about differences among people (Kinicki and Kreitner, 2006).

While there is no single best way to manage diversity, in order to be truly successful, diversity management must receive support from the top levels of organisations (Kreitz, 2008; Espinoza, 2007; Lockwood, 2005; Daas and Parker, 1999; Flynn, 1995). Managers must take a proactive approach to their involvement with employees (Joplin and Daus, 1997). Jones et al. (1989) believe that to bring about a diverse organisation, the organisation needs to have diverse management. Furthermore, diversity management
should not be made one individual’s responsibility, as it may collapse if and when that individual leaves the company. Diversity, therefore, should be made a company-wide issue to avoid such an occurrence (Flynn, 1995). It should be noted, however, that as everyone has a different background, some will emphatically embrace diversity, others will be not sure about it, and others will simply view it as a nuisance (Espinoza, 2007).

Doke and Beagrie (2003) suggest that the starting point of any diversity management programme is to communicate to all in the organisation what diversity is, what the organisation hopes to achieve by managing diversity, and the goals the organisation has set in place to help it reach the aim of effectively managing diversity. Kreitz (2008), in agreement, states that senior managers and human resources directors should define the motives behind their interest in diversity, and identify the ways in which diversity will benefit their organisation. Managing and valuing diversity training is, according to Cox and Blake (1991), the most prevalent starting point for managing diversity. Organisations can take a number of steps to communicate the above to its employees, specifically:

- Send managers on diversity training courses (U.S Government Accountability Office, 2005; Doke and Beagrie, 2003).
- Brief all employees on discriminatory behaviour and attitudes, the consequences of such, and how to raise a grievance.
- Run diversity workshops.
- Create network support groups, which could be enhanced by creating a diversity user group on the organisation’s intranet to generate online discussion (Doke and Beagrie, 2003).

Organisations can also undertake a diversity audit, and write a diversity policy document to clarify the organisation’s stance on different aspects of diversity management.

Many executives may be unsure in relation to why they should want to learn how to manage diversity. Thus, Thomas (1990) suggests that organisations should begin by clarifying their motivation for managing diversity. This supports the first step put forward
by Doke and Beagrie (2003), who suggest that the first step in any diversity programme is to communicate to all in the organisation what diversity is, what the organisation hopes to achieve by managing it, and how the organisation is planning to reach its aim of managing diversity. While legal compliance, community relations, or wishing to placate internal or external groups, are not in themselves bad reasons for managing diversity, none of them are business reasons. Given today’s competitive challenges, Thomas (1990) believes that only business reasons will result in the long term motivation necessary for managing diversity.

Thomas (1990) proposes a number of steps that organisations can take when attempting to communicate to employees the reasons behind their desire to manage diversity. First, Thomas (1990) proposes that vision clarification is essential, corroborating Doke and Beagrie’s (2003) first step. The ideal vision to be communicated to employees is an image of fully tapping the human resource potential of each individual in the work force.

Additionally, according to Thomas (1990) managers need to expand their focus. Equal employment opportunities tend to focus on women and minorities, offering little to white men, who can be just as diverse in a number of ways such as age, background, and education. Indeed white men are beginning to see a negative side to diversity programmes, as they are being grouped in to one bundle by some, and labelled troublesome (Flynn, 1999).

As the goal of diversity management is to create a heterogeneous culture, organisations should conduct a corporate culture audit. As corporate culture involves a collection of unspoken and unexamined values, assumptions, and mythologies, Thomas (1990) believes an audit is impossible to conduct without outside help. Cox and Blake (1991) also advocate this step, being of the opinion that a comprehensive analysis of the organisation’s culture, and systems such as recruitment, performance appraisal, assessment of potential and promotion, and compensation should be conducted. Cox and Blake (1991) cite two primary objectives for this audit as:
• To uncover sources of unfavourable potential bias towards members of certain groups, and

• To identify any ways in which the organisations corporate culture may inadvertently put some members of the organisation at a disadvantage.

Continuing along the same theme, organisations also need to modify their underlying cultural assumptions. According to Thomas (1990) the problem with corporate culture is that when changes to it are attempted, they are met by intense opposition. Although challenging an organisation’s underlying assumptions will be met by some resistance and hostility, organisations must still try if they are to transform their organisation from a homogenous organisation to a multicultural one.

To further aid the objective of managing diversity, organisations are required to modify their systems, which is the first purpose of modifying assumptions. Promotion, mentoring, and sponsorship make up one such system. According to Thomas (1990), the question an organisation should ask is not whether the system is at maximum efficiency, but whether the system works for all employees.

The second purpose of modifying assumptions is to modify models of managerial and employee behaviour. According to Thomas (1990), managers seek subordinates who will do as they do. If they are unable to find such subordinates, they seek people who aspire to be like themselves.

Thomas (1990) also calls for organisations to help their employees become pioneers of diversity. As learning to manage diversity is a change process, the managers in the organisation become change agents. While top management articulate the organisations new diversity policy, and their commitment to it, it falls to middle management to implement, and to handle all of the new problems that arise. To help them do so, they must be trained, and reminded that they are pioneers for their organisations.
The penultimate proposed step by Thomas (1990) calls for organisations to apply a special consideration test, which should be applied to diversity programmes. The questions to be addressed are:

- Does this programme/policy/principle give special consideration to one group?
- Will it contribute to everyone's success, or the success of just one group?
- Is it designed for them as opposed to us?

If the answer to these questions is yes, the organisation is not yet on the way to managing diversity.

Finally, organisations trying to learn how to manage diversity can continue to use affirmative action (Thomas, 1990). To achieve a diverse workforce, organisations need affirmative action. Organisations, however, need to move beyond affirmative action to managing diversity, as affirmative action does not deal with the causes of prejudice and inequality, nor does it help to develop the potential of every employee in the organisation. Cox and Blake (1991) suggest an alternative: follow-up. Follow-up consists of monitoring change, evaluating results, and institutionalising the changes as part of the organisations' on-going processes. In addition, it is suggested that follow-up should include more training, repetition of the audit step, and the use of focus groups for continuing discussions on diversity issues.

There are a number of reasons organisations should strive to incorporate diversity into their workforce, and manage that diversity once it has been established. The next section will explore a number of the proposed reasons for managing diversity.

2.11 Reasons for Managing Workforce Diversity

Workforce diversity is no longer simply concerned with anti-discrimination compliance, but has evolved from compliance to inclusion (Lockwood, 2005). While diversity is linked to both equal opportunities and positive or affirmative action, it is not the same as
either equal opportunities or affirmative action (Lussier, 2008; Bagshaw, 2004; Von Bergen et al., 2002). Leveraging diversity in the workforce is increasingly seen as a strategic resource for competitive advantage (Espinoza, 2007; Lockwood, 2005). Indeed, diversity is arguably critical to the success of an organisation’s bottom line (Gardenswartz and Rowe, 1998). Doke and Beagrie (2003) look at diversity from a different approach, stating that diversity can affect how individuals perform and interact with each other, thus there is a need for a diversity management programme.

Bagshaw (2004) considers diversity to be a long term strategic business factor. Robinson and Dechant (1997:22) discuss three reasons why organisations should make diversity a top business policy or objective, specifically:

Cost savings... winning the competition for talent... [and] the opportunity to drive business growth by leveraging the many facets of diversity.

Cost savings, the first argument for the management of diversity, focuses on the negative impact that the mismanagement of diversity has on an organisation’s bottom line. This negative impact encompasses three specific areas, taking the form of higher staff turnover costs, higher absenteeism rates and lawsuits on sexual, age and race discrimination.

In relation to higher staff turnover costs, according to Robinson and Dechant (1997) turnover among women and people of colour is a costly and significant problem for many organisations, as are the resultant added recruiting, staffing, and training costs per person. High turnover is not only expensive, but the continual staff flow means employees are constantly climbing the learning curve instead of performing at their full potential (Espinoza, 2007; Robinson and Dechant, 1997). Thus, it has been argued that managing diversity enables employees to perform up to their maximum potential (Kinnicki and Kreitner, 2006).

Higher absenteeism rates, the second aspect of the cost savings argument, can also add up to significant costs for an organisation. Robinson and Dechant (1997) state that in relation
to the absenteeism of women in the workforce, family responsibilities, such as child care or the care of elderly family members, tend to be key underlying factors. Absenteeism can also occur when employees do not feel secure about their status, as such insecurity prevents employees from engaging fully at work.

The final area of the cost savings argument focuses on lawsuits on sexual, age, and race discrimination (Von Bergen et al., 2002; Robinson and Dechant, 1997). Diversity programmes should assist organisations in complying with laws regarding to discrimination, and ensure that policies and processes are in place in organisations to deter discrimination lawsuits (Espinoza, 2007). Kim (2006) looks at this argument from a different angle, discussing it in terms of company image, focussing on the fact that a company's public image can be improved or enhanced by reducing the chance of discrimination law suits. Cox and Blake (1991) however note that, with the exception of costs relating to turnover, actual cost savings from improving diversity management are difficult to measure.

Winning the competition for talent, the second argument for managing diversity proposed by Robinson and Dechant (1997), refers to the attraction, retention and promotion of employees from different demographic groups (Lockwood, 2005; Robinson and Dechant, 1997). In order to sustain a competitive advantage, organisations must be able to optimise their human resources (Robinson and Dechant, 1997). Indeed, it has been strongly suggested that an organisation's future is dependant on the quality of talent it attracts and retains (Gardenswartz and Rowe, 1998). Organisations, therefore, that are able to recruit, develop, retain, and promote diverse employees have an edge over their competition, as talented employees will be attracted to organisations that value their capabilities. These employees will also be more willing to invest in productive activity should they believe they are treated fairly, and that career opportunities are available to them (Robinson and Dechant, 1997). Espinoza (2007) agrees with the preceding argument, believing that a diverse workforce allows diverse employees to identify with the company, making the company attractive to potential, diverse, employees. Espinoza (2007) also adds that diversity aids employee retention, as commitment to diversity indicates to employees that
the organisation cares for them as individuals. Other authors also agree, and warn organisations that if they do not effectively manage diversity issues, their diverse talent will leave in favour of a competitor who does (Bagshaw, 2004; Flynn, 1995).

The third argument Robinson and Dechant (1997) discuss is that of driving business growth. Driving business growth centres on organisations managing diversity to leverage a number of opportunities. The first of these opportunities centres on the fact that organisations can gain an increased understanding of the marketplace in which they operate. Customers and suppliers are becoming increasingly diverse, as indeed is the marketplace as a whole (Farrer, 2004; Gardenswartz and Rowe, 1998; Robinson and Dechant, 1997; Cox and Blake, 1991). The understanding needed to market to diverse demographics naturally resides in marketers with the same background (Robinson and Dechant, 1997). Individuals from a minority culture are sometimes more likely to give patronage to a sales representative from their own culture (Cox and Blake, 1991). Robinson and Dechant (1997) further suggest that in addition to gaining market penetration, organisations can benefit from the goodwill of diverse consumers who prefer to buy products produced by a diverse workforce, or who prefer to do business with organisations who have a diverse sales force. Cox and Blake (1991) believe that just as people may wish to work for an organisation that values diversity, they may also prefer to buy from such organisations. Espinoza (2007) believes that an organisation’s sales force should match its customer base, adding that diversity provides a good image to an organisation’s customer base, and enhances branding. In a 2003 report on diversity, the European Commission also cited improved access to new market segments as a benefit of diversity (European Commission, 2003).

A further opportunity for managing diversity in an organisation can lead to greater employee creativity and innovation (Bagshaw, 2004; European Commission, 2003; Robinson and Dechant, 1997; Waters, 1992; Cox, 1991). Attitudes, cognitive functioning, and beliefs tend to vary with demographic variables such as age, race, and gender. One consequence of diversity in an organisation’s workforce, therefore, is the presence of different perspectives or views on the performance of tasks (Gardenswartz and Rowe,
If the varying approaches or views are considered, the likely result is the enablement of management to make better and more informed decisions (Espinoza, 2007). Additionally, managing diversity can make employees feel valued and supported, which tends to result in employees becoming more innovative (Eisenberger et al., 1990).

A further opportunity centres on the suggestion that diversity can increase the quality of team problem-solving. Diversity among team members enables employees to see problems from an array of perspectives, based on their wide range of experiences, potentially producing better decisions (Robinson and Dechant, 1997; Cox and Blake, 1991; Cox, 1991). In addition, less emphasis on employee conformity to past norms should also improve creativity (Cox and Blake, 1991). Anderson (1993) approaches this theme from a slightly different view, stating that diversity enables both employers and employees to take risks, without the fears that are associated with breaking traditions.

Leveraging diversity in higher levels of the organisation can also provide the organisation with an opportunity to improve leadership effectiveness, as heterogeneity of top management can prevent a myopic perspective at senior levels. Furthermore, the increased awareness developed by organisations that manage or adapt to diversity can help them become more effective in cross-cultural business situations (Kim, 2006; Bagshaw, 2004; Robinson and Dechant, 1997).

A further, more recent, argument for managing diversity is that of improving the organisations bottom line (Espinoza, 2007; Lockwood, 2005; Doke and Beagrie, 2003; Crockett, 1999; Ferguson and Johnston, 1995). If employees believe their employer supports them, they are seen to be more productive. This positively impacts the organisation's bottom line (Espinoza, 2007). A commitment to diversity enables every employee to contribute their individual ideas, talents, and skills to the organisation, which ultimately drives the organisations bottom line (Crockett, 1999). In contrast however, Moore (1999) states that the link between diversity and performance is not automatic or straightforward.
Diversity can also impact an organisation's flexibility (Cox and Blake, 1991). Through managing diversity, organisations will become less standardised, and more fluid. This fluidity should create greater flexibility, enabling organisations to react to environmental changes quicker, and at less cost.

Although there are many advantages to diversity among an organisation's workforce, there are also many challenges to managing that diversity. The following section will examine a number of these challenges.

### 2.12 Challenges to Managing Workforce Diversity

There are many challenges to diversity in organisations (Espinoza, 2007). These challenges may have been previously considered unimportant, but are now emerging as significant for companies that have experienced big changes in their workforce. Managers may find themselves with a new and pressing set of challenges that were not as dominating, or perhaps were irrelevant, in a homogenous workforce (Joplin and Daus, 1997).

One challenge may stem from a lack of commitment on the part of top management, because if they do not talk about diversity, and embrace its values, diversity will not work (Espinoza, 2007). Cox and Blake (1991) strongly believe that the support and genuine commitment of top management to diversity is crucial. Furthermore, resources, such as human, financial and technical, must be committed, and provided to the organisation's diversity initiatives (Kreitz, 2008; Cox and Blake, 1991). Indeed, commitment from the organisations top leadership is seen as a best practice approach by the U.S government's Accountability Office (U.S Government Accountability Office, 2005). While crucial, however, top management support alone is not sufficient, therefore, Cox and Blake (1991) advocate the use of champions for diversity at lower levels in the organisation.

A significant challenge to diversity arises if various groups believe diversity is only important to their group. If these groups have their own separate agendas, rather than
working together to improve diversity throughout the organisation, top management may not believe in the merits or benefits of diversity (Espinoza, 2007).

Fully accepting diversity means accepting change about how business is done. This forms another challenge, as many individuals are uncomfortable with change, and consequently resist it (Kreitz, 2008; Espinoza, 2007; Kinicki and Kreitner, 2006; Miller, 1994). Diversity should bring about a change in recruiting and retention policies, as well as a change in how people view and accept differences (Espinoza, 2007). A challenge is also posed by cosmetic changes, which disguise what really goes on in the organisation. The term cosmetic change is in reference to the organisations that are sued on discrimination grounds one year, and receive a reward for fostering diversity the year after (Espinoza, 2007).

The fear of reverse discrimination has also been highlighted as a challenge to managing diversity. Some employees believe that managing diversity is a smokescreen for reverse discrimination. Consequently, these employees may resist managing diversity (Kinicki and Kreitner, 2006; Von Bergen et al., 2002). Flynn (1999) also recognises reverse discrimination as a challenge, believing that men, specifically white men, are being forgotten about by organisations. Such fears are reflected in the resistance paradigm for managing diversity. This paradigm develops through concerns by a majority that they may be displaced by minorities. Under this paradigm, all visible differences, and increasing pressure for diversity, are considered threats (Daas and Parker, 1999).

While a number of authors see diversity in opinions and ideas as a positive reason for managing diversity, Joplin and Daus (1997), in contrast, identify it as a challenge, especially for managers (Gardenswartz and Rowe, 1998; Robinson and Dechant, 1997; Cox and Blake, 1991). One reason Joplin and Daus (1997) discuss diverse perspectives from a negative point of view centres on homogenous organisations attempting to set agreement on important matters which previously may have been quickly achieved. Managers now have to sift through, and decipher, a number of different perspectives on the same problem or issue, which can be a rather time-consuming process.
Tokenism, whether it is real or perceived, can present another challenge for organisations trying to manage diversity (Joplin and Daus, 1997). Tokenism occurs when a candidate is hired over more qualified candidates, either in an effort to address the concerns of stakeholders, or to fulfil quota numbers. Although quota systems are rarely in an organisation’s best interests, in an organisation that has little tolerance for diversity, quotas may be the only way to ensure that diverse candidates are included in recruitment and selection processes (Joplin and Daus, 1997). The use of quota systems is advised against by a number of authors, albeit for different reasons. Joplin and Daus (1997) and Von Bergen et al. (2002) believe quotas automatically lead to a perception of tokenism. Flynn (1999) warns that quotas can lead to discrimination towards white men. Perceived tokenism often occurs when the diversity of an organisation is increased, as increasing diversity often carries the perception that less qualified candidates are being hired. In addition to the perceptions of existing employees, new employees who believe they were hired for anything other than their merit may become defensive, feel vulnerable, and begin to question their capabilities (Joplin and Daus, 1997). The use of quotas may result in organisations attempting to manage diversity through the discrimination and fairness paradigm. This paradigm is based primarily on equal opportunities, fair treatment, recruitment, and compliance with legislation (Kim, 2006; Thomas and Ely, 1996). The difficulty with this paradigm is that it tends to focus too much on achieving what is perceived as the “right number” of diverse employees (Kim, 2006). Thomas and Ely (1996) are of a different opinion however, and observe that while organisations operating under this paradigm do measure progress in diversity by how well they achieve their recruitment and retention goals, it does actually move beyond being solely concerned with numbers.

Finally, there is an overall pessimistic view of diversity which suggests that diversity creates social divisions which results in negative outcomes for the organisation (Mannix and Neale, 2005).

Today, cultural diversity is arguably one of the most prevalent forms of diversity facing organisations, due to the increasing globalisation of business, and subsequently,
marketplaces. The following section will examine the significance, and implications, of cultural diversity for organisations, while also examining various dimensions of diversity.

2.13 Cultural Diversity

The recent business trend of globalisation is turning attention towards the management of cultural differences (Cox and Blake, 1991). From an Irish perspective, recent years have seen a sharp increase in immigration (SIPTU, 2006). Immigration has brought the diversity of many cultures to Ireland (Connolly and McGing, 2006). As a result, one of the most prevalent forms of diversity in Irish workplaces today is cultural diversity. Approximately 419,733 migrants from over 160 countries live in Ireland, of whom approximately 352,149 individuals are of an age to work (Central Statistics Office, 2006; SIPTU, 2006).

Hofstede (1991:5) defines culture as:

*The collective programming of the mind which distinguishes the members of one group or category of people from another.*

Kinicki and Kreitner (2006) take a similar view of culture, although refer to it as societal culture. Kinicki and Kreitner (2006) suggest that culture involves shared meanings and taken-for-granted assumptions that exist in the subconscious of individuals, and dictate how individuals should think and act. Trompenaars and Hampden-Turner (1998) approach the concept from a slightly different perspective, referring to it as the way in which people solve problems and resolve dilemmas.

Culture has great significance for organisations, as it influences the behaviour of employees in the workplace (Gardenswartz and Rowe, 2001). Due to increased globalisation, the need for better understanding of cultural influences on organisations has never been greater (House *et al.*, 2001). Gardenswartz and Rowe (2001) warn organisations that by failing to understand how culture affects individuals, they may often misinterpret the behaviour of employees. Additionally, Shieh *et al.* (2009) caution that
one of the most difficult issues in managing multiple cultures is cultural conflict which can occur in the course of mutual contact. Cultural diversity incorporates many differences, such as diversity in customs, attitudes towards time-keeping, work ethics, pay expectations and styles of management (Lussier, 2008). An employee, for example, whose culture dictates deference to authority may avoid making suggestions in meetings, as they may feel to do so would be openly challenging the authority of their superior (Gardenswartz and Rowe, 2001).

A number of studies have been conducted on culture, three of which have been conducted by Hofstede, House et al. (Project GLOBE) and Trompenaars and Hampden-Turner. Hofstede's landmark study of 50 countries and three regions, conducted in 1969, has become the main frame of reference for gauging the impact of differences between national cultures on the management of employees within organisations (Kolman et al., 2003). It is the standard by which new work on cultural differences is validated (Triandis, 2004). Project GLOBE (Global Leadership and Organizational Behaviour Effectiveness), equally impressive in depth, is a world-wide project, conceived in 1991, in which 150 social scientists and management scholars across 61 countries are examining the interrelationships between societal culture, organisational culture, and organisational leadership (House et al., 2002; 2001). The main aim of the project was to develop:

An empirically based theory to describe, understand, and predict the impact of specific cultural variables on leadership and organisational processes and the effectiveness of these processes (House et al., 2001).

Each of the three aforementioned studies identified a number of cultural dimensions by which country cultures can be distinguished. Each of these three studies identified dimensions which bear similarities to dimensions identified in the other two studies, and also additional dimensions not identified in the other studies. The dimensions identified by each study are listed in Table 2.1.

Power distance, which was identified as a cultural dimension in two studies, refers to the extent to which individuals believe there should be an unequal distribution of power in
organisations and society, and indeed the extent to which they expect there to be an unequal distribution of power (House et al., 2001; Hofstede, 1983).

Table 2.1 Cultural Dimensions

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<td>Uncertainty Avoidance</td>
<td>Specific v Diffuse</td>
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<td>Individualism v Collectivism</td>
<td>Individualism v Collectivism</td>
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<td>Masculinity v Femininity</td>
<td>Ascription v Achievement</td>
<td>In-Group Collectivism</td>
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<td>Long Term v Short Term Orientation</td>
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Uncertainty avoidance, also identified in two of the studies, refers to the extent to which individuals should rely on norms and rules to avoid the unknown and risk (House et al., 2001, Hofstede, 1983). Individuals from cultures with high levels of uncertainty avoidance need formal structures, as they desire formal, written rules and regulations. In contrast, low uncertainty avoidance cultures believe that there should be as few rules as possible (Hofstede, 1980). Another dimension of culture that concerns rules is universalism versus particularism. Universalistic cultures consider general rules and obligations a strong source of moral reference. Individuals in these cultures tend to stick to the rules, and assume their standards correct, and attempt to change the attitudes of others to match their own. In contrast, particularist cultures deem particular
circumstances more important than the rules, essentially meaning that the rules change for certain individuals. Similarly to collectivism, relationship bonds are important. In particularist cultures, this translates into relationships being more important than the rules (Trompenaars, 1996).

A further dimension of cultural diversity is individualism versus collectivism, which refers to the extent to which individuals are integrated into groups (Hofstede, 1990b, 1999b). In individualistic cultures the ties between individuals are loose, and individuals are only concerned with themselves and their immediate family. In the workplace, tasks take precedence over relationships, with emphasis placed on individual achievement. In collectivist cultures, from birth, individuals are integrated into strong groups which protect them in exchange for unquestioning loyalty to the group. In the workplace, relationships prevail over tasks, with management being more concerned with interpersonal relationships than performance. (Triandis, 2004; Hofstede, 1999b; 1983). Trompenaars (1996) summarises this dimension as:

*The conflict between what each of us wants as an individual, and the interests of the group we belong to.*

Two similar dimensions of culture are societal collectivism, which addresses how much loyalty to the group should be rewarded and encouraged, as opposed to the pursuit of individual goals, and in-group collectivism, which is concerned with how much pride and loyalty individuals should have for their family or organisation (House et al., 2001).

Masculinity versus femininity is a further cultural dimension identified in Hofstede’s original 1969 study, which examines the importance placed on job aspects such as pay, recognition, challenge and advancement. This dimension also focuses on the lack of importance placed on aspects such as relationships with management, cooperation, and job security. Highly masculine cultures place value on money, status and materialism. Achievement, independence and decisiveness are held in great esteem. The belief of such cultures is sex roles should be clearly defined thus males should be assertive, while females should be nurturing. In contrast, feminine cultures are more concerned with a
balance between their working life and personal life. Feminine cultures believe sex roles should be more fluid, thus men need not be assertive, but can assume nurturing roles. In a similar vein, the dimension of neutral versus affective, identified by Trompenaars (1996) addresses displays of emotion. Individuals from neutral cultures tend to suppress their emotions, while individuals from affective cultures are more open to displays of emotion. Almost intertwined with the neutral versus affective dimension is the specific versus diffuse dimension. Specific cultures are cultures in which the roles an individual plays in life are compartmentalised. An individual’s job and level of formality at work are very different from their role in their private life. Both roles are kept separate. In diffuse cultures the roles an individual has in life are merged, for example, an individual’s job can affect the way in which the individual is treated by others in many other aspects of life (Trompenaars, 1996).

Two additional dimensions which bear similarities to the dimension of masculinity versus femininity are gender egalitarianism and assertiveness. Gender egalitarianism addresses how much effort societies feel should be put into minimising gender and role inequalities. The dimension of assertiveness is concerned with how dominant and confrontational societies believe individuals should be in relationships. The dimensions of performance orientation, which is concerned with how much individuals should be rewarded for their own improvement and excellence, and humane orientation, which addresses how much society believes it should encourage and reward individuals for being kind, fair, friendly and generous also bear similarities to the dimension of masculinity versus femininity (House et al., 2010; Kinicki and Kreitner, 2006; House et al., 2002).

Another dimension, long versus short-term orientation, added to Hofstede’s original four dimensions on the basis of research on 23 countries by Professor Michael Bond in the 1980’s, refers to focussing on the future. Cultures with a long term orientation value thrift and perseverance. Short-term orientation focuses on the past and the present. Such cultures value respect for tradition, fulfilling social obligations, and saving face (Hofstede, 1999a; Hofstede, 1999b). A similar cultural dimension is future orientation
Future orientation focuses on the extent to which individuals should delay gratification by saving, and planning, for the future.

The cultural dimension of achievement versus ascription is similar in parts to the dimension of individualism versus collectivism. Achievement cultures award status to individuals based on how well they perform their goals, valuing high achievers and individuals who strive to do their best. This is similar to individualism, where individual achievement is valued. Ascription cultures place value on age, social connections, class, or gender. In ascription cultures, an individual’s connections have a large impact on whether they are hired for a job, similar to collectivist cultures. In achievement cultures, in contrast, recruitment or advancement tend to depend on employee merit and accomplishment, similar to individualism. Moreover, in ascription cultures, individuals are ascribed status based on factors such as their age, class and education, as opposed to their achievements.

The dimension of past, present or future orientation deals with the way different cultures approach time. Most significant is whether individuals are sequential, viewing time as a series of passing events, or synchronic, meaning the past, present and future are considered interrelated, thus, memories of the past and ideas about the future shape actions of the present (Trompenaars, 1996). This dimension primarily concerns the construct of business strategy in regards to whether strategy should focus on the future, or revisit the past. A final cultural dimension is that of internal versus external control (Trompenaars, 1996). Individuals from cultures displaying external control focus on their environment rather than themselves, while individuals displaying internal control focus on themselves rather than their environment.

The dimensions outlined above may be used to explain different ways of structuring organisations, different motivations of individuals in organisations, and different issues individuals and organisations face in society (Hofstede, 1983). Organisational structure is influenced by the dimensions of power distance and uncertainty avoidance. Hofstede (1999b) argues that in order to organise, organisations must answer two questions, specifically:
• Who should have the power to decide what?
• What rules or procedures will be followed to achieve desired ends?

The answer to the first question is influenced by power distance, the answer to the second by uncertainty avoidance. Hofstede (1999b) also argues that the dimensions of cultural diversity have implications for motivation, believing that motivation theories are culturally constrained. According to Hofstede (1999b, 1980) motivational and management theories reflect the culture in which its author grew up in and did research. Hofstede (1999b), for example, makes reference to Maslow's Hierarchy of Needs Theory, in which self-actualisation is seen as the supreme need. This however assumes an individualist culture in which the individual prevails over the group (Hofstede, 1999b). Hofstede (1999b) argues that in a collectivist culture group harmony would be the supreme need.

In addition, culture has implications for leadership (House et al., 2001). Similarly, culture has implications for leadership theories, such as McGregor’s Theory X versus Theory Y, or Blake and Mouton’s Managerial Grid. These theories advocate employee participation in management decisions. The initiative towards employee participation, however, is supposed to be taken by the manager. This, however, is culturally dependant. In countries with a low power distance culture, employees expect superiors to consult them when making decisions. High power distance cultures however do not expect, or indeed want, to be consulted by their superiors, but rather expect autocratic leadership. Moreover, cultures with a medium power distance expect to be consulted, but will also accept autocratic leadership (Hofstede, 1980). Bing (2004) agrees that Hofstede’s findings have implications for leadership, stating that the proposed dimensions of culture can provide organisations with an understanding of how leadership expectations and practices may differ across nations. Bing (2004) further suggests that an understanding of the dimensions of cultural diversity can aid in the development of global competencies.

Culture has a number of other implications for organisational structure. High power distance cultures prefer decisions to be centralised, while low power distance cultures
prefer decisions to be decentralised. Furthermore, cultures high on uncertainty avoidance need formal structures, as they desire formal, written rules and regulations. In contrast, low uncertainty avoidance cultures believe that there should be as few rules as possible (Hofstede, 1980). Organisations, therefore, need to adapt their management practices for local cultures (Kinicki and Kreitner, 2006, Hofstede, 1980). Indeed, Morden (1995) considers knowledge and understanding of international culture and management a prerequisite to the successful entry of organisations into new markets and countries. Kinicki and Kreitner (2006:73) take a stronger view, stating that:

*Cultural arrogance is a luxury individuals, companies, and nations can no longer afford in a global economy.*

Gerhart and Fang (2005) approach the issue a little differently however, stating that while cultural differences are important and need to be understood by organisations, they need to be put in the context of other important factors including organisational culture. Moreover, while a number of authors, such as those mentioned above, speak of the affect of national culture on organisational culture, Shieh et al. (2009) argue that organisational culture can affect national culture.

On a practical level, the dimensions of culture presented by the work of Hofstede and GLOBE could help individuals work more effectively in more than one culture (Bind, 2004). The dimensions and country comparisons should make organisations aware that individuals in, or from, different countries may think, feel, and act differently from others in various situations (Hofstede, 1993).

Despite being held as a seminal study, there are a number of criticisms of Hofstede’s findings (Draguns, 2007; Bing, 2004; Kolman et al., 2003; Snape et al., 1998; Brown and Humphreys, 1995; Smith, 1992; Adler et al., 1986). Indeed, Hofstede (1993:90) has stated of his own work:
The different dimension scores do not "explain" all the differences in management. To understand management in a country, one should have both the knowledge of and empathy with the entire local scene.

One of the most significant criticisms stems from the fact that the data are all derived from employees of one global organisation, and that scores for whole countries obscure substantial cultural variations within those countries (Chiang, 2005; Smith, 1992). Bing (2004) adds to this argument, warning against assuming or predicting individual cultural preferences by inference from Hofstede’s scores. Most populations are normal curves, and as such an individual may be found at one extreme or in the centre, whereas Hofstede’s scores are derived from a snapshot of a group tendency towards a specific direction, thus do not take into account anomalies (Bing, 2004). An individual, for example, in a feminine culture, such as Austria, may exist at the lower end of the extreme, thus exhibiting relatively masculine behaviour in comparison to others. As a result, a number of other factors need to be taken into account when examining individual members of a cultural group, such as age, education, occupation, and exposure to other cultures, leading Bing (2004) to also make reference to the existence of subcultures within cultures.

A further criticism relates to the respondents to the survey were, who predominantly male and middle class (Kidd, 1982; Merker, 1982). In addition, it is very probable that there are other dimensions of cultural diversity which did not emerge as they were not represented by the questionnaire used by Hofstede in his study (Smith, 1992). It could also be argued that Hofstede’s study is outdated, having taken place over forty years ago (Chiang, 2005). Fernandez et al. (1997) addressed this issue by re-examining Hofstede’s classification of countries through the collection and analysis of data from nine countries, across four continents. The results showed a significant shift in value classifications in some of the countries, resulting in Fernandez et al. (1997) urging managers to exercise caution before attempting to use Hofstede’s findings to understand employee behaviour.

The previous five sections of this chapter have explored diversity, with the final section specifically focusing on cultural diversity. The third and final area that this chapter will explore is the implication of cultural diversity for performance management. The
following sections will, following a brief introduction, explore the implications of divergent cultures for performance appraisal, goal setting, feedback and reward. This chapter will also discuss three forms of performance management which may be appropriate to employees in, or from, different cultures.
To provide sufficient support for workers from different cultural backgrounds within organisations, there is a need to understand and facilitate the personality traits, characteristics, and customs of different cultures. One method of doing so is an adjustment of management systems (Melia and Kennedy, 2005). As cultural diversity influences elements of performance management and its design, performance management is one such management system (Fletcher, 2001; Lindholm, 1999-2000). Indeed, Kovach (1994: 86) states:

*Performance appraisal seems to be affected by national culture. Attempts to transfer performance appraisal methods to other countries have met with mixed success and sometimes utter chaos.*

Established performance management or performance appraisal systems may not be appropriate or effective in different cultural settings (Fletcher, 2001). Indeed, the extent to which such human resource management processes can be used across cultures has been the subject of some debate and discussion (Lindholm, 1999-2000; Brown and Humphreys, 1995). In relation to both diversity as a whole, and cultural diversity, many traditional management notions about what works may be inappropriate in diverse settings (Waters, 1992). Hofstede (1993) is a strong advocate of this argument, and believes that there is no such thing as a universal management theory. It is further suggested that in different countries not only the practice of management, but rather the entire concept of management, may differ. The increasing globalisation of business has given greater urgency to the consideration of this issue (Fletcher, 2001). Hofstede’s five dimensions of cultural diversity help to explain why certain types or aspects of performance appraisal may not be appropriate for certain cultures. Hofstede’s (1980) cluster maps are displayed on the following pages. The three cluster maps show where the countries originally included in Hofstede’s study lie on each of the four dimensions of Power Distance, Uncertainty
Avoidance, Individualism/Collectivism and Masculinity/Femininity, which may, at a glance, assist organisations in identifying employee cultures.

Figure 2.3: Hofstede’s Power Distance and Uncertainty Avoidance Map

(Source: Hofstede, 1980: 51)
Figure 2.4: Hofstede's Power Distance and Individualism/Collectivism Map

(Source: Hofstede, 1980: 52)
Figure 2.5: Hofstede’s Masculinity/Femininity and Uncertainty Avoidance Map

(Source: Hofstede, 1980: 54)
The trend towards globalisation has added impetus to the importance of understanding the role of national culture in performance appraisal (Peretz and Fried, 2008). The work of House et al. (2001), Trompenaars (1996) and Hofstede (1980), through the many dimensions of culture identified, may shed some light for organisations on the role of culture on the components of performance management. The following section will examine the affect of culture on the appraisal component of performance management.

2.15 The Affect of Culture on Performance Appraisal

Phillips (1987) believes that employees want an opportunity to participate in performance appraisal interviews. Huo and Von Glinow (1995) support this view, suggesting that in order for performance appraisal to succeed, it requires listening, giving and receiving feedback, counselling, and the ability to deal with emotions. It has also been proposed that employees wish to participate in defining their jobs, establish measures to evaluate their performance, and discuss issues such as their accomplishments and concerns and opportunities to develop their career (Philips, 1987). This may be the case in countries such as the United Kingdom, which has a low power distance, thus, employees expect to have a say on issues that concern them (Snape et al., 1998). Power distance refers to the extent to which the less powerful members of organisations accept, and expect, that power is distributed unequally. A culture with low power distance is one in which hierarchies are low, and decision making is shared (Rutherford, 2005; Hofstede, 1999b, 1980). Individuals from such cultures believe societal inequality should be minimised, and view both subordinates and superiors as being just like themselves. A culture with a high power distance displays the opposite, in that hierarchies are considered important, and authority figures are not disagreed with lightly. Superiors view subordinates as different from themselves, and vice versa (Rutherford, 2005; Hofstede, 1983).

Not all of the factors identified as necessary for successful performance appraisal, however, by Huo and Von Glinow (1995) and Philips (1987) are transferable across cultures. While good interpersonal relationships, for example, are emphasised in China, and managers tend to have good listening skills and deal well with emotions, Chinese
managers tend to be reluctant to provide counselling or engage in two-way communication with employees (Huo and Von Glinow, 1995). This can be explained in part by the large power distance found in Chinese culture. As cultures with a high power distance do not view subordinates and superiors as equals, it is not considered appropriate for subordinates to challenge the authority of their superiors (Fletcher, 2001; Hofstede, 1980). Furthermore, if superiors provide their subordinates with feedback or counselling, the likelihood of interpersonal friction between both parties increases. As both managers and employees in China aim to avoid confrontations and conflict, they try to minimise the frequency of such encounters (Huo and Von Glinow, 1995). In contrast, however, according to Hofstede's (1980) research, inequality between superiors and subordinates is less prominent in low power distance cultures, such as Ireland.

As performance appraisal was developed in individualist cultures, it can cause offence when applied in collectivist cultures, albeit unintended, or can be incorrectly used, rendering it useless (Seddon, 1987). Collectivist cultures are likely to avoid individual-based performance appraisal systems as individuals are expected to devote themselves to the success of the group, rather than to their own success (Peretz and Fried, 2008). Individualism versus collectivism is concerned with the extent to which individuals are integrated into groups (Hofstede, 1999b). In individualistic societies the ties between individuals are loose. Individuals are only concerned with themselves and their immediate family. At work, tasks take precedence over relationships, with great emphasis placed on individual achievement. Collectivist cultures value group cohesion. From birth, individuals are integrated into strong groups which protect them in exchange for unquestioning loyalty to the group. In the workplace, relationships prevail over tasks, with management more concerned with interpersonal relationships than performance. As a result, employees are often selected for positions or assignments based on the groups to which they belong, rather than their individual attributes (Triandis, 2004, Hofstede, 1999b, 1983).

Cultures displaying high levels of uncertainty avoidance are more likely than low uncertainty avoidance cultures to have a formal performance appraisal system to remove
ambiguity around the process (Peretz and Fried, 2008). Uncertainty avoidance refers to whether a society tolerates uncertainty or ambiguity, and indicates how comfortable or uncomfortable members of a culture feel when in an unfamiliar situation. High uncertainty avoidance cultures try to avoid the unknown or the unfamiliar through adhering to rules and regulations, and being intolerant of those who deviate from accepted norms and ideas (Hofstede, 1999b, 1980). High stress and anxiety levels are characteristic of high uncertainty avoidance cultures. In contrast, cultures with weak uncertainty avoidance tend to dislike rules, are less formal and standardised, and more accepting of risk and the unknown. Stress and anxiety levels tend to be lower in weak uncertainty avoidance cultures (Hofstede, 1999b, 1983).

The determination of performance criterion poses a challenge, in relation to what constitutes good performance, as what constitutes good performance is dependant on culture (Aycan, 2005). In individualistic cultures, performance evaluation systems are based on employee productivity, timeliness, quality of outputs, job-specific knowledge, and job proficiency. Furthermore, emphasis is placed on the individual employee and work outcomes, rather than the group and work processes. In contrast, in collectivist cultures loyalty to the group is valued more than productivity. Social and relational criteria, such as possessing a respectful attitude, deference to superiors, harmony in interpersonal relationships and trustworthiness, are weighted more heavily than work outcomes when employees are evaluated (Aycan, 2005). Schneider and Barsoux (1997) suggest that appraisal systems tend to emphasise individual responsibility for work as an issue, believing that such a focus on an individual employee may be inappropriate in collectivist cultures, where employees work as a group, with the stronger employees carrying the weaker employees (Schneider and Barsoux, 1997).

In summary, literature indicates that cultural diversity in an organisation has multiple implications for performance appraisal. Similarly, theoretically, culture can also impact goal setting for a number of reasons. The following section will examine these reasons.
2.16 Employee Goal Setting and Culture

In individualistic cultures, goal attainment is facilitated by individual employee goals, employee self-regulation and high benefits for the individual upon goal attainment (Erez and Kanfer, 1983). Herbig and Genestre (1997) believe that as modern-day workers are more educated, they want to participate in setting goals. Latham and Locke (1979) agree, considering participative goal setting to be a useful motivating tool. This may be so in cultures with a low power distance and weak uncertainty avoidance, as individuals in such cultures consider themselves to be equal with their superiors, and are not afraid of taking risks (Hofstede, 1980). Such individuals are not as fearful of setting goals with their managers and failing to achieve them.

In high power distance cultures, however, where employee participation is not the norm, and strong uncertainty avoidance cultures where employees aim to avoid personal risk, participative goal setting may not be as effective (Sue-Chan and Ong, 2002; Hofstede, 1999b, 1980). In such cultures, therefore, assigned goals may be more readily received, as assigned goals eliminate the need for employee participation in managerial decisions. In addition, individuals from high power distance cultures tend to prefer autocratic superiors, and lean towards a dependency on paternalistic decision making (Sue-Chan and Ong, 2002; Hofstede, 1983). Assigned goals may also reduce the risk factor or fear associated with not reaching goals that employees have set themselves in conjunction with management. The opposite, however, may be true for low power distance and low uncertainty cultures, in which employees tend to want to be involved in decisions, such as future goals, that concern them (Hofstede, 1999b).

Pritchard et al. (1988) posit that as goal setting is based on regular feedback on performance, it enables employees to work better. This, however, is culturally dependant as feedback on performance may be unacceptable, especially if the feedback is direct. In collectivist cultures, for example, direct feedback can devastate the harmony which is expected to govern interpersonal relationships, whether they are inside the organisation,
or outside the organisation, and can cause employees to lose face (Schneider and Barsoux, 1997).

For goal setting to be successful, employees must accept the goals, and remain committed to them (Latham and Locke, 1979). This raises an issue in relation to the type of goal set by management, for example whether goals are individual or group goals. The setting of individual goals may be inappropriate in collectivist cultures. In collectivist cultures, the emphasis is on group performance rather than individual performance, thus group goals may be more appropriate. Success based on individual performance is not valued, whereas overall group performance is. It is not unusual for stronger members of the group to carry the workload of the weaker members of the group. This practice is not resented in such cultures, but rather considered to be the norm. In contrast, group goals may not be appropriate in individualist cultures. In such cultures, there is an emphasis on individual achievement (Hofstede, 1980). The achievement of individual goals showcases such achievement, thus may be more readily accepted than group goals.

As well as affecting performance appraisal and goal setting, national culture has a bearing on the way feedback is given and received (Aycan, 2005). Culture can also affect the willingness of employees to actively seek feedback. The following section will look at the impact of culture on performance feedback.

2.17 Performance Feedback and Culture

According to Schneider and Barsoux (1997:141):

*Giving feedback can present a cultural minefield.*

While most managers find giving and receiving feedback an uncomfortable experience, different cultural norms for being critical or direct can make the process even more difficult (Schneider and Barsoux, 1997). Sully de Luque and Sommer (2000) suggest culture requires the modification of the nature of feedback given to employees for the
purposes of evaluation. Performance appraisal systems assume that the performance of employees will improve if the employee receives direct feedback concerning what their superior thinks of them (Hofstede, 1999b). Such feedback in collectivist countries, such as Austria and Japan, may cause the employee to lose face, and destroy their loyalty to the organisation (Hofstede, 1999b; Schneider and Barsoux, 1997). To avoid such irreparable damage in collectivist cultures, it has been recommended that feedback should be given indirectly, either symbolically through, for example, the removal of a favour, or through a third party trusted by both the superior and subordinate (Hofstede, 1999b). This recommendation has been supported by Aycan (2005), who states that in collectivist cultures, feedback is given in an indirect, subtle, and non-confrontational manner.

Depending on the culture of the employee, feedback can present difficulties both when negative, and positive. In collectivist cultures, negative feedback on an employee’s performance can be seen as attacking their personality. Positive feedback on individual performance is not well received either, however, as it has the potential to provoke jealousy and resentment among employees who did not receive such feedback, thereby disturbing group harmony (Aycan, 2005).

Culture also impacts the willingness of employees to seek feedback (Aycan, 2005; Sully De Luque and Sommer, 2000). There tends to be reluctance amongst individuals in collectivist and high power distance cultures to actively seek feedback. In such cultures, feedback on group performance is more acceptable than feedback on individual performance, and is initiated by a superior, who is trusted for their perceived wisdom and expertise (Aycan, 2005; Huo and Von Glinow, 1995). Bailey et al. (1997), however, believe that all individuals are motivated to seek feedback, regardless of their culture. It is further suggested that information on performance is imperative for survival, and that all cultures sanction means for ascertaining such information. Bailey et al. (1997), however, consider these means to be contingent on the imprint of the employee’s culture on their perception of self. Additionally, it is proposed that employees from individualist cultures are more motivated to seek feedback on performance successes than employees from
collectivist cultures, who are more motivated to seek feedback on failures, for the following three reasons:

- Feedback on failure is more threatening to those from individualist cultures than collectivist cultures, as individualists tend to differentiate themselves through their success. The desire for feedback on failure by collectivist employees, however, can be explained by suggesting that such feedback serves the larger purpose of improving the welfare of the group, as failures put the group in jeopardy (Bailey et al., 1997).
- In individualist cultures the nature of social relations tends to be competitive, whereas in collectivist cultures it tends to be more cooperative, thus feedback on failure may be seen as a critical attack by employees in individual cultures, but as constructive advice by collectivist employees (Bailey et al., 1997; Wagner, 1995; Markus and Kitayama, 1991).
- Seeking feedback on success is consistent with the self-serving norm of individuals from individualist cultures, while seeking feedback on failure is consistent with the self-effacing or modest norm of individuals from collectivist cultures. In collectivist cultures emphasising success by seeking feedback on success may result in a loss of face, whereas emphasising failure may have the opposite effect as it may extend humility (Bailey et al., 1997).

In addition to having an impact on feedback, what constitutes an appropriate reward for employees is also culturally dependant. Indeed, Chiang (2005) considers it vital that employee perceptions towards different rewards are understood. The next section will examine the possible impact of culture on rewards.

2.18 The Affect of Culture on Organisational Reward Systems

Employees are not solely motivated by financial reward (Lindholm, 1999-2000). Different cultures attach different values to various types of rewards (Aycan, 2005; Chiang, 2005; Pimentel, 2000; Schneider and Barsoux, 1997). Moreover, different
cultures vary in the extent to which they believe reward should be collective or individual (Schneider and Barsoux, 1997). What may be considered acceptable senior level pay in an individualist culture, for example, may be considered grossly unacceptable in a collectivist culture (Bing, 2004).

Preference for intrinsic rewards, such as time off or status, or extrinsic rewards, such as a bonus or pay increase, also varies across cultures, which affects their motivating potential (Schneider and Barsoux, 1997). Hofstede’s (1983) fourth dimension of cultural diversity, masculinity versus femininity, addresses this variation in reward preference. This dimension examines the importance placed on job aspects such as pay, recognition, challenge and advancement, and the unimportance placed on aspects such as relationships with management, cooperation, and job security. Highly masculine cultures place value on money, status and materialism. Achievement, independence and decisiveness are held in great esteem. The belief of such cultures is sex roles should be clearly defined. Males should be assertive, while females should be nurturing. The aim of individuals is to be the best.

Feminine cultures, in contrast, are concerned with a balance between their working life and personal life. Individuals in feminine cultures work to live, as opposed to living to work. Such cultures believe sex roles should be more fluid. In addition, men need not be assertive, but can assume nurturing roles. There is less of an emphasis on independence, and more of an emphasis on interdependence. Employees in feminist cultures, for example, such as Sweden or Norway, that value a work-life balance more than employees from masculine cultures, would, in theory, be more motivated by extra holiday hours or a shorter working day than they would by monetary rewards due to their preference for a good work-life balance. If a potential reward, therefore, was reduced working hours or extra holiday hours, an employee from a feminine culture may be more motivated by that potential reward than an employee from a masculine culture.

Interestingly however, although China and the United States of America score almost the same on Hofstede’s (2009, [online]) masculinity dimension, with China scoring 66 and
the United States scoring 62, pay is a more motivating factor in China than in the United States, as incomes are still extremely low in China (Huo and Von Glinow, 1995). This supports one of the major criticisms of Hofstede’s work, specifically the argument that his study may be outdated, given that it was conducted over forty years ago (Chiang, 2005). This also serves to highlight the point that assumptions should be avoided when comparing countries based on Hofstede’s dimensions. China and the US are opposites in terms of Power Distance, Uncertainty Avoidance and Individualism/Collectivism, but they are relatively similar in terms of Masculinity. Individuals should be aware that while two countries may be the same, or opposites, on multiple dimensions, it does not automatically follow that this will apply to their positions on all of the dimensions identified by Hofstede.

Chiang (2005) presents a number of hypotheses in relation to culture and reward. It is hypothesised that employees in masculine countries should display a stronger preference for financial rewards and individual-based performance reward systems than employees in countries with feminine cultures. Pennings (1993) is in agreement, proposing that in feminine societies relatively minor differences in compensation between individuals can be expected in comparison with masculine countries.

Additionally, Chiang (2005) proffers that employees in countries with individualist cultures should also exhibit a stronger preference for financial and individual-based performance rewards than employees in collectivist cultures. Pennings (1993) supports this hypothesis, also proposing that employees in individualist cultures would tend to define performance in individual terms, and link personal success with individual compensation. It has also been suggested that a greater focus will be placed on individual performance when determining pay levels in individualist countries, and pay-for-performance systems will be more widely used (Schuler and Rogovsky, 1998). Aycan (2005) concurs with this view, stating that individual rewards are valued more in individualistic cultures than in collectivist cultures.
According to Schuler and Rogovsky (1998), employees in countries with high levels of uncertainty avoidance seek fixed rewards and non-performance-based reward systems than those in low uncertainty avoidance cultures. It is proposed that a compensation system based on seniority is more likely to be found in countries with high levels of uncertainty avoidance than in countries with a lower uncertainty avoidance culture. Finally, employees in countries with a high power distance culture display a greater preference for group and non-performance based rewards than employees in countries with a low power distance.

As discussed in the previous sections, it would appear that aspects of performance management, such as performance appraisal, goal setting, feedback and reward, if not performance as a whole, appears to be affected by culture (Kovach, 1994). There are, however, a number of options available to organisations in relation to the type of performance management or appraisal systems that they use. A number of these alternatives will be examined in the next section.

2.19 Alternative Performance Management Formats

As a result of the different dimensions of cultural diversity, a number of performance management formats may not be appropriate to different cultural settings. Such formats may include Management by Objectives, Multi-Source/360 Degree Appraisal (and Self-Appraisal) and Upward Appraisal.

2.19.1 Management by Objectives

Michaelree (1979) refers to Management by Objectives (MBO) as a process that includes setting measurable objective performance standards, which are compared to actual performance. Lussier (2008:340) gives a similar definition of MBO, referring to it as:

*The process in which managers and their employees jointly set objectives for the employees, periodically evaluate the performance, and reward according to the results.*
Ford et al. (1980) broaden this view, discussing MBO as a system that seeks to involve individual employees through an interactive process of participation, goal setting and feedback. Vigoda-Gadot and Angert (2007) support this definition, suggesting that MBO follows four main principles, specifically:

1. The superior and employee establish the employee’s performance goals.
2. The performance goals are consistent with the objectives of the organisation.
3. Targets are established to measure the employee’s progress.
4. Meetings are held to review the employee’s progress, and to provide feedback.

Performance management systems such as MBO require subordinates to negotiate their objectives with their superiors. The system assumes a culture with relatively low power distance and uncertainty avoidance, as it calls for issues to be settled by negotiation rather than authority or rules, and consequently, employee participation in the process (Vigoda-Gadot and Angert, 2007; Hofstede, 1999b; Morden, 1995; Ford et al., 1980; Morrisey, 1976). Although Vigoda-Gadot and Angert (2007) and Lussier (2008) believe it to be a motivating tool, MBO is unsuitable for some employees, such as those whose cultures display high levels of power distance. Employees from high power distance cultures tend not to engage in participative management, as organisational hierarchies are considered important (Hofstede, 1980). This would seem to contradict Morrisey’s (1976) assertion that the encouragement of negotiation and mutual agreement is a benefit of MBO. Indeed, Levinson (1970) strongly believes that MBO serves to perpetuate and intensify resentment, hostility, and distrust between managers and their subordinates.

One aspect or purpose of the MBO process is to provide employees with a self-motivation opportunity by allowing them set their own objectives (Levinson, 1970). MBO, therefore, also presupposes that both employees and superiors accept the risk of subordinate involvement in setting objectives. Such acceptance of risk implies weak uncertainty avoidance. It also implies that both superiors and subordinates consider performance important, indicating a high level of masculinity (Morden, 1995, Hofstede,
Thus, arguably, MBO is unsuitable for use in cultures with high levels of uncertainty avoidance and femininity.

Based on the preceding arguments, however, MBO may be appropriate for relatively low power distance, weak uncertainty avoidance and masculine cultures, such as Ireland, Sweden, or the United States.

An alternative performance management process available to organisations is Multi-Source Feedback. Multi-Source feedback involves the rating of employees by a number of different individuals. This performance management process will be explored in the following sub-section.

2.19.2 Multi-Source Feedback

Multi-source feedback refers to the practice of gathering and processing assessments from multiple sources on the performance of individuals, and giving feedback to the individual on the result (Shipper et al., 2007; Bookman, 1999). The employee's performance is usually assessed by their superior, subordinates, and peers/colleagues and possibly the employee themselves (Shipper et al., 2007; McCarthy Pearson, 2001; Bookman, 1999; Thatcher, 1996). As a result of this all encompassing view, multi-source feedback is commonly referred to as 360 degree appraisal. The presumption that 360 degree feedback or appraisal is more objective or accurate as it involves more sources of evaluation than conventional appraisal is difficult to support (Fletcher, 2001). Indeed, Van der Heijden and Nihof (2004) question the objectivity of the different perspectives garnered from the process. Three hundred and sixty degree appraisal, with its associated possibility of delivering negative feedback across hierarchical boundaries could be met with varying reactions according to the cultural background of those who participate in the process (Fletcher, 2001). Shipper et al. (2007: 37) are of the opinion that culture is likely to impact both the way individuals seek feedback, and give feedback, in relation to 360 degree appraisal, stating that:

*The nature of the process of seeking and providing multiple sources of feedback is based on values and assumptions not equally shared by all cultures.*
Three hundred and sixty degree feedback appears to presuppose a low power distance setting. The process of gathering data on a superior’s performance assumes that the superior’s subordinates have a degree of comfort interacting with those at a higher hierarchical level (Shipper et al., 2007). In high power distance cultures, seeking feedback from subordinates undermines the authority of the superior, making 360 degree appraisal inappropriate for use in such cultures (Gregersen et al., 1996). In addition, it is not considered appropriate for subordinates in such cultures to comment on the performance of their supervisor, and vice versa.

In collectivist cultures, 360 degree appraisal has the potential to disturb group harmony, due to employees’ constant monitoring of their colleagues (Aycan, 2005). Peers in collectivist cultures may be reluctant to criticise the performance of a group member because of the fear of disturbing group harmony, contradicting, from a cultural viewpoint, the underlying assumption of peer appraisal (Huo and Von Glinow, 1995; Hofstede 2001). The foundation of peer appraisal, a component of 360 degree feedback, is the belief that the best people to judge the performance of others are those who work closely with them (Peiperl, 2001). Organisations are warned that any process that may be perceived as adversely affecting group harmony in collectivist cultures is likely to have a negative affect on employee commitment. Furthermore, the giving of feedback on an individual employee’s performance in a collectivist culture by superiors, subordinates, and peers, may cause that employee to lose face. Arguably, 360 degree feedback may be best suited to low power distance cultures that possess individualist values, such as, for example, the United Kingdom or the Netherlands (Shipper et al., 2007).

The self-appraisal component of 360-degree appraisal may also be influenced by culture. Self-appraisal simply refers to an employee rating or judging their own performance. Cascio (1998) is of the opinion that it is reasonable to have individuals judge their own performance, suggesting that doing so should improve the employee’s motivation. DeGregorio and Fisher (1988), however, suggest the use of self-appraisal as the sole means of performance review should be avoided, believing a combined self and
supervisory appraisal to be a better approach. It has been further suggested that self-appraisals should be used as a basis for performance appraisal interviews (Farh et al., 1988). Three hundred and sixty degree appraisal provides a platform for the aforementioned combination.

One culturally related drawback of self-appraisal stems from the inflated or more lenient self-ratings typical of individualist cultures (Cascio, 1998; Farh et al., 1991). Individualist cultures tend to stress self-sufficiency, self-respect, and self-achievement. The opposite tends to occur in collectivist cultures, presenting a second issue. In such cultures individual achievement tends to be de-emphasised in the interest of group cohesion, interpersonal harmony and interdependence. Consequently, collectivist employees tend to rate themselves lower than their supervisors if engaging in self-appraisal. Both inflated and deflated ratings have a negative impact on performance appraisal as a true picture of the employees performance is not provided through the employee’s self-appraisal. As a result of this bias in self-rating, the self-appraisal component of 360 degree feedback may adversely skew, either positively or negatively, the data gathered through the assessment process. It may be necessary, therefore, to remove the self-appraisal component of the process when conducting 360-degree appraisal on either highly individualist or highly collectivist employees.

Upward Ratings Performance Appraisals constitutes a third performance management process at the disposal of organisations. This form of performance management is discussed in the following sub-section.

2.19.3 Upward Ratings Performance Appraisals

Upward ratings or upward feedback simply involves the rating of superiors by their subordinates (Atwater et al., 2000; Adsit et al., 1997; Reilly, 1996). Some authors have suggested that over time, upward ratings result in an improvement, albeit modest, in managerial performance (Heslin and Latham’s 2004; Smither et al., 1995). Upward appraisal draws the attention of management to key dimensions of the superior/subordinate relationship. This, however, presumes a low power distance culture
in which superiors and subordinates are not as concerned with hierarchical structure, and
do not view themselves as different from the other (Adsit, 1997; Hofstede, 1980). Organisations, therefore, wishing to use upward ratings in high power distance cultures may need to use anonymous ratings to ensure employee participation. It has been argued, however, that managers tend to perceive anonymous ratings less positively than ratings from a known source. Managers may tend to take a cynical view of anonymous ratings, perceiving them as automatically unfair or unduly negative (Antonioni, 1994). Atwater et al. (2000) believe cynicism of the upward feedback process by superiors must be reduced if the process is to have any valuable affect on the work-related behaviours or performance of management. Upward ratings are also seen as a way to involve employees in the performance management process (Adsit et al., 1997). Such involvement would suggest a certain degree of cultural masculinity, as the underlying assumption would be that all parties view performance as important: a characteristic of the masculine dimension (Hofstede, 1980). In addition, employee involvement in the performance management process suggests that employees are comfortable interacting with their superiors. As such, the process may not be appropriate to high power distance cultures. Employees in high power distance cultures perceive a large power gap between themselves and those in power, viewing those in power as inaccessible.

2.20 Conclusion

This chapter has sought to provide an overview of relevant literature sufficient for the development of an understanding of three areas, specifically, performance management, diversity, and the impact of cultural diversity on performance management.

In exploring performance management, a number of definitions of performance, and performance management, were investigated. A number of aims of performance management were discussed, following which a number of components of performance management were investigated. The components focussed on in this chapter were performance appraisal, goal setting, goal commitment and acceptance, and feedback.
Having explored various aspects of performance management, the researcher subsequently began to explore diversity. Although this section of the chapter began by discussing diversity as a whole, the focus throughout was on workforce diversity. This section culminated with a specific focus on cultural diversity.

The chapter concludes with an analysis of the implications of cultural diversity, specifically, for the performance management process of organisations. Based on the literature reviewed in the first two areas, it is clear that cultural diversity within an organisation's workforce requires the organisation to adapt a number of management processes, including performance management.
Chapter 3
Research Methodology
Chapter 3: Research Methodology

3.1 Introduction

This chapter discusses the research methodology employed in seeking to answer the research objectives set out in Chapter One. This chapter begins by outlining the concept of management research, and defining the research objectives of this thesis.

The latter part of this chapter discusses secondary data collection, and the method used to collect necessary primary data. The chapter concludes by outlining the process of data analysis, and addressing the issues of research transparency and validity.

3.2 Management Research

Research is principally a problem-solving activity. The aim of those conducting research is to find out, describe, explain, and understand what is happening, and why (Thomas, 2004). Management research is distinctive, if not somewhat problematic, in that it presents some unusual problems not frequently encountered in the broader social sciences (Easterby-Smith et al., 2002). According to the Economic and Social Research Council (2001:55) management research:

*Seeks to understand and explain the activity of managing, its outcomes and the contexts in which it occurs.*

Management Research involves studying the origins of managing, as well as its ongoing development as both an arena of practice, and an intellectual field. The aim of management research is to produce an extensive body of knowledge to explain the underlying causes of business situations, and the means of assessing other courses of action. Such research takes into account the numerous aspects of management, including finance, accounting, marketing, operations research, and organisational behaviour/industrial relations (The Economic and Social Research Council, 2001; 2004).
3.3 The Research Question and the Philosophy of Research Design

The first step in research is defining the research question, specifically, defining what it is that the researcher wants to discover (Farber, 2006). Strauss and Corbin (1998) refer to the research question as the specific query to be addressed. It is proposed that the research question sets the parameters of the research, and suggests the appropriate research methods to be used for gathering and analysing data.

While Denscombe (2003) states that there is no single right direction to take, Silverman (2005) believes different research questions require different methods to answer them. The most appropriate research method is determined by deciding the type of information needed, which should be identifiable from the purpose of the study, that is, the research question. In turn, this should suggest or indicate the research design (Colton and Covert, 2007). Greenblatt et al. (2004) state that if the research question requires looking at facts and numbers for a large number of people, the appropriate research method will be quantitative. However, if the research question is best answered by looking at a limited number of situations or cases, the appropriate research method is qualitative.

Berkeley Thomas (2004:20) defines the process of research design as:

*Deciding how the strategy and methods will be implemented in the context of a specific inquiry, indicating more precisely where, when and how data will be obtained and the method to be used to analyse and interpret those data.*

Stangor (1998) offers a more succinct definition, referring to research design as the specific method researchers use to collect, analyse, and interpret data. There are three categories of research design: exploratory, descriptive, and casual (Burns and Bush, 2000). The research design used is largely dependant on the objectives of the research (Burns and Bush, 2006).

For the purpose of this research thesis, it was concluded that exploratory and descriptive research was most appropriate to gather information to answer the research question.
Generally, exploratory research is unstructured and informal research. Such research is undertaken to enable the researcher to gain background information about the research problem (Burns and Bush, 2006). A number of methods can be used to conduct exploratory research, including secondary data analysis. Secondary research was used to gain a greater understanding of the research question, subsequently identifying areas for descriptive research. Descriptive research provides an insight into the thoughts, feelings, or behaviours of respondents, allowing for the development of a greater understanding of what is happening (Stangor, 1998). Descriptive research was used to gain an insight into the thoughts, opinions, and attitudes of managers and employees in relation to the research question.

3.4 Definition of Research Objectives

Part of problem definition involves specifying the objectives of the research being undertaken (Churchill, 1991). Attig and Winichagoon (1993, 2005) define research objectives as:

Specific statements about exactly what the proposed project will accomplish.

In essence, research objectives should address what the researcher plans to do, with whom, why, and where (Liamputtong and Ezzy, 2005). Liamputtong and Ezzy (2005) proffer that research objectives should clearly specify what the proposed project or research is expected to achieve. This supports Hackley’s (2003) assertion that research objectives are important as they serve to indicate that the research in question has a focus. Research objectives can also provide both an internal measure of success of the research for the researcher, as well as a vision and focus for the direction of the research (Hackley, 2003; Rowley, 1999). While many research objectives are quite simple, they may be modified, evolve, or change emphasis during the research process (Hackley, 2003).
The research objectives of this thesis are to explore the real life implications of cultural diversity for different performance management systems used by the hotel sector in Ireland. The specific objectives of this thesis are:

- To establish as much background information as possible on the subject through the use of secondary research. Data will be sourced from articles, journals, academic textbooks and public information. This data will be studied and analysed to assess the strengths and weaknesses of currently available knowledge and existing research on the subject.

- To investigate whether the hotels have performance management programmes in place, and study and analyse the implications of cultural diversity on performance management systems within the Irish hotel sector. This will be achieved by conducting primary research in the form of in-depth interviews with managers in the hotels. If managers, who actively try to manage cultural diversity, believe it calls for performance management systems to be adapted to meet the needs of their employees, the researcher will examine what changes they have made, and why those specific changes. The researcher will identify whether the management of cultural diversity has, in the opinion of managers, any bearing on the business case for managing cultural diversity, especially in the current economic climate where jobs are scarce.

- To conduct primary research in the form of in-depth interviews with non-Irish employees. The researcher will assess the attitudes and opinions of non-Irish workers to performance management systems in place in their organisations. The researcher will also assess whether they believe their needs are being met by the system, and whether they have had to adapt their expectations of how their performance is managed.
3.5 The Scope of the Research

A number of three, four and five star hotels were chosen for research. Hotels with a rating of three stars and above offer a high quality of service, which is dependant on their workforce. All hotels with a rating lower than three stars were omitted from the research. The hotels which agreed to take part in the study were all four and five star.

The hotel sector was chosen primarily for two reasons, specifically:

1. Through making contact with a number of hotels, it became evident to that the majority of hotels have a form of performance management to evaluate their employees.

2. Hotels in Ireland tend to employ a large number of migrant workers. Indeed, each hotel contacted had between four and twenty-three different nationalities in their workforce, in various positions throughout the hotel.

In order to fully examine the research objectives, each hotel included in this research met the above criteria, as they all had a performance management system in place, and had a minimum of four different cultures represented in their workforce. This allowed for cultural comparisons to be made.

3.6 Data Collection

This thesis is a presentation of data used to analyse factors relating to the research question, which is to explore the implications or challenges cultural diversity presents for performance management in hotels. Data is defined by Stangor (1998:3) as:

*Information collected through formal observation or measurement.*

At the beginning of research, data construction is critical. The researcher must carefully decide what data to obtain, what means will be used to obtain the data, and from what sources. Analysing and interpreting data aids in solving the research problem by
summarising the data in a more concise form, and relating the ensuing results to the research questions (Berkeley Thomas, 2004). Data exists in primary and secondary form.

3.6.1 Secondary Data

Secondary data is data constructed by a third party, not necessarily for research purposes. Secondary data can exist in both qualitative and quantitative formats (Berkeley Thomas, 2004). The use of secondary data presents both advantages and disadvantages. Secondary data can amount to significant cost savings. In addition, data analysis can begin immediately, resulting in time saving. Furthermore, the secondary data used may be of superior quality to data the researcher could have created independently. Secondary research, in the form of a literature review, also assists in the achievement of a critical analysis of existing literature on the proposed research topic (Birley and Moreland, 1998). Any cost savings, however, may be lost if the cost of accessing databases is high, a common feature of commercial databases. Data collected may also prove difficult to interpret when taken out of its original context, and only be partially relevant to the research question (Punch, 1998).

Secondary data was gathered for this research thesis as:

- It was necessary to develop an understanding of the various elements of performance management.
- Knowledge of diversity, specifically cultural diversity, was required.
- It was necessary to develop a preliminary insight into the implication of cultural diversity on different aspects of performance management.
- Composing a literature review enabled themes for interviews with managers and employees to be determined.
- The data aided in refining the research objectives.
- The data gathered through secondary research also assisted in developing the interview guides for both the managerial and employee interviews.
Additionally, secondary research was carried out to meet the first research objective of this thesis, which was to establish background knowledge of the research subject, as advocated by Kothari (2004).

When compiling secondary data for the literature review, academic journals, textbooks, and the internet were used. A number of other publications, including a European Commission publication, a trade union publication, and a publication by the United States Government were also used.

3.6.2 Primary Data

Primary data is defined by Hackley (2003:68) as:

*Original data, obtained first-hand by the researcher.*

Primary data is gathered specifically for the research question at hand (Burns and Bush, 2006). Primary data collection methods are both qualitative and quantitative. Indeed, it has been suggested that qualitative and quantitative research approaches are not mutually exclusive, thus it is possible for one study to have both qualitative and quantitative components (Greenblatt *et al.*, 2004; Hackley, 2003).

Qualitative research involves a number of methods, such as in-depth interviews, participant observations, case studies, field research, and focus groups (Hesse-Biber and Leavy, 2006; Greenblatt *et al.*, 2004; Xuehong, 2002). Essentially, qualitative data is non-numerical material (McNeill and Chapman, 2005; Hackley, 2003). According to Farber (2006), a qualitative approach should be used when one aims to add richness or a deep description to findings. Van Maanen (1983:9) defines qualitative research methods as an:

*Array of interpretative techniques which seek to describe, decode, translate and otherwise come to terms with the meaning, not the frequency, of certain more or less naturally occurring phenomena in the social world.*

Qualitative research methods, therefore, can be used to obtain complex details about phenomena such as thought processes, emotions or feelings (Strauss and Corbin, 1998).
Similarly, qualitative research is, according to Hesse-Biber and Leavy (2006), concerned with meaning. Consequently, qualitative research involves analysing themes embedded within the data collected from research.

In contrast, quantitative research involves the use of questionnaires, surveys, or other numeric data (Greenblatt et al., 2004). Consequently, it is often considered to be a hard science (Hesse-Biber and Leavy, 2006). Quantitative research can be used when research questions are clearly defined and quantifiable, such as, for example, “How many?” or “How much?” (Farber, 2006). Essentially, quantitative research produces a quantity of data, and focuses on establishing patterns and predictability.

The research objectives of this thesis were explored through the use of a qualitative methodology, as the aim of the research was to assess and analyse the opinions, perceptions, attitudes and beliefs of the individuals interviewed, rather than gather statistical data (Silverman 2005). Such data is more accurately obtained by qualitative research.

Regardless of the approach to primary data collection utilised, the sample size for the research should be decided based on the grounds of pragmatism, representativeness, and the quality of insights generated from the research. Concerning pragmatism, researchers generally cannot wait months for organisations or individuals to agree to participation. Additionally, it is suggested that for qualitative research the representativeness of a larger group by the sample group is more important than the sample being random (Hackley 2003). An appropriately representative sample also alleviates some of the concern around attempting to make inferences about the population from a sample, thus again, a representative sample may be more important than a random sample (Stangor, 1998). Population in the terms of research simply refers to every individual who could be included in the study (McNeill and Chapman, 2005). Finally, the quality of the insights gained from the research may depend on the rapport the researcher develops with the interviewee, and may also sometimes involve interviewing an individual who may not
fall within the original sample, but who may evidently possess relevant knowledge and useful insights into the research question (Hackley, 2003).

### 3.7 In-Depth Interviews

Interview data can be the key source of information for qualitative researchers (Carson et al., 2001). Interviews can be used as a method in isolation, or in conjunction with other research methods, such as focus groups (Hesse-Biber and Leavy, 2006). A good interview is similar to a conversation: a two-way process. Ideally, the person who does most of the talking during an interview is the interviewee, while the interviewer listens. Listening carefully enables the interviewer to ask the right questions, exposing what the interviewee really thinks, and allowing interviewees to fully express and develop their opinions on, and responses to, questions asked, yielding deeper and more meaningful data (Liamputtong and Ezzy, 2005). Indeed, the purpose of an interview is to gain the interviewees perspective on various matters, and to discover their feelings, memories, and interpretations on issues that cannot be discovered or observed by other means (Patton, 1990).

Despite the possibility that the contributions of the researcher to the interview process can enhance data collection, the researcher should take care to avoid imposing their own point of view on the interview (McNeill and Chapman, 2005; Carson et al., 2001). This advice was adhered to when interviewing individuals for this thesis.

Interviews can be structured or unstructured. Structured interviews can be quite formal, and involve moving through a standardised set of questions. Structured interviews tend to be composed of closed questions, and are usually used to gather quantitative data (McNeill and Chapman, 2005). In unstructured interviews, questions are not standardised. Although the researcher will have topics they wish to cover, unstructured or semi-structured interviews allow for a change direction or focus. Unstructured interviews, which are also referred to as in-depth interviews, allow researchers the liberty of following the interviewee if the researcher thinks doing so will generate interesting
information. Such interviews can result in the acquisition of more in-depth, revealing, and rich information (Burns and Bush, 2006; Hesse-Biber and Leavy, 2006; McNeill and Chapman, 2005). It is important that the individuals selected for interviews have knowledge and experience in the specific area the researcher wishes to explore. In-depth interviews are typically one to two hours in length, but may be much shorter (Hesse-Biber and Leavy, 2006).

For this thesis, the use of in-depth interviews was considered to be suitable for a number of reasons. In-depth interviews afford an opportunity to gain a depth of information on the interviewees’ thoughts, interpretations, and feelings. Additionally, in-depth interviews enable participants to elaborate on their responses, and also afford the researcher an opportunity to ask additional questions leading on from respondents’ answers to questions. A main aim of the research was to gain insights into current performance management practices in the participant hotels, particularly in relation to the implications of cultural diversity for the performance management practices, and gain insights into managers and employees thoughts on the systems in place, in-depth interviews were considered appropriate.

For this thesis ten interviews were conducted with managers of nine four and five star hotels in Cork city and county, Dublin, Kildare, Galway and Ennis. Each of these managers were involved in the appraisal of both Irish and non-Irish employees. Once the scope of the research had been defined, requests for interview participants were conveyed to 50 three, four and five star hotel managers in Cork, Dublin, Galway, Ennis, and Killarney. Prior to communicating requests for assistance, hotels were informally contacted over the telephone to ascertain whether performance management was practised in the hotel, and to identify the number of different cultures represented in the workforce of the hotel. Two criteria for inclusion in the study that had to be met were that a performance management process was in place, and that there were a minimum of four cultures employed in the workforce, and a related criteria was that the employees interviewed were not Irish, to allow for cultural comparisons. If the hotel met these criteria, a formal request for an in-depth interview was sent via email to the managers,
which were later followed up by a phone call to organise a mutually suitable time for the interview to take place. All managers interviewed were Irish, and this allowed for cross-cultural comparisons, and also an Irish perspective on cultural diversity in the workforce. The interviews were conducted in private areas of the manager's respective hotels to ensure minimum disruption to their daily tasks. On average, each managerial interview lasted approximately one and a half hours.

The managers that participated in the interviews are those which were interested in the research question and available for participation. Although a number of other managers expressed interest in the research question, they were unable to participate. The primary reported reason for this position was that due to the current economic climate, a number of hotel managers were now covering duty shifts in different areas in the hotel, thus were unable to give of their time. Additionally, while four other management interviews were conducted, staff restraints meant that employee from these hotels could not be interviewed, thus rendering these management interviews unsuitable for inclusion. Table 3.1 outlines the make-up of the managerial interview pool.

<table>
<thead>
<tr>
<th>Manager</th>
<th>Hotel</th>
<th>Gender of Manager</th>
<th>Star Rating of Hotel</th>
<th>Number of Nationalities Employed in the Hotel</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>A</td>
<td>Male</td>
<td>4 star</td>
<td>22</td>
</tr>
<tr>
<td>B</td>
<td>A</td>
<td>Female</td>
<td>4 star</td>
<td>22</td>
</tr>
<tr>
<td>C</td>
<td>B</td>
<td>Female</td>
<td>4 star</td>
<td>23</td>
</tr>
<tr>
<td>D</td>
<td>C</td>
<td>Female</td>
<td>5 star</td>
<td>40</td>
</tr>
<tr>
<td>E</td>
<td>D</td>
<td>Female</td>
<td>4 star</td>
<td>7</td>
</tr>
<tr>
<td>F</td>
<td>E</td>
<td>Female</td>
<td>4 star</td>
<td>6</td>
</tr>
<tr>
<td>G</td>
<td>F</td>
<td>Female</td>
<td>4 star</td>
<td>10</td>
</tr>
<tr>
<td>H</td>
<td>G</td>
<td>Female</td>
<td>4 star</td>
<td>20</td>
</tr>
<tr>
<td>I</td>
<td>H</td>
<td>Male</td>
<td>4 star</td>
<td>9</td>
</tr>
<tr>
<td>J</td>
<td>I</td>
<td>Female</td>
<td>4 star</td>
<td>6</td>
</tr>
</tbody>
</table>

Table 3.1: Irish Hotel Managers Interviewed
These interviews were undertaken to meet the second research objective which sought to explore the opinion of managers in three, four and five star hotels on the performance management system in place in their hotel, and the implications, if any, the employment of non-Irish workers had had on the system.

The central themes of the interviews were identification of the performance management systems in place in the hotels, the impact, if any, the presence of migrant workers in the workforce had had on the systems, and any changes or adaptations to the performance management systems as a result of the employment of migrant workers. The interview guide used for these interviews is contained in the Appendices section. The interview guide for managerial participants comprised interview questions based on the research question, the objectives of this thesis, and areas addressed in the literature review, and in particular, a gap in existent literature which pertained to the implications of cultural diversity on performance management systems in Ireland.

In-depth interviews were also conducted with twenty-three non-Irish employees in the same hotels. These interviews were undertaken to satisfy the third objective of this study, which was to assess the attitudes and opinions of non-Irish workers to performance management systems in place in their current employment. The employees interviewed were in the same hotels as the managers, and were randomly selected based on their availability on the day of the interviews. As a result, in some hotels two non-Irish employees were interviewed, while in other hotels, three non-Irish employees were interviewed. The composition of the interview pool is outlined in Table 3.2. In addition, the interview guide used in these interviews can also be found in the Appendices section. Similar to the managerial interview guide, the employee interview guide also comprised questions based on the research question, the objectives of the study, and the literature review. A number of the questions in the employee interview guide were similar to questions contained in the managerial interview guide.
### Table 3.2 Non-Irish Employees Interviewed

<table>
<thead>
<tr>
<th>Employee</th>
<th>Hotel</th>
<th>Gender</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>A</td>
<td>Female</td>
<td>Hungarian</td>
</tr>
<tr>
<td>B</td>
<td>A</td>
<td>Female</td>
<td>Polish</td>
</tr>
<tr>
<td>C</td>
<td>B</td>
<td>Female</td>
<td>Hungarian</td>
</tr>
<tr>
<td>D</td>
<td>B</td>
<td>Female</td>
<td>Lithuanian</td>
</tr>
<tr>
<td>E</td>
<td>B</td>
<td>Male</td>
<td>Slovakian</td>
</tr>
<tr>
<td>F</td>
<td>C</td>
<td>Male</td>
<td>Polish</td>
</tr>
<tr>
<td>G</td>
<td>C</td>
<td>Female</td>
<td>Chinese</td>
</tr>
<tr>
<td>H</td>
<td>D</td>
<td>Male</td>
<td>Polish</td>
</tr>
<tr>
<td>I</td>
<td>D</td>
<td>Female</td>
<td>Polish</td>
</tr>
<tr>
<td>J</td>
<td>D</td>
<td>Male</td>
<td>Spanish</td>
</tr>
<tr>
<td>K</td>
<td>E</td>
<td>Male</td>
<td>Sri Lankan</td>
</tr>
<tr>
<td>L</td>
<td>E</td>
<td>Male</td>
<td>Italian</td>
</tr>
<tr>
<td>M</td>
<td>F</td>
<td>Female</td>
<td>Slovakian</td>
</tr>
<tr>
<td>N</td>
<td>F</td>
<td>Female</td>
<td>Slovakian</td>
</tr>
<tr>
<td>O</td>
<td>G</td>
<td>Female</td>
<td>Filipina</td>
</tr>
<tr>
<td>P</td>
<td>G</td>
<td>Female</td>
<td>Polish</td>
</tr>
<tr>
<td>Q</td>
<td>G</td>
<td>Male</td>
<td>Latvian</td>
</tr>
<tr>
<td>R</td>
<td>H</td>
<td>Male</td>
<td>Mauritian</td>
</tr>
<tr>
<td>S</td>
<td>H</td>
<td>Male</td>
<td>Mauritian</td>
</tr>
<tr>
<td>T</td>
<td>H</td>
<td>Male</td>
<td>German</td>
</tr>
<tr>
<td>U</td>
<td>I</td>
<td>Female</td>
<td>Polish</td>
</tr>
<tr>
<td>V</td>
<td>I</td>
<td>Female</td>
<td>Polish</td>
</tr>
<tr>
<td>W</td>
<td>I</td>
<td>Male</td>
<td>Polish</td>
</tr>
</tbody>
</table>

#### 3.8 Analysis of Qualitative Research Findings

There is no one right way to conduct an analysis of research findings (Hesse-Biber and Leavy, 2006). The majority of qualitative researchers, however, use some type of content analysis to analyse data. This involves coding groups of words or phrases from the
research transcripts into categories (Carson et al, 2001). Silverman (2005:377) defines coding as:

*Putting data into theoretically defined categories in order to analyse it.*

The categories themselves tend to be determined by the research objectives, thus, are generally known prior to data analysis. The purpose of the codes is to arrange the data that has been gathered into patterns (Carson et al., 2001).

Content analysis involves two stages. The first stage involves assigning codes to words or phrases. The second stage is to compare and contrast the coded material. Neuman (1994) refers to the first step as axial coding. During this step, the researcher analyses the data, and assigns codes to the text. While the emphasis should be on the original set of codes, new codes may emerge during the process (Carson et al., 2001). Hesse-Biber and Leavy (2006) take a different approach to this step, and refer to it as the data exploration stage. In this stage, the researcher begins to re-read the data gathered, and begins to reflect upon it. While doing so, data considered important is highlighted or marked. The researcher may also begin to code the data at this stage to develop patterns in the data. These codes can then be developed into categories. Although the two approaches to the first step of content analysis vary somewhat, both stress coding the data.

The second step is referred to as selective coding (Neuman, 1994). In this stage, having allocated codes to the data, comparisons and contrasts between the data are sought. The aim of this stage is to make generalisations about what the respondents have said, and to summarise similarities and differences (Carson et al, 2001). Hesse-Biber and Leavy (2006) refer to this stage as interpretation. Again, however, this stage essentially deals with comparing and contrasting what has been said. Although Carson et al (2001) and Hesse-Biber and Leavy (2006) vary in their discussion of the analysis process, the methodology of coding the data and comparing and contrasting the data are much the same.
In this study, each managerial and employee interview was recorded on a dictaphone, and shortly following each interview, transcripts of the interviews were typed up. These transcripts were examined, reflected upon, and re-examined. Notes were also made on comparisons and contrasts between managerial and employee responses. During this process, a number of categories or themes were identified. These themes are outlined in Chapter 4, and analysed in Chapter 5. Full transcripts of each interview are available from the author.

3.9 Research Validity and Transparency

Validity is defined by Hammersley (1990:210) as:

Truth: interpreted as the extent to which an account accurately represents the social phenomena to which it refers.

Silverman (2005) simply states that validity is another word for truth. Validity is concerned with how data is collected, whether or not it was collected accurately, and whether or not the data collected is an accurate picture of what is being studied (McNeill and Chapman, 2005; Berkeley Thomas, 2004).

There are a number of steps or guidelines that can be followed to ensure data validity, beginning with careful examination and interpretation of existing literature pertinent to the research question (Carson et al, 2001). Hermeneutics, defined by Polkinghorne (1983:219) as:

The science of correct understanding or interpretation.

refers specifically to understanding the meaning of texts. The concept concerns itself with the objective interpretation of the work of others by the researcher when conducting literary research (Berkeley Thomas, 2004).
Justifying the methods used to carry out the research is a further method that can be used to ensure the validity of the research (Berkeley Thomas, 2004, Carson et al, 2001). Additionally, it is necessary that the data analysis process, and subsequent reporting of research findings, be controlled in order that a complete evaluation and appraisal of results can be ensured (Berkeley Thomas, 2004, Carson et al, 2001). When the aforementioned criteria are met, the validity of the research can be assured.

Evidence of transparency in qualitative research studies is of considerable importance. Transparency is most important in relation to the analysis and interpretation of findings. Clear explanations regarding why an interpretation was made are essential (Hackley, 2004, Carson et al, 2001). Transparency can be strengthened by linking interpretations to prior theory when possible (Carson et al, 2001). To ensure transparency in this thesis, copies of transcripts, documentation, and notes are available for examination. Furthermore, qualitative research should cover a variety of respondents and settings. The results should be transferrable across that range. Transferability beyond that range should not be a concern for the researcher, as this can be done by other researchers in further studies. Thus, Carson et al (2001) recommend that the boundaries of the research be outlined clearly to allow future researchers identify the boundaries that they may wish to move beyond. The boundaries of the range of research contained in this thesis have been outlined to cover managers and migrant workers in Cork, County Cork, Dublin, Kildare, Galway and Ennis hotels.

3.10 Conclusion

This chapter outlined the methods by which research for this study was conducted. Additionally, the choice of research methods was explained, with support from existing research on the area. The scope of the research was identified, as were the research objectives, and issues of concern such as research validity and transparency were addressed. Findings resulting from the primary research conducted are outlined in the following chapter.
Chapter 4
Findings
Chapter 4: Findings

4.1 Introduction

The main findings from the in-depth interviews are presented in this chapter. As outlined in Chapter Three each of the ten managers are Irish and these managers appraise the performance of both Irish and non-Irish employees. The twenty three employees interviewed are all non-Irish, and have at least one year of experience within their respective hotels. The interviews were conducted across nine hotels in Munster, Leinster and Connacht. Due to the large size of one hotel, two managers from different departments in Hotel A were interviewed. One manager was interviewed in each of the other eight hotels. Either two or three employees were interviewed in all of the hotels. During the interviews, not all employees answered every question they were asked, primarily due to the English language barrier. While most employees had excellent English, some did not, thus, were unable to express answers for some questions.

Direct quotations from both the managers and employees are included in this chapter. To respect the confidentiality of the interviewees, each employee has been assigned an alphabetical code, as has each hotel.

The themes discussed in this chapter are derived from data gathered from the managers, the employees, or both managers and employees. Table 4.1 outlines the themes which emerged from managers, employees or both sets of interviewees.
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4.2 Reasons for Performance Evaluation

When asked to explain why the hotel evaluates the performance of its employees, four of the ten managerial respondents cited the maintenance of standards as the main reason for evaluating performance. Two of these managers solely identified the maintenance of standards as the reason for evaluating performance:

*We mainly evaluate performance because last year we went from a three to a four star hotel and the first twenty-four months it’s very important that we maintain that four star standard, so ongoing evaluation of our employees is very important. That would be why we have to evaluate performance. To maintain standards, especially the higher standard that we got* (Manager, Hotel H).

*Basically to keep our service levels standards to a certain degree. Evaluating performance is the only way to standardise things really* (Manager, Hotel I).

A further two managers also cited the maintenance of standards as the primary reason for performance evaluation, but also mentioned concern for employees as a reason:

*The main reason we evaluate performance is that we need to maintain standards. We need to maintain performance so that the work is done to the standard we have set. And from the employee’s point of view, to see if there is a fall down, why is there a fall down? What is wrong? Is it themselves, have they lost interest?* (Manager, Hotel G).

*We evaluate performance so that we can improve and hold our standards. We’re a five star hotel, and we want our standard to stay at that level. But if you don’t give people feedback, and you don’t evaluate them, how can you stay at that level? So it’s beneficial for us, and it’s beneficial for them* (Manager, Hotel C).
Additionally, one manager believes the sole purpose of performance evaluation is to ensure employees have, and are aware of, their goals:

*We evaluate to make sure that we have set goals for the staff. Especially in the initial three month probation period, it’s important to have a job chat to make sure everyone knows what’s expected of them and they’re going in the right direction* (Manager, Hotel D).

The remaining five managerial respondents, however, took a more rounded view, and gave both multiple benefits for the hotel and for its employees regarding the reason for evaluating performance. The managers suggested that benefits for the employees were interlinked with the benefits for the hotel, as illustrated by the representative quotations below:

*It’s a bonus for the hotel to find out what the employees are at, and for succession planning for the future. We’re focused on internal promotion, but we might not know what somebody wants to do. So for the staff, the employer, for the hotel itself, for managers even to have a quick chat with their staff as well. That’s really important. It’s a way of employees knowing their feedback as well. Performance is so important, especially these days, because everybody is on about “it’s cheaper here, it’s better there”, and the only difference between price in different places is the customer service you’re getting. And it’s a way of improving each individual person. Performance evaluation is important for customer service and other things they need to improve, and then again people do like to find out that they’re doing a good job when they are* (Manager A, Hotel A).

Similarly the second manager from the same hotel also believes that performance evaluation offers an opportunity to provide the employees with feedback. Additionally, another manager believes that the performance management process is a method of ensuring open communication between staff and management. Using performance
management to ensure the alignment of individual and departmental objectives with those of the organisation was a further reason for performance evaluation raised by another manager:

*We want to find out how the employees are feeling. Obviously you’re going to be communicating with your staff on a daily basis, but this is the opportunity for a one-to-one sit down, and to have an open, honest conversation. We want the team that are here, eight hours a day, five days a week to be happy, and find out how they’re getting on. As well, we have the overall hotel strategy in place in the hotel, so we want that the department strategy and their objectives fall in line with that, and also the teams, that their objectives would fall in line with that, with the department and the overall hotel strategy map. As well, it’s to give feedback, on good performance, constructive feedback on areas that are of concern, and we’d put action plans in place, and this is how we’re going to proceed with it* (Manager B, Hotel A).

*We evaluate performance to assess, and communicate with them, how they are doing. We evaluate to give them an idea of whether they need to improve, to give them direction, and to get a common goal between the managers and employees. They would be asked if there are any areas they think they can improve on in terms of training needs and that, ask them where they want to go, if they want to be promoted, are they fine where they are and use that to combine everything together* (Manager, Hotel B).

The following two managers also suggested that performance evaluation could serve to motivate employees, and improve employee morale:

*We evaluate performance for morale, to see how people are getting on in their department. At a business level, it’s because if you don’t know what’s going on with your employees, especially in a hospitality industry when they’re the face of the company, it’s very important to evaluate them so that they are motivated in*
their work, and that we in turn get the positive effects of that for our business. That would be the main reason that we evaluate the employees, and also to make sure that they are the right people for the job. If you don’t look at them and you don’t see what they are doing you will never know if they are the right people for the job. Some of them do absolutely fantastic in an interview but then come into a work situation, and then when it comes down to the nitty-gritty they turn out to be completely the wrong person for the job. If we don’t evaluate them we will never know that (Manager, Hotel E).

Firstly, we evaluate performance to make sure that everybody is working to their capability, that’s the hotel’s side. And secondly, to make sure everyone is happy within their position and that they see that they are being challenged enough. We are working on such a tight budget now that we have to have everyone working to their full potential. Performance evaluation motivates people, because otherwise people feel forgotten. If we just hired people and let them go and never spoke to them about their position and about their future goals there would be no motivation there (Manager, Hotel F).

When employees were interviewed regarding why performance is evaluated, five employees also gave both business reasons for evaluating performance, and additionally personal beneficial reasons. Similarly to the managerial respondents, the employees also linked employee and business benefits, as reflected in the sentiments below:

*Performance is evaluated to improve the business, and to improve me* (Employee N, Italian, Hotel F).

*I think it is a win-win for both the hotel and us. If you perform well the hotel gets more customers, and for yourself you get promotion or whatever* (Employee G, Chinese, Hotel C).
Performance is evaluated to give you ways to improve yourself. You have to be a good employee. If you are a good employee, then the customers will like you and then the hotel will have customers (Employee K, Slovakian, Hotel E).

I think they do performance evaluation because they want to keep their standard. I think they try to improve the employees and if it’s necessary that they gain more skills they show them what we have to improve, how we can improve and what we can do better for the hotel. I think it’s for both sides (Employee T, German, Hotel H).

Performance evaluation is conducted to improve my performance in the hotel. Because on that job chat they try to find out what kind of training I need to work better, to work properly, and what I’m getting on good with and not getting on good with. So to improve my own work and to improve the communication between departments because we discuss this as well on the job chats, any problems. And if I am working good, the hotel is working good (Employee Q, Latvian, Hotel G).

A further two employees believed that performance is evaluated by the hotel exclusively for the benefit of the hotel:

I came from five star hotels in Sri Lanka, and this hotel recruited me, and they get a lot of ideas from me and ways to improve this hotel, and they say ok, that is the way we should do it (Employee M, Sri Lankan, Hotel F).

The reality would be because we deal with customers every day so they want to know if we are the right person to deal with the customers and if we have the experience to deal with them (Employee S, Mauritian, Hotel H).

The final four employees who voiced an opinion regarding the reasons for the evaluation of performance management offered mixed views, as reflected below:

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There are a lot of people in the hotel so management need to do performance evaluation. If they ask about your life and how you are feeling it is a positive thing (Employee A, Hungarian, Hotel A).

Managers like to know their staff, and how they work, and how they view the managers’ work. They want to know if the staff like their work or not. Everything is about a good working relationship (Employee B, Polish, Hotel A).

Performance is evaluated to improve our job, to improve the managers’ job, to find out what is happening (Employee I, Polish, Hotel D).

My manager evaluates my performance because she has to. Because that is her job (Employee W, Polish, Hotel I).

This theme identified the reasons for performance evaluation according to managers and employees of each hotel. The following theme identifies the performance management system the hotels have in place in order to evaluate performance.

4.3 Performance Management Systems Used in the Hotels in This Study

Five of the ten managers discussed a two-phased approach to performance management within their respective hotels. The first phase was a specific performance management processes for new employees, while phase two concerns the performance management process as it pertains to employees already in the organisation.

Four of the five managers who discussed performance management from this two-phased approach suggested that the initial performance management system for new employees hinged on job chats, which are essentially informal chats rather than formal appraisal interviews. Their views are reflected below:
When an employee starts we would get them in for an initial job chat after four to six weeks with their head of department. They get feedback – what’s working out, what’s not working out, what training they might need. After that then it would be an annual appraisal. If there are issues between that in the meantime the Head of Department will do job chats (Manager, Hotel I).

When people start, after thirteen weeks they have a job chat. Then after that they have an appraisal every six months (Manager, Hotel B).

We do a 30, 60 and 90 day chat during probation periods. So after 30, 60 and 90 days they get an update and then again at the six month period (Manager, Hotel C).

The most comprehensive insights into this dual phased approach, however, were provided by the following two managers:

When the employee comes in first they have an induction. On the day of their company induction, they receive their contract. If it is their first time ever working in the hotel industry, they will only get a six month contract. At the end of the six months then I would speak to them. In the departments we have a 12 week performance review for new employees where we ask very simple questions. We ask them have you settled into your job, do you have all your uniforms, do you know how to clock in and clock out, how are you getting along with your team, is there anything extra that you could do or the team that could make your job a little bit easier? Really, in the first week they should be answering yes to most of those questions. It’s to highlight bullying and things like that. We then do a performance review at three months. That would be a bit more detailed, and structured like a praise sandwich. In a praise sandwich you would tell them something good about themselves, then you would tell them the things they need to improve on, and then you would finish on something good. It’s a very simple format. It’s just a five minute chat. After six months they go through
a very detailed review. That can take up to two hours. They have a form, we have a form, and then we have a blank one that we fill in together (Manager, Hotel E).

When a new person comes on board they would be on a 13 week probation period. Then, at week five or six we would have the first job chat with them to establish how they're getting on, the areas they're doing well in, areas they need to work on, and putting an action plan in place for the remainder of their probation period. Also, you want to make sure that they are comfortable in their surroundings. Again it's a chat, it's not a performance thing. So then at week 12 there's a more formal one. It's an "It's working out/it's not working out" sort of conversation. These are your strengths, these are your weaknesses. You need to keep it basic and simple, because again you're dealing with different nationalities, and the level of English is quite high, but at the same time you don't want this big complex five or six page, you just want to get to the point. You want to establish how they are, if they're comfortable, if there are any problems. After that then we have appraisals for everybody (Manager B, Hotel A).

Nine of the hotel managers, including the five managers that reported the use of a dual approach to performance management, and four other managers who did not use the dual approach, reported the use of a participative performance management system, involving the use of performance appraisals. Prior to these appraisals, employees and managers are each given an appraisal form to fill out. At the appraisal interview, both forms are discussed, and an agreement is made between both parties in relation to what will be filled in on the third appraisal form, which is the officially recorded form. Five of the managers reported that performance appraisal is a bi-annual event in their hotel, and three reported that it was an annual event. The process is outlined in the following representative quotes:

We have an appraisal form. It's broken down into different areas, financial and customer satisfaction. And then we've personal objectives, we decide on those
ourselves, but the others would be very much decided by the hotel group, so they’d be very specific. When people start, after thirteen weeks they have a job chat. Then after that they have an appraisal every six months. In January, the objectives are set and you’d meet again in June to see where you are with the objectives, and you’d have an appraisal at that stage, you’d get rated on it, and then at January there’s another appraisal. You’d look and see if the objectives have been achieved, and then you’d set new objectives for the following year. Before the appraisal the employee gets a form to fill out, and the manager gets one to fill out as well, and then when they meet they agree on where they should be at (Manager, Hotel B).

Initially there’s a job chat, which would be quite informal and after that there’s two appraisals per year for each employee. They would be quite formal, and they would be documented. Before hand, we arrange a meeting and the employees would be given a form where they would rate their performance and bring that with them so we’d ask them to do quite a bit of preparation so that they are not coming in blank, so that they know exactly where they are going with it. And then, we’d do the same when we meet, and compare them. Before you meet them you would have had informal chats anyway so it’s not like it would be the first time they would have heard it. You would have spoken to the before, especially about any areas they are falling down in. Generally, you will find that they are on the same page as you (Manager, Hotel D).

The following two managers described a similar procedure, but did not mention the inclusion of job chats in the performance management process of their hotels:

There is a form for the employees, for assistant managers, and then senior managers. They would be forwarded to each employee, the employee would take that form, and fill it out. So it’s self-assessment. That’s at the start of the year, usually January or February, we sit down, go through the appraisals, set objectives, and then they all go down to the office to the HR manager and she
condenses all the objectives in to one sheet, and she and the general manager go through it, and that feeds in to our overall business plan as well as the objectives for the hotel. This is a good system because it ties everything in. Then about July, the sheet comes out again and they do the same thing again, but this time they review the objectives for the first six months. They qualify them as exceeded them, met them, or did not meet them (Manager A, Hotel A).

We give the employees a form, and they go away and read it and they mark it themselves. They mark it one to four. Then there is a column where they can make a comment. So we give them two weeks to do this. Then on the day they would sit with me and I would do the same, I would mark them and put down my comments and then we would have a one-to-one and go through each one. I would give them my mark, they would give theirs, and if there is a discrepancy, we would discuss why. Sometimes they might mark themselves very low and I'd have to say no you're not, you're much better than you think you are. They might be too hard on themselves. It's a good system. It's done once a year. (Manager, Hotel G).

One manager did, however, disclose that while performance appraisal is ideally done on an annual basis within their hotel, and there is a system in place, it is not currently taking place, due to staff shortages resulting from the current economic climate. This hotel however does still appraise the performance of new staff separately, as previously described:

Now, performance appraisal is not actually happening at the moment in the hotel, because we don't have the time to do it. It's more verbal now on a day-to-day basis that we would talk to people. The departmental meetings are all still happening once a month, if not once a week, but managers just don't have the time in the current climate so we've had to be quite flexible on it. Every February, all the managers have their appraisal, and that would be done by the
general manager. For the moment it's just not happening (Manager, Hotel E).

Additionally, another manager explained that while performance appraisal is conducted, it is on an *ad-hoc* basis, when managers believe the need for it arises:

> With people who are here on college placement we would have to have a sit down appraisal every three, six or nine months depending on what kind of course they are doing. For the core floor staff who are here on a salary full-time basis we would only sit down and do a formal evaluation if there was a situation that we had a problem with their conduct or something like that. We wouldn't have an appraisal with a member of staff unless they are in formal further education and that is when we would do sit down appraisals with people who are in college and people who are on work experience from schools. We wouldn't really do appraisals outside of those situations. Unless there was a disciplinary issue or a comment from a customer or business talking about a piece of work that was exceptional on their behalf, then we would sit down with them on a one on one situation and say look we got this comment back, you did really well. And equally if it was a situation where a bad comment came in we try to figure out with the employee how we can ensure that doesn't happen again (Manager, Hotel H).

This section has outlined the performance management systems currently in use in the nine respondent hotels. The following theme examines performance management in the home country of the employee respondents.

### 4.4 Performance Management in the Employees Home Country

Each employee was asked to describe the manner in which performance was evaluated in the hotel, and then asked if that was a similar method of managing performance in their home country. The responses demonstrated that there was no uniform process. Seven
employees' experience of performance management in their own country matched their experience in Ireland, or was similar, as the following representative quotations illustrate:

Yes it is the same in Hungary. They tell me every day if I am doing a good job or if I am doing something wrong (Employee C, Hungarian, Hotel B).

Performance management in China is similar enough to here. We talk about our work (Employee G, Chinese, Hotel C).

There is a special time that we talk with the manager, but not very often. It is good here that it is often because we have to know how we are working, to make our job better (Employee L, Slovakian, Hotel E).

Yes it would be similar. It would be formal. It would be just me and my manager (Employee N, Italian, Hotel F).

Seven employees said the process in their home country was different, as the following representative quotations outline:

No it is not the same in Slovakia. Sometimes, I might talk with my boss maybe once a week. Sometimes it is a long talk, sometimes it is not (Employee E, Slovakian, Hotel B).

It's totally different in Sri Lanka. In Sri Lanka there was about 1,800 staff working in the hotel, so everything is done step by step. You've got loads of assistance. In Sri Lanka it is more formal in hotels. (Employee M, Sri Lankan, Hotel F).

In my country, after every six months they do the appraisal. So you have to fill in the form with the General Manager or whoever (Employee R, Mauritian, Hotel H).
In my country in the hotel they do an evaluation after every six months. When I first joined the company they gave me a job description and then after six months they evaluate me by asking questions, if I like this job, if I did achieved what they expected of me. And then they do one more evaluation after one year or two years to see how well we are getting on, if they can give me some more responsibilities as well on the job. That’s what they do in my country (Employee S, Mauritian, Hotel H).

Five employees reported that performance management simply was not done in their home country:

At home we just do the job. Nobody tells us well done or that was a good job. You just do your job. Performance management is missing from my country. It’s very important because if you give me some good feedback I feel stronger at my job. It results in my improvement and appraisal helps me improve myself. It’s really good (Employee A, Hungarian, Hotel A).

In Poland, maybe sometimes the manager asks how is it going but not this kind of performance management. And not building relationships. There is not a good relationship. Here it’s good to know that you can ask your manager about everything. He knows you very well, and that’s very good I think. In Poland, you can have a good relationship with your manager, but you can talk with him only about the job. It’s not as good a situation as here (Employee B, Polish, Hotel A).

No we don’t have such things as performance management. And we don’t have the same things for employees, like certain hours or breaks. We work 12 hours every day at home. Here, it is better. Here, we have a conversation with the manager, maybe after work and things. Here, they know how to motivate you, and you still know that they are the boss, but you know that at any time you can ask for advice. I think it’s great. You try to do better. Nobody is shouting at you like in my country (Employee D, Lithuanian, Hotel B).
No, at home you don’t have job chats. If you want to speak with the manager you have just to go to ask him can I speak with you, I have problems. So here I like the way that they have performance management because every two months the manager has to speak with every single person from the department and that is very good because some people are a little bit shy and they don’t go to ask the manager to talk so it’s easier. I like the Irish way because whoever you are you can give the manager your opinion and they have to listen to you. It’s very good that we have to talk with them every two months (Employee J, Spanish, Hotel D).

No there is no performance management (Employee P, Polish, Hotel G).

Of the remaining employees interviewed, five stated that the type of performance management system used varies depending either on the size of the organisations, or the organisations’ country of origin:

*It is up to the company really. It doesn’t happen everywhere. Appraisals aren’t a common thing* (Employee F, Polish, Hotel C).

*Whether performance management is done is up to the company really. It doesn’t happen everywhere. Appraisals aren’t a common thing* (Employee F, Polish, Hotel C).

*Performance management happening in Poland depends on if the company is big or small* (Employee I, Polish, Hotel D).

*The bigger hotels would be working on pretty much the same performance management system, maybe not that often they would have job chats, but still they would be having meetings to improve the performance of their staff. They wouldn’t do as much training as they do here. But, the big international hotels would be working on the same system. The national hotels don’t have the job chats and such. They wouldn’t have as much training of staff in the small hotels.*
They will just train so that the staff will be able to work (Employee Q, Latvian, Hotel G).

It depends, some places do performance management informally like they do it here, and other places do it regularly and they do it, for example, when they want to promote somebody or to increase their shifts. It helps them to make decisions (Employee T, German, Hotel H).

This section outlined performance management practices experienced by the employee respondents in their home countries. The next section identifies factors that the managers believe can affect the performance of employees.

4.5 Factors Affecting the Performance of Employees

Managers were asked to identify any factors that they believed could affect the performance of their employees. Praise, recognition and acknowledgement of work were identified by four of ten managers, making them the most commonly cited factors:

Gratitude and thanking staff members are important. And that’s what the appraisal system is for. If somebody is a very high performer, it’s your duty as a manager to thank them, sincerely thank them, for being that high performer in the department (Manager A, Hotel A).

I think praise is a huge thing in relation to performance, and also thanks. I think sometimes people assume it will be monetary, but I think when someone has done an excellent days work they should get praise. Praise is a huge thing (Manager, Hotel F).

Recognition, being rewarded and recognised for doing a good job is important (Manager, Hotel B).
If I give them feedback on how they're doing, if I tell them they're doing a good job when they've done a job well, that gives them a spring in their step and they keep going (Manager, Hotel C).

The personal circumstances of the employee, including issues such as work-life balance, were suggested by four managers as having the potential to affect performance:

There’s your external and your internal factors. External factors would be work-life balance, family, personal circumstances so you won’t get into that, but, if you’ve people with a lot on their mind when they’re coming to work then it is going to affect their performance (Manager B, Hotel A).

I think things happening outside of work have a huge impact on people. People bring outside things to work (Manager, Hotel E).

Maybe they have difficulties at home, they may have problems. One of the things I find is that they would have problems outside of work and that would have an effect on their performance (Manager, Hotel G).

For my associates it seems to be work-life balance. A lot of them are taking courses, and I have a lot of college students, so for me, I get the best out of my associates when they request time off, and if I can give them 90% of their requests, they’re really happy (Manager, Hotel C).

A number of other varying factors were also mentioned by the managers. Three managers interviewed believed that the team in which the employee works affects their performance. Three managers believed that the manager tasked with managing the employees was also a factor that could affect employee performance. Other factors mentioned included training, morale, empowerment, employee involvement and job satisfaction, or lack thereof:
Training to begin with affects performance. And having a clear understanding of what's expected. And then I think with the language barrier that they need to be comfortable and know than they can approach me and say look I don't know how to phrase this, and know they won't get in trouble if they ask. Being able to communicate openly is important (Manager, Hotel D).

You're going to have your team, how you're being managed, how you are being developed, and being trained. Are you being empowered? Are you involved and are you being given the initiative to get on with things (Manager B, Hotel A).

First of all, performance would be affected if employees are not trained correctly. Another factor would be that they really are not happy in the job, they just don't want to be here, maybe they feel they have to be here financially but they are not happy a lot of the time. They just don't want to do it. And if they don't want to do it, and then you try and tease out why they don't want to do, maybe they feel like they are being treated unfairly or there is something that's deep inside that they haven't actually spoken about (Manager, Hotel G).

I think their own ability, the atmosphere, teamwork, the people that they are working with, the training that they are provided with, their own suitability for the job can all potentially impact performance (Manager, Hotel I).

Obviously, one of the biggest things would be the manager himself, or herself. How good is the manager? What kind of culture the hotel has. We would have very much an open culture here, with freedom of speech and ideas are thrown around all the time. I've worked in places that might have a blame culture, which is very detrimental to each employees performance, if something goes wrong it's "Who did it and why?" And it's their fault (Manager A, Hotel A).

I think morale is also important for performance. If morale is low, it can pull the whole staff down (Manager, Hotel E).
Factors that affect performance would be satisfaction in the job anyway, a good working relationship with the manager, having the team that they need, having good communication. That, and managers being open and honest with their employees (Manager, Hotel B).

Interestingly, only one manager considered pay to be a factor that could influence performance:

Another factor that would influence performance would be pay. I mean it is a low wage paying industry (Manager A, Hotel A).

In contrast, another manager stated that money was not a factor at all, and a similar viewpoint was offered by another manager who considered it to be the least likely factor to affect performance:

I think that people think money is a motivator. I don’t think so. I think if people are given that support, if they are developed, if they are trained that that affects their performance a lot more than money (Manager B, Hotel A).

I would put money down last. I actually don’t think money is a big factor. I think people’s happiness is, definitely in the current economic climate (Manager, Hotel E).

This section outlined the factors managers believe can affect the performance of employees. The following section identifies factors that managers believe, affect individual cultures in different ways.

4.6 Factors Affecting the Performance of Employees from Different Cultures

Managers were then asked to identify factors which they believe affect the performance of employees from different cultures. Subsequently, managers were further asked if they
believe different factors affect the performance of employees from a certain culture or cultures in their workforce, more, or less, than employees from another culture or cultures. Responses were quite diverse. Two managers believed that individual people are affected by different factors, rather than entire cultures. Their opinions are outlined below:

*I personally think it’s much of a muchness, I don’t think one culture is affected by things more than another, because you know, say, you’ve got your Germans, and they’re very efficient and they come in to work and they do X, Y and Z, but I think it does depend on their personal circumstances. I mean, at the end of the day, we’re all only human, so I think it comes down to the person themselves more than their culture* (Manager B, Hotel A).

*I don’t think entire cultures are affected by different factors differently. Maybe in the first or second year of the hotel being open they might have, but we have kept a lot of our staff so they’ve very much integrated, so I don’t see a difference there in terms of culture* (Manager, Hotel B).

Two managers spoke of the importance of religion and, in particular, the celebration of Christmas Eve, to their Polish employees. Their opinions are outlined in the following statements:

*We have noticed with the Polish girls that a few of them are quite religious, so being open on Sundays because it’s a hotel we try to time it so that they can attend mass. Christmas Eve is a big celebration for them, so we try to accommodate them then, that has come up quite a bit. For time off, people are entitled to put in their preference, it doesn’t mean they’ll always get it, but some people might want Christmas, some people might want New Years Eve, but I think it works out fair. I don’t think there’s any divide* (Manager, Hotel D)
Most of the Polish staff celebrate Christmas Eve, so where possible the managers really work together to make sure that they would be off for it (Manager, Hotel E).

Another manager also mentioned the importance of religion, specifically the importance of Ramadan for Muslim employees:

Ramadan is a big thing in the hotel, there is the need for employees to have time to pray. And maybe giving people a week off, I mean it might not be beneficial to the hotel if they’re fasting, for health and safety reasons. So you would have had to change how you would manage, say rostering times, and stuff like that (Manager A, Hotel A).

One manager was of the opinion that the performance of employees from some cultures may be affected by their level of English;

I think maybe some cultures are affected by their level of English. We have a policy in the hotel that people have to speak English in the hotel full stop, because of bullying. So, in our company handbook we ask people to speak English. However, we do have some people in the hotel whose English wouldn’t be as good as other employees. They can understand fully, but their English wouldn’t be as good as good or as fluent as it should be, and I think that could affect them (Manager, Hotel E).

One further manager also mentioned difficulties with staff speaking in their native language while at work. This manager also discussed an initial cultural clash between three specific cultures:

Initially, when we had the big influx of Polish employees, Africans and Filipinos we found that there was definitely stress there, between the three groups. It had nothing to do with us, but when I noticed that happening within the department I
called them all together and just explained that they have to respect each other. Whatever differences they may have in their cultures, they have to respect each other. You may not agree, you may not like each other, but in the workplace you have to maintain a respect for each other. And, I think over time then by communicating that to them, communicating that they are all here to do a job the situation began to improve. So, really it’s important that they work our systems, because this is the system we work with. Initially, we had a dreadful problem with people speaking their own language. They wouldn’t speak English. So we had to stipulate it’s an English speaking hotel. So whatever you speak in your off-time outside is fine. Nobody was asking them not to speak their language. But during a work situation English is the speaking language. Not on their breaks, but on the floor, when they meet the guests. Sometimes they might meet guests of their own nationality, and that’s grand, they can talk away. But otherwise, they must communicate in the English language (Manager, Hotel G).

The need to motivate employees from certain cultures in different ways was suggested by another manager, who believes that some cultures have different outlooks on life in general:

Well, I find all the associates behave in different ways. The Eastern Europeans, if you ask them how they’re doing, they’ll tell you what’s wrong with them whereas the Indian, Chinese, Thai, Filipino, they’re always telling you the positive and it’s down to how they view the world, their personal outlook on life is very different. So, then how you motivate them is totally different. With Eastern Europeans, you just have to cajole them sometimes a little bit more. There’s no work ethic problems, it’s just to get them smiling (Manager, Hotel C).

One manager identified the importance of praise, in her opinion, for Irish and Sri Lankan employees. The manager further suggested that money seems to be a more important factor for Eastern European employees. Another manager believed that non-Irish
employees tend to expect a certain degree of assistance from the hotel in their personal lives. Their sentiments are expressed below:

I think the Irish love praise. We have two employees with us for a very long time from Sri Lanka and they like praise as well, they like to be told they are doing a good job and it motivates them. I do feel that many of the Eastern Europeans do not like it quite so much. For them it's monetary, and that's for economic reasons. The Irish can be more affected by personal factors. We wear our hearts on our sleeves. The Irish more than the others. Maybe it's down to political background, in that for example in the Eastern European countries you didn't complain. You just got on with the job (Manager, Hotel F).

Well, if I can take an example of an Irish person starting in a hotel and an non-Irish person starting in the hotel we would find the Irish would expect less help from the hotel in finding to accommodation and finding their way around the town whereas with the non-nationals we would give them a lot of assistance (Manager, Hotel H).

The preceding theme outlined factors managers believe affect different cultures within their workforce. In the review of the literature completed for this thesis, three components of performance management, specifically goal setting, feedback and rewards were examined. The process of goal setting in the hotels in which interviews took place is outlined in the next section.

4.7 Setting Employee Goals in the Hotels

Managers were asked to identify the reasons for setting goals for employees in their hotels. Three managers gave the maintenance of standards as a reason for setting employee goals:
Goals are set because we have to achieve high standards, achieve our company goal, and to be in line with the mission of the company (Manager, Hotel C).

Goals are set to help move the standard of the hotel along. In the last two years we have become a four star hotel, so you have to move yourself from a 3 star to a 4 star, and that has to be portrayed in the service that we give as well (Manager, Hotel F).

Well, their goal is to maintain the standard. That's the goal, this is our standard, this is what we want to maintain, serve the guests in the manner that they expect and the standards that we have set out and achieved (Manager, Hotel G).

Two managers also cited the need to improve or maintain overall organisational performance as a reason for setting goals:

Goals are set because the hotel needs to be improving performance all the time. And goal setting does give us an idea of where people are at in relation to their performance, and also it helps us to find out where they want to go (Manager A, Hotel A).

Goals are set to make employees aware that they might be doing one little thing but at the end of the day it impacts on their department and it impacts on the overall hotel performance (Manager B, Hotel A).

Others reasons for setting employee goals cited by managers included the necessity to keep employees satisfied in order to keep staff turnover low, to encourage individual career development, to enable communication, and to ensure employee motivation:

Another reason we set goals is to try to keep staff turnover levels low. Our turnover has gone down to something like 12%, which is very small for a hotel. I do feel that people might get stagnant in their role, so it's important to give them
new objectives every six months. Give them something to work for, and by giving them something extra to do during the week, they gain a sense of satisfaction from that (Manager A, Hotel A).

Goals are set for the purpose of individual employee development and career development (Manager B, Hotel A).

Goals are set because I have things that I want them to achieve and it’s to explain to them why I want them to do something. And goals are also set so that they feel like they know what they’re doing (Manager, Hotel D).

Goals are set to help motivate the employees, I think it’s for the benefit of the individual, and it’s for the benefit of the hotel as well (Manager, Hotel F).

Goals are set here for the employees for morale boosting, and we find it works very well (Manager, Hotel H).

Managers were further asked to outline how employee goals are set, and whether there is any employee involvement in the process. In four of the nine hotels, there is no employee involvement in goal setting. In the remaining five hotels, however, there is either partial or full employee involvement in goal setting:

Yes, employees have an input in setting their goals. When we do our training for managers and employees, we stress that, it’s not an opportunity for the manager to give out, it’s an opportunity for open, honest conversation with their manager about performance (Manager A, Hotel A).

There has to be employee involvement in goal setting. Because if there is no employee buy-in, it’s not going to work (Manager B, Hotel A).
There would be employee involvement in goal setting. I feel unless they agree to their goals it's not going to work out, so they have to be involved in setting them. It would happen that employees would come and say I can't achieve that goal for whatever reason (Manager, Hotel D).

Usually, we try and hope, that goals can be set between the employee and the manager, but sometimes some people don't have a goal so we have to set one for them (Manager, Hotel F).

During the appraisal they have to come up with an annual plan going forward, so their objectives would be set at that stage. So they set their own goals with their Head of Department (Manager, Hotel I).

Furthermore, six of the ten managers are of the opinion that employees must be personally committed to their goals in order to achieve them, as illustrated by the following representative quotations:

*Employees must be committed to their goals. If they are not, it's a waste-of-paper exercise* (Manager B, Hotel A).

*I think employees have to be committed to their goals. This company is very much about including the associates in the end goal. And they know that if we get repeat customers, it's more people coming in the door, we've more hours for them. And we share that, we have a monthly meeting where we go through what we did financially in our department, and what the hotel did* (Manager, Hotel C).

*They have to be committed to the goal themselves. That's why I would prefer if they could come up with the goals themselves. Because if someone sets it for you it's what they want you to do, it's seen a chore, whereas if it's a goal that they want to achieve themselves, they have an aim, they have a reason to get there for themselves* (Manager, Hotel F).
A seventh manager, however, displayed a more cautious opinion on employee commitment to goals:

It's true to a large degree that they have to be committed to their goals, but as long as that commitment isn't the over-riding factor in their work. Because it can be detrimental if that goal is the only thing they focus on. So, if you can just put that aside to maybe 10% and have it as a guiding factor rather than the overall factor, it can be a hugely beneficial (Manager, Hotel H).

In three of the nine hotels, goals setting is primarily based on the organisation's objectives, which are filtered down through the organisation to the different departments, and broken up into departmental and individual goals:

Well, goal setting goes back to our strategy map. So, you would set the overall hotel goals. The department goals then would come in line with that, so objectives are going to feed back into achieve the overall hotel strategy, and then the department goals will flow down to the teams as well. There are three areas: you've got your objectives, you're individual development plans and your career development plans. So the objectives are in some shape or form contributing to the departmental objectives. (Manager B, Hotel A).

The General Manager of the hotel gives the senior managers their objectives, then they're given to the Heads of Department, and then they're set down to the employees, so there's a common goal (Manager, Hotel B).

Goals are set at the beginning of the year, from our company goals, and they all filter down, and they're done by region. So our regional Vice-President will hand them down to our General Manager who hands them down to the Deputy Managers and then they slightly split up for each department, so the department goals would all be slightly different. Then the goals for a department are filtered down to the employees, and every employee in a department would have the same goals (Manager, Hotel C).
In two further hotels, goals are set on a more informal basis, and change whenever it is deemed necessary to do so:

*Employees are given their job description and they are given their goals then. I outline what I expect, and I expect them to come in and do the same. The goals then would be reviewed throughout the year, not necessarily at appraisal time as the goals adapt to what is going on* (Manager, Hotel D).

*Goals would be set for employees as they would be going through their day. More so on reception, as they would have more goals with regards to walk-ins and so on. Goals should be set at appraisal, but that’s not really happening the way it should at the moment, so it’s more that they are set as the need arises* (Manager, Hotel E).

Of the remaining four hotels, goals are set at appraisal stage in two of the hotels, and on an incentivised basis in a further hotel. In the final hotel, there is no specific goal setting, rather one general goal that is permanently adhered to:

*Goals are set at their appraisals. And they always have to be achievable. You should not set a goal for someone that is out of their reach. And if they are trying to set a goal for themselves that is out of their reach you need to pull them back* (Manager, Hotel F).

*During the appraisal they have to come up with an annual plan going forward, so their objectives would be set at that stage* (Manager, Hotel I).

*We would do incentivised goals in departments. We’ll use reception as the example. Being in the centre of town, we would count on walk-in business to a certain degree and we have four different receptionists, and they are set a goal, if they can get 500 walk in customers in a four week period, the first to hit the 500
will get a week paid holiday in Spain in the summer. So the goals would change depending on the department. (Manager, Hotel H)

There are no specific employee goals set. It's a general goal; to maintain the standard of the hotel (Manager, Hotel G).

Finally, managers were asked whether, in their experience, employees from any culture or cultures have any issue in relation to the way goals are set in their hotel. Seven managers responded in the negative, as the following representative quotations illustrate:

I don’t think there’s an answer to whether employees from certain cultures are more or less happy than others about how goals are set. I haven’t come across any culture that has been happy or not been happy with how goals are set in the hotel. Again, it is a part of the hotel’s culture, it’s part of everything we’ve done. I think if the employees see that things are being improved upon to make their lives easier, but that it’s effective as well, they are happy (Manager B, Hotel A).

No, I don’t find any culture to be more or less happy with how the goals are set because it’s a company-wide policy, and no department gets different treatment, so they see that everyone is treated the same way (Manager, Hotel C).

No I don’t think it’s a cultural thing. You are always going to have some employees that would challenge things but that’s across cultures. I think it comes back to the person not the culture (Manager, Hotel D).

Two managers are of the belief, however, that certain cultures do feel differently in regard to how goals are set:

I think that a lot of Eastern Europeans like to be told what to do. I think they find it hard themselves to come up with the goals. Sometimes we feel we have to make
a suggestion to them. Again, I think maybe that comes down to politics, they are used to being told what to do (Manager, Hotel F).

I suppose many of the non-Irish here would have been trained in different occupations before they came here. Here they are doing work which isn't allowing them to achieve to their fullest abilities so they wouldn't look on their objectives or goals as seriously (Manager, Hotel I).

This section illustrated the process of goal setting in the participant hotels. The following section outlines employees’ experience of goal setting in their home country.

4.8 Employees Perceptions on Goal Setting in Their Home Countries

Employees were asked to identify if goals are set in their home country, and to outline who sets the goals, and how. Of the 23 employees, one employee responded that she sets her goals herself:

At home it's me. I would decide my own goals (Employee C, Hungarian, Hotel B).

Three employees stated that goals are not set in their home countries, and a further two employees stated that goal setting is dependant on the job or the organisation:

There is nothing like goals, you just do the work. It's very different to Ireland. At home the boss is boss and the worker is worker. It's very different (Employee A, Hungarian, Hotel A)

Goals are not set in Poland, people just do what they have to do. It is not their ambition to do something more and better. They do just what they have to do, and that's it. And there isn't as much training as here, and you don't really talk about things with their managers. Everyone just does what they have to do. I
think it is better here. Because I can do more, I will be applying for a HR position, and maybe I will be an HR assistant, so it can show everybody that I am doing my best and I can become better (Employee B, Polish, Hotel A).

Goal setting depends on the job. For example, in my last job in Poland, I just knew what I had to do and I did it (Employee H, Polish, Hotel D).

In Italy it is different because in some places it does happen, in others it doesn’t. It’s more complicated. In some companies there are managers, and there are employees. In others they are more friendly (Employee N, Italian, Hotel F).

Six employees retorted that goals are set solely by management in their home country, as the following representative quotes outline:

In Slovakia, the manager decides the goals and nobody else (Employee E, Slovakian, Hotel B).

It is just the manager will decide the goals at home. You will be told your goals (Employee F, Polish, Hotel C).

In China it’s different. The manager sets the goals, and the employee must listen and do it. And if they can’t do it they will be pushed. It’s really different. I prefer the way it is done here. In China there is management, and staff. This is your job, this is my job. There is them and there is us. Here, we like the managers. The other employees from China like this too. We talk about this. Because in China there is more pressure actually, you must work harder than here (Employee G, Chinese, Hotel C).

At home, there might be goals that the manager of the hotel wants to achieve, but it wouldn’t be so open. There wouldn’t be meetings like there is here where he would be saying these are the goals I want to achieve or anything like this. We
just have to work. There would be one basic goal, just to work properly, provide the good service, something like that. I prefer the way it’s done here. It’s better to know the goals rather than not know what is in the head of the manager (Employee Q, Latvian, Hotel G).

Three employees outlined a goal-setting system whereby goals are set based on overall organisational goals. The goals for the entire organisation are decided, and these are filtered down through the organisation, resulting in uniform employee goals:

*It's very similar. It's like here. The objectives are set by the company. It is the same for everyone* (Employee J, Spanish, Hotel D).

*Goals are set normally by the target of the company. They set the policy, it is the same goal for everyone. The company sets it* (Employee S, Mauritian, Hotel H).

*The goals in Germany are mostly company goals. The goal is to keep a very high standard* (Employee T, German, Hotel H).

This theme illustrated goal setting in the home countries of the respondent employees. The following theme identifies the different rewards offered by hotels for performance. The theme also identifies the rewards considered important or motivating by the employees.

### 4.9 Rewards Offered by the Hotels

The managers were asked to identify rewards offered by the hotel, and whether these rewards were linked to performance. In two of the nine hotels, rewards are not linked to employee performance. The managers did, however, identify some non performance-related rewards offered by the hotel:
No, employees are not rewarded for performance. There have never been rewards for performance. I suppose positive feedback from customers would be considered a reward. They also get €30 when they get positive feedback from a customer, but that doesn’t come under performance, it would just be for feedback from the guest. If the guest leaves positive feedback mentioning the employee, then the employee gets €30 (Manager, Hotel D).

They are not particularly rewarded for performance, no. If someone has done over and beyond the call of duty there would be something, a few Euros. And when it’s someone’s birthday there’s a few drinks. The owners of the hotel have box seats for Sunderland and they’ll let people go watch the match. So there are rewards, but it’s very informal (Manager, Hotel F).

Another manager spoke of a highly incentivised reward scheme, which varied between departments in the hotel:

In regard to the restaurant and bar staff, we would pick a certain wine off the menu and they are given a target of 500 bottles of that wine in eight weeks and if they reach that then they go go-karting in Galway or something like that. It all comes back to morale. Keep the employees happy and the customers can see that they are happy, and the customers go away happy and at the end of the day the customer going away happy is what we want. The rewards vary depending in the department (Manager, Hotel H).

The remaining six hotels do link rewards to performance. Additionally, three of the hotels have an employee of the quarter and employee of the year scheme in place. In each of these three hotels, the person awarded the title of employee of the quarter is nominated or decided on by their peers, not by management:

We do employee of the quarter. The four people throughout the year who are employee of the quarter are nominated by their peers. Then, the nominations go
to the all the managers in all the departments, and they nominate the winner out of that. That winner gets €250 in to their bank account for employee of the quarter, and their picture goes up in the canteen, it's framed, and they get their certificate. Then at the end of the year we do employee of the year out of all the employees of the quarter winners. And they get a certificate at that stage too and they get €500. Which is a monetary reward. But, I think having Employee of the Year down there on a plaque is better than a monetary reward (Manager A, Hotel A).

We ask for nominees on a quarterly basis, and it's the employees from each department that decide on employee of the quarter, not management. So it's their peers that decide. And then for employee of the year, it's the general manager or senior team will decide who wins out of the four people who won employee of the quarter. For employee of the quarter they get recognition, a certificate, their picture is put up and they get €250 into their bank account. Employee of the year gets a weekend away. Last year it was to London (Manager, Hotel B).

Last year we did employee of the month. This year we're doing employee of the quarter. The employees vote for somebody, and that person gets a voucher. They also get entered into employee of the year. That would be the only monetary reward that they would get. It would be feedback other than that really. Although that's not really a not a reward, it should be given (Manager, Hotel 1).

Similarly, two further managers spoke of an employee of the month or employee of every two months scheme:

We do an employee of every two months. We send them away to a four star hotel in Ireland for two nights B&B and one evening meal. That's selected by the managers. We have a managers meeting where everyone would select a person from their department and give reasons why they selected that person and then we vote. We would bring the employee up to the canteen and the General
Manager gives them the voucher for the holiday and their picture gets put up at reception (Manager, Hotel E).

We have employee of the month. Each person is given a form, and you nominate a particular person. You nominate someone from your department and you nominate someone from another department in order to make it fair because some of the departments are small. During the Heads of Department meeting we’re given a copy of all the names that have been submitted, and we chose an employee. The employee with the most votes wins. They get a voucher for €150. There’s also the leader of the quarter which is for managers, supervisors and Head of Departments. That would be voted on every quarter, and you get a One-For-All voucher for €250 (Manager, Hotel G).

Additionally, three managers suggested that praise and recognition constitute significant rewards:

They get Star Cards. It’s a little card, about half an A4 sheet. It’s just a little note, says “Well done for a busy weekend”. Money’s a motivator, but I don’t think you can put a qualifier on the top boss saying “Thanks very much” or “Well done”. There’s no monetary value you can put on that. And I think they work better than anybody’s getting a pay rise. So they receive daily thanking, and we reward people with notifying them about good customer comment cards. If someone gets a good comment card, they find out they’ve gotten it. It’s copied and sent out to their department (Manager A, Hotel A).

A couple years ago we had senior manager of the year, and employee of the year for the group where the employee of the year from each of the groups hotels would come together and we would have a big dinner and that’s something that we would definitely look at doing again because it’s great getting recognition from your head office (Manager, Hotel B)
I think sometimes thank you is great. The other week one of the girls in the kitchen made a fantastic birthday cake and I heard people talking about how lovely it was so after the function I went in and I said to her “Thanks a million, that was great” and later her manager came up to me and said she can’t believe you came in and said thank you to her, she’s delighted. So I think rewards don’t have to be monetary, I think a simple thank you is great for people (Manager, Hotel E).

Training and employee development were also identified as a form of reward in two hotels:

Training itself is a huge thing. We do weekly training via the Head of Department. A big thing among middle management would be financial training. A lot of people in the hotel industry might have started off as waitresses and waiters and mightn’t have been exposed to the financial side of things. Then you come in to a hotel that’s heavily proceduralised, where financials are very important here, and they’re a bit lost (Manager A, Hotel A).

In their appraisal there are five different levels. U is underperforming, P is performing, SP would be someone who performs and occasionally does above and beyond, and then a K would be over-achieves and is ready to move on to the next level. If someone is constantly getting SP’s and K’s you know it’s time to move them on to the next level. At the moment, with the economy there wouldn’t necessarily be monetary rewards. At the moment it’s career development (Manager, Hotel C).

Notifying employees of positive customer feedback and various non-performance related perks were also identified as rewards by four managers:

Additionally you get staff rates on accommodation and gym membership. To make things easier in these economic times we do an allocation for taxis. If
they’re getting taxis late at night or early in the morning we give them €4 per cab (Manager A, Hotel A).

Every week if they get their name on a comment card they get €20 at the end of the week (Manager, Hotel B).

When we get positive feedback back from customers that gets put up on the notice board. And that’s a lovely way to reward people. And we do little things like at Easter everyone gets a crème egg and at Christmas everyone gets a bottle of wine (Manager, Hotel E).

The year before last I set up a scheme where we track the positive comments from customers on the comment cards. We look every month at who got the most, and we give them a bottle of wine. Another way they are rewarded is that they get leisure club facilities and they get free parking. There are a lot of non-performance-related incentives that they are given (Manager, Hotel G).

Rewards offered by the hotels were identified in this theme. The following section outlines the rewards offered in the employees’ home countries.

4.10 Rewards Offered in the Employees Home Country and Employee Reward Preferences

Employees were asked to outline the nature of rewards offered in their home country, and to identify whether these rewards are linked to performance. The employees were further asked to outline the type of rewards they consider to be most motivating.

Responses indicated that rewards varied between organisations in Slovakia and Poland. Five employees, two Slovakian and three Polish, stated that there are no rewards given in their home country. Interestingly, however, four further Polish employees and one further Slovakian employee reported that rewards for performance are given in their countries.
One of the Polish employees who answered in the affirmative did however state that whether rewards are offered for performance tends to depend on the organisation:

*It's up to the company if rewards are based on performance. There are bonuses but there wouldn't be things like employee of the month or employee of the year. You get some money* (Employee F, Polish, Hotel C).

Of the 15 employees who identified performance based rewards, 12 reported that they receive monetary rewards for performance. Other rewards identified included vouchers, promotion and weekend breaks, as the following representative quotations outline:

*Yes, you can get a bonus, extra money. And you can get a promotion as well, you can be a supervisor. But it does not happen very often* (Employee B, Polish, Hotel A).

*Yes, it is based on performance. It would be money, vouchers, or sometimes trips like weekends away* (Employee I, Polish, Hotel D).

*In China, you would be sent to a fine dining restaurant or maybe you would be given a ticket for a concert, things like that* (Employee G, Chinese, Hotel C).

*You are given sales targets and you get a one percent commission if you achieve them. You get more money too for speaking more languages. In the last hotel I worked in at home it was €150 extra a month for each language you spoke. And if you are mentioned by customers you are given money as well* (Employee J, Spanish, Hotel D).

*You do get rewarded for performance. It's a trophy or prizes, or money* (Employee O, Filipina, Hotel G).
Yes, we get a pay rise at evaluation if we are doing very well, and we get empowerment, more responsibility, they trust you more (Employee S, Mauritian, Hotel H).

Yes, it’s different. You get a bonus. It even depends on how much you sell. Here you have a till, but in Germany, everyone has his own wallet, has his own change and at the end of the day you can see how much you sold for the company and when they see that you earned a lot for the company you get commission (Employee T, German, Hotel H).

Of the 23 employees interviewed, only one employee considered rewards irrelevant:

I will work the same without rewards. Rewards don’t matter to me (Employee E, Slovakian, Hotel B).

Of the remaining 22 employees, ten respondents considered monetary rewards important, as the following quotations illustrate:

Money is a very important reward to me. Especially now that we are in a recession and salaries are going down (Employee J, Spanish, Hotel D).

Extra money is the reward that would motivate me most I’d say at the moment (Employee N, Italian, Hotel F).

Money of course is an important reward. The first thing that would motivate me would be money. I am working for money, and it is a pleasure to get extra money as a reward (Employee Q, Latvian, Hotel G).

A bonus or commission would be a good reward. I think they are good motivators. But at the same time I understand that we are in a time of recession (Employee T, German, Hotel H).
In contrast, four employees did not regard monetary rewards as important. The following quotations are representative of their opinions:

*Money is not the most important reward. I mean money is important that's for sure, but sometimes maybe training, that's more important than money* (Employee G, Chinese, Hotel C).

*When it comes to rewards, it's not all about money* (Employee B, Polish, Hotel A).

*I think a trophy is better than money, because the money doesn't matter. If you get a trophy it means that you think that you are very good at your job* (Employee O, Filipina, Hotel G).

Eight employees regarded positive feedback, or recognition from their manager, as a good reward or a positive motivator:

*I think maybe positive feedback is a good reward. So, if someone tells me I am doing a good job it's really good* (Employee A, Hungarian, Hotel A).

*I don't want to be boring, but for me everything is coming back to the same point of a good word, of a good view of myself. For example if a manager says to my manager “you have good staff, can I borrow her for the day”, it shows me that what I am doing is the best that I can do and somebody else sees it.* (Employee B, Polish, Hotel A).

*Once they let you know you are doing good, that's a good reward. Good feedback is good. It's good to motivate people* (Employee F, Polish, Hotel C).

*Good feedback and good words are good reward and motivators* (Employee W, Polish, Hotel I).
Five employees deemed extra time off or breaks away as motivating rewards, as the following representative quotations illustrate:

*I think something like extra time off or holidays would be a good reward* *(Employee D, Lithuanian, Hotel B)*.

*Time off is important. Or things like staying in the hotel for a night or having dinner, those kinds of things are good as well. Because you see the hotel from a different side* *(Employee H, Polish, Hotel D)*.

*One hotel I worked for in Spain they gave you a free stay in another hotel, everything paid, and I thought that was a very good reward. You would want that* *(Employee J, Spanish, Hotel D)*.

*A holiday would motivate me. A break or extra holidays would motivate me* *(Employee L, Slovakian, Hotel E)*.

*Well, I have two kids so sometimes I don't need money, I need time. When my first child was born I was away because I had come here before them so I missed a lot of things, so with my small one I want daddy-hood, I would like extra time. It's important to see them walk, hear them talk. Then you feel you are a father. So I would like things like being able to spend more time. When they grow up I do not need to spend as much time in the home, but when they are small I would like to* *(Employee M, Sri Lankan, Hotel F)*.

Interestingly, three employees were of the opinion that the type of reward given is irrelevant, as they believe any reward will serve as a motivator:

*Well I'd say any kind of reward would motivate me. If you are given rewards it means you are doing well.* *(Employee F, Polish, Hotel C)*.
I think any reward would motivate me. As long as its not just feedback, but something material like a movie ticket or something. Something you can really enjoy (Employee G, Chinese, Hotel C).

Any reward will motivate. A night out, a plasma TV, a PSP, anything will make people work harder. People love that (Employee J, Spanish, Hotel D).

Other rewards considered important by employees included vouchers, promotion, empowerment, training and satisfaction derived from happy customers:

The reward depends on the situation. For example, if you are great at your work then you should have a promotion or those sorts of things but if you don’t get one, then you are angry. Or even vouchers, if you deserve them you should get them. It doesn’t have to be a gift, if you are doing a good job you should get a raise or promotion (Employee H, Polish, Hotel D).

I think first of all empowerment is a motivator, you know more responsibility. Also experience as well, you get more motivation to work. And good training, good training in what we are doing makes us more advanced, and you get more money off the customers (Employee S, Mauritian, Hotel H).

The customer being happy is the best reward I can have. I know I give a good service, when they are happy. And maybe sometimes they are so happy they leave you tips (Employee R, Mauritian, Hotel H).

This section identified the rewards offered in the home country of employees. Additionally, this section identified different rewards deemed important by the employees. The following section outlines the methods used to provide employees with feedback on their performance.
4.11 Methods of, and Reasons for, Giving Feedback to Employees on Performance

Managers were asked to identify how often feedback is given to employees on their performance. Four managers stated that feedback is given informally on a continual or daily basis. A fifth manager stated that while feedback is usually given formally at appraisal, it may be given informally on a daily basis if so required. The following are representative quotations:

*Employees are given constant feedback. We only sit down bi-annually to have a formal chat and you’re talking about six months worth of work.Obviously there are going to be things that stand out that you are going to bring up again, but it is important to be aware of all feedback* (Manager B, Hotel A).

*Feedback is ongoing. Now obviously if something big comes up it will be brought up at appraisal again, but appraisal is twice a year. So I’m not going to wait two months to bring up something that has to be dealt with there and then* (Manager, Hotel D).

*Feedback is given daily as it comes up. The hospitality industry is very electric and things happen all the time, so you deal with it as it happens. If a problem happens on a day you deal with it there and then, everyone is told about it, and it never happens again* (Manager, Hotel E).

*Feedback is given at the time of the appraisal, and it could be on a daily basis too depending on what’s going on. You may give feedback at the end of a shift or at a Head of Department meeting or departmental feedback* (Manager, Hotel B).

Another manager stated that feedback is given to employees as the need for it arises. A further manager outlined a customer-driven feedback system:
Customer experience drives feedback to employees. Customers are the ones spending the money at the end of the day. Staff feedback to a large degree would come in the form of a suggestion to either change something or bring in something new (Manager, Hotel H).

Of the nine hotels, only one hotel provides employees with feedback solely during appraisals or job chats:

Employees get feedback at their job chats and appraisals. And there would be monthly departmental meetings where the whole department would get collective feedback (Manager, Hotel I).

The managers identified a number of methods used to give feedback to employees on their performance. Seven managers reported that feedback is given to employees orally. Additionally, three of these seven managers stated that negative feedback is also documented:

When feedback is given it would be positive feedback first, then negative, then positive again. It's usually oral feedback, but negative feedback is documented as well (Manager, Hotel B).

How feedback is given depends on the situation. Sometimes it will be oral, and if it's of a serious nature it will be written (Manager, Hotel C).

A lot of feedback is oral. If you correct them once, fine, give them a chance, twice, ok, third time, it has to be documented, and it goes into their record (Manager, Hotel G).

Other vehicles for feedback identified were notice boards, emails and collective feedback at departmental meetings:
Feedback is given through emails and it's posted on notice boards. It's also given through recognition at team meetings (Manager B, Hotel A).

We give feedback individually and collectively. Every Wednesday we have a Heads of Department meeting where all the managers would meet together, and then the managers feed back to the staff what they need to know from that meeting. Feedback is also given through email (Manager, Hotel E).

If any positive feedback comes through from events we've held or customers that have stayed in the hotel, then that goes up on the notice board (Manager, Hotel D).

There is a huge amount of feedback given to staff, all the good comment cards, and they are put up then on the notice board (Manager, Hotel H).

Managers were further requested to outline the reasons for giving employees feedback on their performance. Two managers stated that the purpose of providing employees with feedback is to ensure their development:

Feedback is very important, whether it's good, bad, or indifferent. The team needs to know what the customers think of them and what the management think of them. With negative feedback then, if you don't shy away from it, it's a learning curve, you can learn from it, and you don't make those mistakes going forward. I think feedback, whether it's good or negative, is important for their own personal development, for their own career development (Manager B, Hotel A).

We give employees feedback to improve. To improve every aspect of performance, both employee performance and to improve the business (Manager, Hotel E).
Responses from other managers were varied, as demonstrated by the following quotations:

*Feedback is given because you want to find people doing things right all the time, but that doesn’t necessarily always happen. Sometimes you can assume that someone knows how to do something correctly, but they may not have been shown exactly how to do that task properly, and if you want them to do it the same as everyone else does, you just have to give them a bit of feedback. You would first of all take them aside, retrain them, show them how it’s done. Feedback is all about improving the employees* (Manager, Hotel C).

*It’s important to give good feedback to boost morale and let people know that they are appreciated. And then negative feedback is necessary. So you love giving the positive feedback, but the negative has to be given too, which of course we all dread. And it makes people try a bit harder then when they see that they will be recognised for it* (Manager, Hotel D).

*We give feedback because if somebody has done a good job it’s important you tell them they have done a good job and they might do the same thing tomorrow and again if somebody needs to improve on a particular area, you don’t want that mistake being made again the following day. I think when you are dealing with people in a services industry you only get one chance, so you can’t have a repeat of something that went wrong, it has to be right all the time* (Manager, Hotel F).

Finally, managers were asked to identify whether employees from different cultures tend to react in different ways when given feedback on their performance. Five managers believe that different people react differently to feedback, rather than different cultures. Three of these managers also believe that employees’ reactions to feedback are dependant on the way in which it is given by the manager:
Sometimes you have to give feedback that isn’t good, but it's part and parcel of work. So people are going to be upset that it’s negative, that’s just human, not cultural. And it comes down to the manager’s ability to ensure that it is constructive and balancing it out (Manager B, Hotel A).

I’ve personally never found that any of the different cultures had a problem with feedback or goals. It’s not something that’s come up. You need to give feedback in a constructive way, and then people don’t mind it (Manager, Hotel B).

No, I think it’s how you give feedback. I think it’s up to the person that’s giving the feedback. You can give negative feedback in a positive way, but if you don’t do it that way, people are going to react badly. So I don’t think its different nationalities. Good managers will shine and bad managers will be weaned out (Manager, Hotel E).

No I think it’s down to the person. I don’t think it’s a culture thing. I mean, for example, in my department there are six Polish employees, and it’s half and half, as in half of them take negative feedback quite personally, as a personal thing, whereas the others don’t (Manager, Hotel D).

I think again it’s a personal thing, not a cultural thing. One person could be fine with it, another person mightn’t take it great. An Irish person could take it very much to heart, and another person would take in ok. So it’s very much a personal thing (Manager, Hotel G).

In contrast, two further managers believe that different cultures do react differently to feedback, as outlined in the following quotations:

I would say the Asian cultures are more devastated if they get negative feedback. It affects them a lot more than the Irish. It’s not that it doesn’t bother the Irish,
but they see it more as a process, whereas the Asian employees take it more personally (Manager, Hotel C).

The Irish and the Sri Lankans love positive feedback. Some people don’t expect feedback. They don’t expect someone to tell them they are doing well so the first time they are quite taken aback. We have one Polish girl and she gets embarrassed when she is told she is doing well (Manager, Hotel F).

Another manager believes that all employees within the hotel find feedback positive:

We find everybody finds feedback a very positive experience. Most of the time negative feedback would normally be from senior management to the Heads of Department. It would only really go to the other members of staff if there was something very specific mentioned about that member of staff (Manager, Hotel H).

This section has outlined the purpose of providing employees with feedback on their performance, the method in which feedback is given to employees and managers thoughts on cultural responses to feedback. The following section outlines employees’ perceptions of feedback.

4.12 Employees Perceptions of Performance Feedback

Employees were asked to explain the method by which feedback is given in their home country. In total, only 13 employees replied that they do receive feedback on their performance in their home country. Six of these employees stated that feedback would be given in the same manner, or in a similar manner, as it is given in Irish hotels, as the following quotations demonstrate:
If you work in three star hotels in China it's a different story there is no HR department, but in the five star hotels it is similar to here, so you get feedback (Employee G, Chinese, Hotel C).

Feedback is the same as here. Usually, we get feedback every day, from the manager, and it is just spoken (Employee H, Polish, Hotel D).

It would be the same as here. It is given sometimes. They will say ok, good job, or oh be careful next time (Employee P, Polish, Hotel G).

It's the same actually. It happens when you do your job very well, or when you get complaints from the customers. This is how it was done in the places I worked in. It might have been different in other hotels, but the places I worked in it was the same (Employee T, German, Hotel H).

Another three of the twelve employees who stated that feedback is given in their home country, identified a different manner of giving feedback in their home country:

Yes, we get feedback from the manager. The difference between here and back home is that back home you only have one person giving feedback in a department. Here it can be anyone giving feedback, it's not just one person, there are a few people (Employee F, Polish, Hotel C).

It would be very different in Mauritius. They use appraisal to give employees feedback (Employee R, Mauritian, Hotel H).

Yes, we do get feedback. it is given every six months when they do our evaluation. If they are really happy with you they tell you that you did a good job (Employee S, Mauritian, Hotel H).
Three further employees stated that feedback is never, or rarely, given in their home country. Two additional employees stated that whether feedback is given is dependant on the manager or the organisation:

*At home only just the boss gives feedback. It is not given very often. It is very rare* (Employee A, Hungarian, Hotel A).

*No, managers in Poland do not give feedback to employees. They don’t want to trust people* (Employee B, Polish, Hotel A).

*Maybe once a year we get feedback on our work in our home country. It’s very bad* (Employee E, Slovakian, Hotel B).

*Getting feedback on our performance at home depends on the manager* (Employee D, Lithuanian, Hotel B).

*Sometimes feedback is given, but how often depends on where you are working* (Employee V, Polish, Hotel I).

Employees were also asked whether they consider feedback on their performance important, and to outline why. Of the 23 employees, only one employee said that feedback was not important. One other employee stated that whether feedback was important depended on the situation:

*No, feedback is not important to me, because I am confident I am doing my job well. I don’t need feedback* (Employee R, Mauritian, Hotel H).

*Whether feedback is important depends on the situation. If we are very busy, for example, and the situation is very stressful, it is better to say nothing. But it depends. If somebody sees you do a great job and they say that, that’s ok. If somebody complains about it, it’s not very fair because you tried to do your best*
and somebody still complains. Of course I hate negative feedback. But I don’t really get bad feedback (Employee H, Polish, Hotel D).

Of the remaining 21 employees, varying reasons were given to explain the importance of feedback. Six employees suggested that positive feedback can help to motivate or give a sense of self-satisfaction:

Yes, feedback is important. It makes me feel good. Of course it’s really important. I’m always coming to work and always smiling because I’m not thinking “Oh no, I’m going to work again” (Employee A, Hungarian, Hotel A).

For me personally, yes, feedback is important. It is nice to hear you are doing something well, it motivates you (Employee F, Polish, Hotel C).

Oh yes, feedback is important. And I think most people like to hear when they are doing great (Employee G, Chinese, Hotel C).

Yes, feedback is important. You have to be told, especially the good things. Because everybody forgets the good things but everyone remembers the bad things. Especially when you are a little bit depressed or down you have to be told well done or very good, because just a few words sometimes is a lot of help (Employee J, Spanish, Hotel D).

Feedback is important. It’s like appreciation for work that was done (Employee Q, Latvian, Hotel G).

I think feedback is important. I think good feedback is a kind of motivation, good feedback that you have done well I think that’s very important. Even when you don’t get it for all the work you’ve done when you get feedback from your manager or from the management, for myself it is enough that I get the good feedback, that the customer is satisfied (Employee T, German, Hotel H).
Two employees simply stated they just like to know if they are doing a good job:

*Feedback is important. I want to know if I am doing well or not. You could get bad feedback if there is a complaint from a customer* (Employee K, Slovakian, Hotel E).

*Yes, feedback is important because I know what I am doing bad or when I am good* (Employee P, Polish, Hotel G).

Four employees believe that feedback can aid in career development:

*Feedback is the most important thing to me. I won’t be a waitress in a hotel my whole life. I just started here because my English wasn’t as good as now. It can just be a good word, from my manager, or someone in the hotel because it shows they can see I’m doing my best for them. I think good and bad feedback helps me improve. When I came here I wanted to know what I was not doing really well because I wanted to be better. When my manager was telling me at appraisal that I am doing good it’s important because I know that it is true* (Employee B, Polish, Hotel A).

*Yes, feedback is very important, to improve my job, to develop myself to change anything I do in a bad way* (Employee I, Polish, Hotel D).

*Oh yes, I think feedback is important because I think if I am not good enough, if they tell me then I will get the chance to correct myself and it will help me in the future* (Employee S, Mauritian, Hotel H).

*Yes, feedback is important. Because my work will be better if I get feedback. Because if she tell me good job today, you were great, I will be happier* (Employee U, Polish, Hotel I).
Two further employees gave business reasons as explanation for the necessity of feedback on performance:

*Feedback is important, because things must be perfect and nice in the rooms for customers. I like when I am told I am doing a good job* (Employee E, Slovakian, Hotel B).

*Feedback is important because everything depends on performance. If you don’t perform well in a business you will go bankrupt. It’s the same for me, if you don’t perform well you loose your job* (Employee M, Sri Lankan, Hotel F).

Although some employees did state that they do not like receiving negative feedback, ten employees shared a positive view of negative feedback:

*People think maybe when you tell them that they should change something that you don’t like them. Every new place had their own rules. That’s why it’s very important to know that you are doing something wrong* (Employee, Polish, Hotel A).

*It’s good to hear you did a good job, but bad feedback is good too. It’s good because somebody needs to show you your mistake* (Employee D, Lithuanian, Hotel B).

*It’s not nice to get negative feedback, but it’s something to make you think, so I would say it’s very good. Because if there was only good things to hear, people who do things wrong will never hear that and they’ll keep doing the same wrong stuff, so I think that’s important* (Employee F, Polish, Hotel C).

*If the manager says I didn’t do something correct, if it is the truth, I will say yes that’s my fault, I will do it better the next time. I don’t mind getting negative feedback if it is my fault* (Employee G, Chinese, Hotel C).
I don’t mind bad feedback because when I know I am doing something wrong then I can do it better (Employee L, Slovakian, Hotel E).

I prefer to be told if I am doing a bad job or a good job (Employee N, Italian, Hotel F).

I think feedback is important because at least we are aware of what we are doing and the things that should be improved (Employee O, Filipina, Hotel G).

Bad feedback is important because you need to know your mistakes to be able to know how to avoid them (Employee Q, Latvian, Hotel G).

Negative is important as well actually. Because it shows me how I could do it better the next time (Employee T, German, Hotel H).

Indeed, one of the ten employees who share a positive view of feedback believes that negative feedback is the most important type of feedback:

Negative feedback is the most important. I think so anyway. Because you can learn from it. Managers know how you can be better. So, it is very good when you are getting bad feedback (Employee I, Polish, Hotel D).

One employee, however, believes that negative feedback should be given with some caution:

You have to be careful with negative feedback. If you are talking to someone who is very sensitive, you have to be kind to them because if you say you did that wrong maybe it will get them down. You have to be serious but nice. You have to give them support (Employee J, Spanish, Hotel D).
Employees' perceptions on the methods of giving feedback in their home country, and their opinions on the importance of feedback were outlined above. The following theme outlines managers' thoughts on diversity in the workforce.

4.13 Managers Perceptions of Workforce Diversity

It is suggested that it is necessary to actively manage workforce diversity, as outlined previously in Chapter Two. Thus, managers were asked whether they consider it necessary to manage workforce diversity. Two managers responded that diversity in the workforce should not be managed:

No, diversity should not be managed. Because people are individual, people are people, so whether I am 18 or 60, it's about my attitude. So I wouldn't categorise people or put them in boxes. It's down to individual people. I think you're almost setting yourself up for things to go wrong when you start categorising people because of their age, or disability or whatever (Manager, Hotel E).

I think it would be detrimental if diversity was managed. I mean with the foreign staff versus the Irish staff, if they saw us giving highly specific attention to Irish culture or foreign culture, doesn't matter which, that could really work against us I would imagine (Manager, Hotel I).

Three of the remaining eight managers believe it is not necessary to specifically manage diversity:

In relation to managing diversity, I think because we have such a team-focussed culture that there hasn't been any kind of issue or any concern about specifically managing it (Manager B, Hotel A).
Whether you actually need to manage diversity or not, I think as long as you make sure that everyone is treated equally, that’s the most important thing (Manager, Hotel C).

There has to be an awareness of diversity. As for managing it, I haven’t come across a need to, it hasn’t come up. Not in our situation. In different establishments, different trades, possibly (Manager, Hotel I).

Two of these three managers did, however, identify steps that are taken in the hotel to create awareness of diversity and inclusiveness:

We have 22 different nationalities and as part of our induction programme we do have a cultural and a diversity element to the programme. So we go through discrimination, bullying, harassment. But we do have an understanding that you are here based on your qualifications and your skills. Its irrelevant where you come from, and your age is irrelevant (Manager B, Hotel A).

In this hotel we have a Guarantee of Fair Treatment, so everyone is treated equally. So for every situation, we have procedures that we follow. Our company policy is to have the right people in the right job. And if they’re not in the right job, then you have to correctly and fairly move them along, either in to another role, or out of the company. Our fair treatment policy covers all the bases. Here, we just hire the best person for the job. Nobody is discriminated against for age, sex, religion, colour, membership of the Travelling community, you’re just a person applying for a job, you’re just a person who works for me. The only thing that really comes into it is physical abilities, say someone has a doctor’s certificate to say they cannot do this and that, you have to take that into account (Manager, Hotel C).

The remaining five managers believe it is necessary to manage employee diversity:
Workforce diversity is something we really encourage here. Managing diversity itself, we do a lot of things that would be on a daily basis (Manager A, Hotel A).

Diversity does need to be managed to a certain extent because people aren’t aware of it sometimes. I think a lot of the time we think of diversity as cultural diversity but we’ve disabilities and age and so on as well and I think age is a thing we need to look at and be more conscious of. The disabilities area is one I’m interested in. I worked in a hotel in Cork before and we had a number of people working with us who had a disability and it was great watching them, and everyone else, improving their skills and so on (Manager, Hotel B).

Ideally, diversity should be managed. In an organisation of this size there’s over 300 staff. Ideally, yes, it should be managed (Manager, Hotel D).

I think diversity should be managed yes. That’s why we have a very strict equal status policy, which we had in place before it became the law. I feel you do have to manage it, especially in a small country town. And the reason I say that is when we brought our two guys from Sri Lanka over they came in to a town where there was no other colour of skin, so it was a huge culture shock, not only for the town, but for the two lads as well. And it wasn’t just the colour of their skin, people didn’t know whether they spoke English (Manager, Hotel F).

I do think diversity needs to be managed, definitely. Diversity is life, it’s healthy, and it’s good for the organisation in that it makes people more open-minded. I think diversity helps people see things differently. It helps people grow. This is the world we are living in. We are living in a very diverse world (Manager, Hotel G).

Four of the five managers outlined a number of steps taken by their respective hotels to manage workforce diversity:
Obviously a big thing is training. And I mean training every employee, not just who you want to train. With regard to recruitment, I never look at the top of a C.V. I think its time management more than anything else. I look at the experience, and if something grabs me, I go read the C.V fully. And that’s the way we recruit here. It’s something that’s very good, because you’re not getting preconceptions about them based on diversity (Manager A, Hotel A).

To manage diversity, we have an equal status policy in place, and we are affiliated with Glenn College who are associated with the Sisters of Charity, who arrange employment for people with disabilities. And age as well is one thing that we’re conscious of this year, as we have a fairly young workforce and we only have one employee who is older (Manager, Hotel B).

We do mandatory cultural training and then last year the general manager did a cultural training course. It was just through role play and all staff were encouraged to attend. We would be very aware of it and in the canteen we’d have Polish week and German week and different things like that (Manager, Hotel D).

We have one staff member who was actually trained to teach English. She offered her services, and we paid, because a lot of the language barrier is due to accent. And it’s not from the locals understanding the foreign employees, it’s the other way around. People from this town have a very broad accent and it’s hard to make out, and how many times can you say pardon to a customer without offending them? A few years ago what we had was we had national day. So, for example, in Poland and the Czech Republic they have workers day, so what we did is we invited them all to dinner that evening and the chefs in the kitchen had to produce their traditional food. It was like their St Patrick’s Day. Another thing that we did was we’d put up different things about different countries. But, overall really we haven’t had any problems at all (Manager, Hotel F).
One of the five managers, however, did not identify any way in which the hotel manages diversity, although she had stated that it was important to do so. Rather, this manager believes that as the employees have come to the hotel for work, it is their responsibility to adapt to the hotel:

The way I look at it is the organisation has decided what its role is, what its goals are, where it's going, and people come in to work. So, they must accept the core of the business and integrate with it, rather than us having to integrate with them. It's important that they accept the atmosphere and the culture we have here. Because this is how it's successful, this is what the company wants, this is what they want to maintain. Then, it's also important with diversity that we understand diverse employees. It's all about respecting each other and accepting the differences (Manager, Hotel G).

Managers were further requested to identify whether they believe workforce diversity is, or can, potentially be advantageous for the hotel. Reasons suggested by managers varied widely, and included the potential to increase profit, the ability to better relate with diverse customers and the potential to generate multiple perspectives on different matters:

One reason I believe diversity can be advantageous is that if employees see that we're open to diversity they'll feel more comfortable in the hotel, so their performance will improve, meaning the hotel would make more money. The second reason is that recruitment is, or was, very tough this time last year. There was so much competition. And there is competition on staff. And being open to diversity means people feel welcome. A third reason would be the public relations side of things. I mean if you're seen as a good employer, if you're seen as somebody who embraces diversity as an employer, it's good for public relations (Manager A, Hotel A).

We had a guy with us last year who had Down Syndrome who used to come in and do the towels and it was great to see how the team came together and made
sure he was looked after and how they reacted and interacted with him and it was a learning curve. I think it would be ignorant to say you can't learn something from diversity. And you know like I said Andy coming on board with us last year, that was an eye opener for the team just to realise that we're not all physically or mentally “perfect” so we’ve got to adapt our workplace we've to adapt how we interact with people (Manager B, Hotel A).

Diversity can be advantageous for a hotel. Absolutely. Different cultures can bring something different and it makes people more aware and more conscious of what they can and cannot do and being more aware of the guest. So it has benefits for the business as well if you’re working with someone with a disability and then a guest with a disability checks in it's going to make you more conscious. I think it’s our responsibility as employers to make sure that people feel that we’re being fair to everybody. And we want to prevent discrimination (Manager, Hotel B).

I think it’s great to have a mix of people. Employee diversity can most definitely be advantageous for the hotel. Because there are so many different types of personalities. Some personalities have a very strong work ethic, whereas some personalities are fantastic with customers, and very happy and smiley. I find that the Eastern Europeans have a fantastic work ethic, whereas the Filipino, the Malay, move at a different pace. But they have great customer contact. They're the ones you get letters about. I have a member of staff who is 54, a supervisor who is 60, and a plethora of different age groups, people in their thirties, twenties, late teens. And the younger associates respect the older associates. They help each other. The older associates give the younger ones feedback and the younger ones see the older ones as the matriarch of departments, someone you can go to instead of the supervisors to ask questions and they’ll help. It’s very important to have different ages and so on, because it’s a hotel. You’re getting different cultures, different nationalities, different age groups coming through that door every day. And people want to see someone they can relate to.
So if you've older workers, they can relate to that customer group (Manager, Hotel C).

Yes, diversity can be advantageous because everyone will bring different experiences and attributes so it would benefit the hotel overall (Manager, Hotel D).

Diversity can be brilliant for a hotel. Because it increases morale. It also shows people who have never been outside the country other peoples cultures and where they come from. And different people can bring different things to the table (Manager, Hotel E).

Diversity is advantageous for the hotel. There's been a big difference. This town is a very small place and everybody knows everybody and I think it's good then to have different people coming in because it moves them on a bit, maybe more in to the next century a bit, so they have a bit more understanding for other people. So I think the locality and the town as opposed to the hotel, has benefited from such a diverse workforce (Manager, Hotel F).

I think diversity does bring advantages. It creates more of an awareness for staff, working with people of different ages, different cultures (Manager, Hotel I).

The above quotations outlined managers' opinions on workforce diversity. Overall, managers are of the opinion that workforce diversity is advantageous for hotels, in a number of ways. The following section outlines managers' perceptions specifically on cultural diversity in the hotel sector.

4.14 Managers Opinions on Cultural Diversity in the Hotel Workforce

Managers and employees were asked to outline their opinions on cultural diversity in the workforce. This theme outlines managers perceptions. The following theme (4.15) will
outline the opinions of the *employee* respondents. One manager stated that cultural diversity, in specific, must be managed:

*Cultural diversity has to be managed. It can't be left run amok. It needs to be managed because staff need to understand that you have to respect everybody else's cultural diversity. At the moment I think we have about 25 different nationalities. And they do get on. There's no cultural division in any of the departments. One reason for that is the level of English in each department is good enough for you to converse, because you are front of house, you are dealing with guests, you need that level. People are trained to know that it's important to be diverse, its important that people get on. And especially in a pressurised environment, if you're fighting with somebody, it's not going to work out* (Manager A, Hotel A).

Another manager, however, disagreed:

*There isn't a need to manage cultural diversity. Not that I've come up against anyway as yet* (Manager, Hotel I).

All ten managers, however, agreed that cultural diversity can be advantageous for the organisation. The managers' responses varied in terms of these potential advantages. Three managers stated that cultural diversity can provide an advantage through an increase in different perspectives and a wider range of experiences:

*I think cultural diversity is very beneficial, because different cultures bring different things to the table. The Spanish are very friendly, but work a bit slower, but they are great with customers* (Manager, Hotel C).

*People from different nations have different experiences and different ideas and maybe better ways of doing things, so I think it's to our advantage* (Manager, Hotel D).
Employees would be coming into the hotel with their past practices from their customer services. We'll use Mauritius as an example because we've people from there. They come from five star beach properties to come work in Ireland, bringing a five star mind-set and experience that has become hugely beneficial where they work. They bring a much higher level of customer service than we would be used to than from the Irish floor staff who had to be up-trained from three star to four star. If they think they can do something better than our standard, we let them run with it (Manager, Hotel H).

Three managers suggested that cultural diversity can aid the hotel in transactions with customers:

*I think it can be advantageous in that if someone's checking in it's nice to have someone from their nationality there to help* (Manager, Hotel B).

*Well cultural diversity has advantages in regard to translation for customers* (Manager, Hotel H).

*I just think having different cultures around a table is a great recipe for a good workplace. It's good coming in to have different people working here. For example, if you had guests from Spain, it's lovely to have an employee from Spain so that they can speak Spanish to them* (Manager, Hotel E).

A further benefit suggested included increased idea generation:

*As for cultural diversity having advantages for the hotel, yes I think it does. I mean it's going back to what I was saying in general about what you can learn from one another. How we pull together, how different nationalities look after each other. And who is to say that you can't learn something from another culture? We're always trying to generate ideas and there's 135 people, 22 different nationalities, so there's bound to be bucket-loads of ideas, you know*
something they had in their own country or in hotels in other places they've worked in that we adapt to use here. So definitely, it has advantages (Manager B, Hotel A).

Managers also suggested a number of possible challenges that could arise as a result of the presence of cultural diversity in the organisation. Two managers believe that the presence of a large number of employees from one culture could result in that cultural group becoming overly dominant within the organisation:

_If you have a lot of employees from one culture, you might get to a situation where some cultures become dominant._ (Manager A, Hotel A).

_One possible disadvantage is that if you had too many of one nationality, at times they could gang up on other nationalities if they weren't managed correctly. They could stick together and not mix, Irish included._ (Manager, Hotel E).

Three managers suggested that cultural diversity can pose problems for the hotel with customers:

_Cultural diversity can cause a problem sometimes for customers. A lot of the elderly Irish people would have preconceptions against the Eastern European block, whereas I see them as fantastic workers. I'd be lost without them. A lot of them would be very hard on employees that might not be officially from Ireland, whereas they might have been in Ireland for the last twenty years. Some customers would have negative preconceptions. So that's a challenge._ (Manager A, Hotel A).

_On one side, one challenge could be that you could have customers that only want to deal with Irish people even though we're in a multicultural world._ (Manager B, Hotel A).
If you asked me that question about a year ago I would have said yes, it has advantages. I would probably have to say no now. And the reason for that is I feel that there are a lot of Irish people unemployed, they come into the hotel then and they see the employees and they're thinking “what are they doing here, taking my job?” I think that the more unemployment there is, if you had a family with four young people and none of them were employed and you walk in to the hotel and most of the employees are foreign, you might turn around and go “why aren’t they hiring our own?” The fact that person has been here doing that job for the last five years and pay their taxes never even enters the equation. And, it's very difficult to be open-minded when you're employing then, because in a small town you have to be more aware of your customers. But still, the best person for the job should get it (Manager, Hotel F).

Two managers identified challenges associated with a language barrier:

I suppose cultural diversity does have challenges, at the start with the language barrier. We used to do English classes for people, and translation, and ensuring that people are aware that some nationalities don’t get on due to history and all the rest, but it seems to be fine. After a few years you don’t notice a difference in culture (Manager, Hotel B).

When you have a person coming in from Eastern Europe and English language would be a potential barrier for them (Manager, Hotel H).

One manager suggested that a challenge can stem from different cultures in the organisation having preconceived ideas about other cultures present in the organisation:

Oh certainly it can present problems. It can bring challenges if each different culture has their own ideas about other cultures. Its only through getting them to grow and understand it that they can manage it in the workplace (Manager, Hotel G).
A further manager highlighted that some employees are highly qualified in other positions, but must enter into other professions on arrival in Ireland, resulting in the need for training:

Cultural diversity can present challenges. Some of the jobs in Poland, for example, would be fairly low paying, but employ fairly highly-educated persons. We’ve a girl on wash-up who is a qualified nurse, but she’s earning more on wash-up than she would in the medical profession at home. So when that person comes over from Poland we would say look you’re not the first person to come in from Poland with that specific thought so we have to train them in things like HACAP, train them in different areas of what they might need to do, sandwich making, hygiene, things like that. That situation would not arise with an Irish person. An Irish person that’s trained in the medical profession would stay in the medical profession. They wouldn’t downgrade to hotels. When it comes to cultural diversity that’s probably the biggest challenge, foreigners coming in who are a bit nervous about what they are doing and we have to be very careful to train them to the correct standard that we have, but at the same time use the strengths that they do have elsewhere. She’s a nurse so she is very good at first aid so she’d be one of the first we’d call if there was an injury. So we try to use the strengths they had in their country (Manager, Hotel H).

Finally, three managers believe that cultural diversity does not present challenges for the hotel:

I don’t find cultural diversity presents any challenges for us. I’m lucky because I can be flexible hours-wise with people so if people need time off, someone had a specific request, for example, for religious purposes I can usually accommodate that. We’re not obliged to. For example, if someone was Jewish or Muslim and needed time for a specific period, we’re not required to give them that time or accommodate that request, but depending on availability, we would do our upmost to accommodate it (Manager, Hotel C).
Cultural diversity does not present challenges. Not that I'm aware of (Manager, Hotel D).

Could it present challenges? Not that I can foresee. No, to be honest (Manager, Hotel I).

This section has outlined managers opinions on cultural diversity in the hotels. Responses were varied, with managers suggesting both a number of advantages associated with cultural diversity in the workforce, and a number of potential challenges presented by cultural diversity. The following section identifies the employees opinions on cultural diversity in the workforce.

4.15 Employees Opinions on Cultural Diversity in the Hotels

Employees were asked to share their views on multiple cultures working together in the same organisation. One employee suggested that cultural diversity in Irish workforces is inevitable, due to the increasing presence of culturally diverse individuals within the general population:

I think it is a great thing having many different cultures working here, because there are many different cultures living in Ireland. It is not possible to only have one nationality (Employee D, Lithuanian, Hotel B).

Of the 23 employees, three thought that multiple cultures working in one organisation may be problematic:

It's not bad all the different cultures but sometimes it is too difficult to communicate especially with the people who can't speak English very well. It's just hard to communicate; it's not bad to work with them. It's just the language. Maybe before they take the staff they should understand or speak English. It would make it easier if everyone had English (Employee O, Filipina, Hotel G).
Maybe it’s too much all the different cultures for one place. Maybe there should be fewer (Employee P, Polish, Hotel G).

It might be different because it’s different cultures, different people, different beliefs, different views on life, so it could maybe be hard for the management to deal with everyone in the same manner. I wouldn’t be able to tell you what would be different between me and the Filipino guys or something like that but as a person I think that it would be difficult to deal with different people because some people might get upset with what you are going to tell them or the way you are going to tell them but other people will accept this as normal. It’s people and culture, because you can get a person upset just because he is like that, or it might be because of his beliefs, so it’s different things for different situations. We’re all different. Not just because of culture. In any nationality there are different people. It’s good for the hotel to have all the different nationalities because they have different experiences, different views. (Employee Q, Latvian, Hotel G).

One employee responded that while he personally enjoyed working with employees from other cultures, he could envisage cultural diversity posing problems for the hotel:

It is good having lots of people because I like to travel. I like new cultures, new people and I think it’s a great thing when different cultures work together. I think it’s good. Sometimes it is not very easy, but it is a good thing. In Italy you don’t get as many different cultures. I don’t know if it’s good for the hotel. It’s harder to organise. More cultures means more languages. But if people are professional and know their job, even if they come from another country, they know what they have to do. If you like your job, and you know your job, there is no problem for the organisation. If you come from a different culture and don’t know the job, it is harder for the organisation. It would be much easier to mix when everyone knows their job (Employee N, Italian, Hotel F).
The remaining 19 employees believe cultural diversity in the workplace is positive for a number of reasons. Five employees believe cultural diversity can assist the hotel with non-Irish customers:

Because it's a hotel so you have to deal with customers from other countries and if you have to deal with employees from different countries, it is then much easier to deal with those customers as well. For example, if I am working with a Polish employee I get to know their culture and it makes it easier to deal with a Polish customer (Employee G, Chinese, Hotel C).

It's a very good thing all the different cultures working together. Because especially in hotels we meet people from all around the world and if you have people working around you from these cultures then you can understand the customers. Because sometimes people seem rude, they seem like they have no manners, but maybe they are not rude, maybe they are not cold, maybe that is where they are from, maybe that is their character (Employee J, Spanish, Hotel D).

It's very helpful all the different cultures. I mean me, I speak English, I speak French, I speak Hindi. So tomorrow if French customers come I will go and help. It is a good benefit for the hotel having different languages (Employee R, Mauritian, Hotel H).

We get customers from all the different nationalities all over the world here. So, if someone is coming who is French, I can speak French with them. So, I am speaking French, my friend is from Germany, and if someone comes from Germany he can talk to them (Employee S, Mauritian, Hotel H).

Having different cultures in the hotel is a very good thing because it helps the hotel. Because we have loads of different nationalities staying in the hotel on holidays or business people so if we get people who are staying, for example,
from Germany and they are not fluent in English and it comes to taking an order it is easier when they have people like me or my colleagues we can help them and it makes it easier. That’s a good thing for the hotel. It’s even a good thing for the customers. It makes them feel more at home. I think we learn from each other. For example, I am from Berlin which is a multicultural city so even when I was in school I had loads of cultures in the school and it makes it easier to understand different things (Employee T, German, Hotel H).

Five employees consider cultural diversity personally beneficial, stating that they can learn from the different cultures:

It’s good when you have people from different countries here. But I think for things like job chats they should keep everything the same. Everything should be the same for everyone. I am happy with how they do things here. I get training and speaking English and that means my English is getting better (Employee D, Lithuanian, Hotel B).

It’s good having people from different cultures because you can learn a lot about different nations. In Poland, there are not a lot of different nationalities, so you make your opinions from TV and stuff like that, but then when you meet these people it’s totally different. It would be a good thing if there were more nationalities working in Poland. It opens people’s eyes. I met some people here and they seemed to me very nice and they invited me over to their home and it is not somewhere I thought of going before but I went, so I think it would help tourism and everything. Tourism in Poland is usually only people visiting from the neighbouring countries (Employee F, Polish, Hotel C).

I think it’s very good to have different cultures working together, because you can learn things from other cultures. (Employee G, Chinese, Hotel C).
It’s good having different cultures because you can mix with different people. You can see how they live and what they do, how they work and these things (Employee H, Polish, Hotel D).

I think it’s a good thing having lots of different people working together. You can learn lots of different things (Employee I, Polish, Hotel D).

The remaining responses in relation to cultural diversity in the workforce were varied, as the following representative quotations illustrate:

It is a good idea to have different cultures in the workforce because it helps to have good communication because the people around this town are very hard to understand and you can’t ask what they said five times because it’s rude so if you are used to working with people from the area, then you can understand the customers and understand what they are saying. (Employee M, Sri Lankan, Hotel F).

I think it is a good idea having all these different people together. Because sometimes I can talk with other people it’s nice. I can work with the others, I don’t just work with the other Polish girls (Employee U, Polish, Hotel I).

It’s good everyone working together. For example, we have a Hungarian girl working in accommodation and it’s better for me because I can speak English all the time, so I can learn English. And she’s very nice. I think it’s a good idea. But it’s very strange speaking English (Employee V, Polish, Hotel I).

It’s good to have so many different people. Why not? It can be good for the hotel the variety in cultures. People like me, from my country, we work harder (Employee W, Polish, Hotel I).
In summary, while four employees believe multiple cultures working in one organisation can be problematic, the majority of employees suggested multiple benefits associated with cultural diversity in the workplace. These proposed benefits ranged from personal benefits to business benefits. The following theme addresses managers responses to whether cultural diversity necessitates an alteration of performance management systems to cater for different cultures.

4.16 Managers Opinions on Whether Cultural Diversity Necessitates Adaption of Irish Performance Management Systems

Managers were requested to explain whether they believe the presence of cultural diversity in the workforce necessitates a change in the performance management system of the hotel. Three managers were of the opinion that different cultures require small changes to be made to aspects of performance management, but that the process as a whole can remain largely unchanged:

Yes, some of the things we would change. Before, the appraisal forms for the staff would have been hugely complicated, with different processes and maps. But, we said we’ve people from loads of different cultures, so we just simplified the whole thing into questions and answers, and one block of objectives rather than having six different types of objectives. You have to make it as easy as possible for everyone to understand. So, for performance management, we’ve changed the form itself. I couldn’t say anything else. I couldn’t say we’ve needed to. We have tried to be as standardised as possible, everybody is treated the same. Everyone would be happy enough to be treated the same. On the whole, no, we wouldn’t change, because there’s no point in treating somebody different just because they’re from a different culture. Employees see it as fair themselves. If I started treating Mary differently to John, John would be annoyed. They like to be treated the same as everybody else. I wouldn’t like to be treated differently because I’m from Ireland. We wouldn’t have made a change to any processes because there was no need (Manager A, Hotel A).
Yes, it does require a change, and that's coming back again to the English speaking policy just to make sure that it's easy for the team member to partake in performance management, to understand it, and so that it's of benefit to both them and the manager. I do think it has do be adapted and that's why I have adapted the appraisal. The biggest driving factor behind me making that change was to do with culture and the fact that we've so many different nationalities in the hotel and the English speaking policy. The job chats and the appraisals have been adapted again this year to try and make it more simplistic again (Manager B, Hotel A).

Culture doesn't mean performance management has to be changed, but maybe adapted. For example, at induction I don't just give people a handbook, I go through absolutely everything with them. I think you have to adapt, but I don't think you should change what you do. Because if you are doing something and its working I don't think you should change it. We haven't made any changes to our performance management system to suit cultures (Manager, Hotel E).

The remaining seven managers believe that performance management systems should not be altered or adapted to cater for different cultures. For three managers, the primary reason for this view was that to change performance management for different cultures would make the system unfair, and serve to highlight differences. The following quotations are representative of the opinions expressed by the remaining seven managers:

I don't think cultural diversity requires a change in performance management. I think when you're managing staff there should only be one system because it needs to be comparative. I don't think if you've different ways of managing performance it's going to be consistent across the board. I think this is the culture the company has developed, and employees need to buy into it. Everything has to be transparent, it needs to be agreed. We do look at the appraisal forms, and I have changed bits of it, but I think it should be consistent
for everybody and they need to buy into the way the company is and be appraised by it accordingly (Manager, Hotel B).

No, culture doesn’t require a change in performance management. Because the way it’s done is everyone is set the same goals, then it goes into exactly how you as an associate performed. They’re given feedback on a regular basis, and there has to be continuous feedback for a result. I haven’t had anyone come to me about a discrimination issue or about feeling like they’re being treated differently because of their culture or about their appraisal or how we deliver training. And that’s why we have the guarantee of fair treatment, and if everyone is treated fairly, there’s no issue. So when everyone’s treated very fairly there’s no grey area, there’s no issue (Manager, Hotel C).

Everybody is treated the same. No, if you change performance management for different cultures that might lead to problems. I mean why highlight somebody? Do you change who you are to accommodate them? I don’t think they’d want that. I think a bit of understanding is very important, and to understand a cultures history is very important. I’ve worked with people who’ve gone to Poland to train people and they’ve told me that they would be queued up outside the door in a straight line. If that was in Ireland they’d be coming in ten minutes late. Everything is very regimented, and it goes back to the history of their country. You just need to be aware, to know why people act the way they do and why they do what they do (Manager, Hotel F).

There haven’t been any issues with needing to change performance management in my department. It seems to work fine. It’s never been brought to me attention that someone isn’t happy with how it’s done. But maybe there is a better way of doing it. I’m open to a better way (Manager, Hotel D).

I wouldn’t say our performance management system needs to be altered. At this stage, it’s been 15 years since we saw the influx of foreigners coming to Ennis,
and those processes were in place then. And they haven’t needed to be altered since then. I’m in this business for 14 years and I’ve been working with foreigners for 14 years, and the processes I’ve come to learn are the processes that were standard when I started, so nothing has really changed. I wouldn’t think there’s a need to change them at all because they’ve been in place for such a long time that we’ve come to expect a certain amount of pessimism or optimism about it from employees (Manager, Hotel H).

Finally, three managers interestingly contend that regardless of national culture, employees in a workforce may be influenced by the culture of the organisation:

I think the culture of the organisation does influence employees, because you are here five days out of your week, eight hours a day (Manager B, Hotel A).

Inside the workforce, employees probably come to fit the organisation’s culture. We have kept a lot of our staff so they have very much integrated. I don’t see any difference in terms of culture (Manager, Hotel B).

Employees slip in to what we do in the organisation. They all join one team (Manager, Hotel F).

Managers opinions on whether performance management should be changed to suit different cultures were outlined in the preceding section. Three managers believe that cultural diversity requires small changes to be made to the performance management system. The remaining seven managers, however, contend that the presence of cultural diversity in the workforce does not necessitate adaption of performance management. In a similar vein, employees opinions on whether cultural diversity necessitates a change in performance management systems are outlined in the following section.
Employees were asked to share whether they desire a change to performance management systems to cater for their cultures. Three managers, as outlined in the preceding section, contend that employees from different cultures may be influenced by the culture of the organisation. Interestingly, 19 of the 23 employees interviewed agreed with the above three managers’ assertions, stating that they have no desire for the hotel to change performance management practices or any aspect of their general management practices. Two employees responded that they have found conditions here comfortable since the commencement of their employment:

The hotel hasn’t changed anything, but I think the atmosphere is more than friendly and smiley and you never say no for the customer so it’s really good. At home, we don’t have anything about customer service or what we should do. It’s more than comfortable here. I don’t think they need to change anything. At home we need some things to change. I don’t think it’s necessary to change things for all the different cultures. I don’t think they have to do that. Everything is fine here. That’s my opinion and I’ve been here for four years so really I like it. Some objective about your job, small things, and feedback are missing at home. I think in my country everyone would like it. Here, if I have some problem with my job I can go and talk with my boss. It’s a very good thing. All the time I am talking with my boss (Employee A, Hungarian, Hotel A).

Well, it was very comfortable from the start. It’s friendly for every culture. There’s nothing big they could change. We get days with national food in our canteen (Employee F, Polish, Hotel C).

The remaining employees’ opinions in relation to whether performance management should be altered to cater for their cultures varied. The following are representative quotations:
We have Polish day for example. Not just the Polish one, but for all the different nationalities we have a day. When my colleagues start work here, managers see them as a normal employee, and the managers treat them as the other workers, the same as Irish employees, so there is no difference between cultures. And one of my managers is from India as well so it can bring comfort to us to be seen as a normal employee. I don’t think they need to change anything. This company has their own rules. And everywhere should have rules, and employees should respect them. When we have rules, we know what to do, and how. Because we are in Ireland now, we have to respect the rules. You can’t do things that are different from the rules (Employee B, Polish, Hotel A).

There is nothing I would like them to change. I like this work and I like this country. I work better when everyone is friendly and smiling. I am happy to work the way they work here, I don’t want them to change anything for me (Employee E, Slovakian, Hotel B).

We are in the college as well and they will give flexible hours. If you have college in the morning they will give you a later shift. They try to make everyone happy. I think I work better because I am happy. Because I don’t want to lose my shift but I don’t want to miss my college, so this way I can do both. I think at the moment it’s all ok (Employee G, Chinese, Hotel C).

I know there are a lot of people here on work placement from Polish school and they are practicing here so they have got a lot of help from the hotel. They have helped them to find accommodation and help them with different things. There is nothing they should change. I have no problems. I can’t think of anything. They are even very flexible for the Polish people, because if they want to go to Poland or if they are studying, that’s no problem they are flexible for us (Employee I, Polish, Hotel D).
There is no need to change performance management. I am happy here. If there is something which is not suiting me I will tell them. So far there is nothing. I think they should have one system to manage everyone, as long as it is equal and right. We all can say what is not suitable for us and if it is not suitable and it is ok to change, then why not change. But the whole system should not change just for one person or a few people. The system wouldn’t be changed completely anyway, because it works, and it works well. If there are mistakes in the system then it should be changed a little bit, but not the whole system (Employee Q, Latvian, Hotel G).

If we have some problems we are free to talk to the managers and they are always available to talk to us and listen to us. They are very nice people here. I had a friend who was working here and he was broke and hadn’t the money to buy his ticket home to Mauritius so the hotel organised a collection to help him buy his ticket home (Employee S, Mauritian, Hotel H).

No, not that I can think of. But I think that is fair. I mean our cultures are not very different. Irish and Germans are very similar. They are Europeans. There is nothing no. I didn’t think about that, so the fact that I didn’t think about it I think there is nothing. I think everyone should be managed the same way (Employee T, German, Hotel H).

One employee arguably summed up the 19 employees opinions neatly via the following statement:

I’ll put it this way, you can put the tiger into a different jungle, and he will never lose his spots. Same for me, wherever I go, my culture is my culture. My accent is my accent. They don’t need to change. My culture is not a bother. When you go to Rome you have to be like Caesar. That’s what I am trying to say. So, the culture stays the same, just the place is different. The tiger still has his spots, he is just in a different jungle (Employee M, Sri Lankan, Hotel F).
Seven of the 19 employees, however, although having previously stated that they were happy without any changes, did later mention that there are certain issues they would like the hotels to address:

*I think for the management they should know more about people’s cultures and why they act differently. For example, if they put me on a shift for Chinese New Year I wouldn’t be very happy, but if they know and they let me off, I will be happy* (Employee G, Chinese, Hotel C).

*It might be a good idea to have the contracts in the other languages as well just for people who don’t have very good English. Everyone would still speak English, but just so they would know exactly what is in the contract.* (Employee K, Slovakian, Hotel E).

*One thing I don’t like about Ireland is they don’t have sick pay. In Spain hotels have sick pay for their employees. And if you have an accident in the hotel they will pay for everything if it happened from half an hour before you start work or half an hour after you finish work. They should have the sick pay. It’s very important, especially for people with children. All employers should give it. Ireland needs to be more equal, not have the rich and the poor* (Employee J, Spanish, Hotel D).

*I would like them to do more appraisals. In this way we can know where we are wrong and where we are right and can get the chance to improve* (Employee S, Mauritian, Hotel H).

Of the seven employees who mentioned some work-related issues that they would like addressed, three were Polish. Interestingly, each of the three Polish employees focussed on work-related issues:
Maybe they should have more full-time and part-time people working here instead of casual. Casual people only come maybe two times a week or not at all some weeks and they don’t do the job as good as people who are here full time or part-time. They don’t really think about the job. They should just have full time, or even part-time. Because if you know you are going to be here three days a week then you can try find a second job too or something if you need to. It’s hard to plan anything when you are casual. Except that everything is really good.

(Employee I, Polish, Hotel D).

I think it would be better if I had more help with my work (Employee U, Polish, Hotel I).

I think we now have too many rooms. I think just one room less would be better. We would have more time to spend cleaning the rooms (Employee V, Polish, Hotel I).

Finally, four employees made reference to a requirement to speak English while working in the hotel, but consider this policy fair:

We are not allowed to speak in Polish because it’s not nice for the other employees who are sitting in the canteen at the same time. Because when we are at break, it’s not very nice if we are speaking in Polish and a Hungarian employee is sitting with us. We are respecting our colleagues if we are all speaking English (Employee B, Polish, Hotel A).

Working in Ireland we have to speak English. It is good for your own performance speaking English. For example my boyfriend and our friends don’t have to speak English at work so I am the only person in our home who speaks English so I am the only person who can answer the phone and deal with the bills and things (Employee K, Slovakian, Hotel E).
There are no real restrictions on our culture here. We can speak our own language when we are not in the front of house, so everything is good (Employee F, Polish, Hotel C).

Sometimes if we speak our own language they don’t like it. They don’t say you have to change your culture because you’re here in Ireland, they just ask if possible you don’t speak your language in front of customers because they don’t understand us. I don’t mind. Most of the time I don’t speak my own language even when I’m with the other employees from my country. (Employee O, Filipina, Hotel G).

Overall, the majority of employees (19 of 23) expressed no desire for the hotel to make alterations to performance management to better suit their cultures. Of the employees who did propose areas they would like addressed, with the exception of one employee who would prefer more appraisals, the issues were job-related rather than performance-management related.

4.18 Summary

This chapter presented data amassed from interviews conducted with 10 managers and 23 employees across nine hotels in Ireland. The interview guide for the managers, along with the interview guide for the employees, both of which formed the basis of the respective interviews, are presented in Appendices A and B. A number of themes emerged during the course of this research, and these thematic areas are analysed in the following chapter.
Chapter 5
Analysis and Discussion of Findings
Chapter 5: Analysis and Discussion of Findings

5.1 Introduction

This chapter presents an analysis and discussion of the themes introduced in Chapter 4. Sixteen themes were outlined in Chapter 4. These themes were identified through data gathered from interviews with ten Irish managers and 23 non-Irish employees from nine hotels across Munster, Leinster and Connacht. Each of these sixteen themes will be analysed systematically, following the same structure of Chapter 4. The first theme analysed in this chapter deals with the reasons for performance evaluation. An analysis of each of the sixteen themes will highlight the current research findings in relation to extant relevant literature.

5.2 Reasons for Performance Evaluation

A number of reasons for evaluating or managing the performance of employees in a workforce have previously been suggested. Some of the reasons suggested by Bowes (2009) and Nudleman (2008) include, for example, the improvement of employee performance, team and group performance, and, thus, consequentially, overall organisational performance. Four managerial respondents in the current study identified an additional reason, specifically, the maintenance of the hotels standards, as a reason for managing the performance of their employees. These respondents believe that desired standards can only be maintained, and improved, if the performance of employees is being monitored. This view is reflective of the increasing desire for value for money evident in times of economic hardship, as quality and service standards could be used by hotels to differentiate themselves from their competitors. Indeed, one manager presented a similar argument, stating “performance is so important because the only difference between prices in different places is the customer service you’re getting”. Consequently, managing employee performance is critical to maintaining quality standards, which hotels can use to differentiate themselves from their competition.
Five managerial respondents also suggest that the management and evaluation of employee performance is beneficial to both the organisation as a whole, and to the individual employees. This suggestion corroborates the assertion of Buchner (2007) and den Hartog et al. (2004) who previously noted that performance management is a process that should be undertaken with a view to benefitting all employees in the organisation. If the process does benefit the employees of the organisation, this in turn, should mean that it will also benefit the organisation as a whole, as it can be deduced that if individual employee performance is increased, the overall performance of the organisation will also be improved. Similarly, in previous literature, Bowes (2009), Nudleman (2008) and Armstrong and Baron (1998) suggest that the improvement of employees overall performance ultimately serves to add value to the entire organisation. Indeed, Walker (2007) considers the management of employee performance the single largest contributor to the effectiveness of organisations.

The same five managerial respondents in the current study implied that the process of performance management can serve as a vehicle for communication between employees and management, and, through constructive criticism, assist employees in improving their performance. Such an opportunity for communication, and improvement, may be crucial in the current climate as employees face continuing uncertainty regarding employment. House et al. (2002) previously suggested that openness to such communication and criticism may, however, be culturally dependant. Employees from different cultures generally expect a large gap between superiors and subordinates, thus do not expect to engage in communication with them, rather expect to be instructed, and to follow those instructions. Furthermore, it has been suggested by Hofstede (1983) that in certain cultures it is unacceptable for superiors to pass comment, either positive or negative, on an employees work. In contrast, however, findings in the current study illustrate that seven employees from different countries embraced the process of performance evaluation. These employees from Italy, China, Slovakia, Germany, Latvia, Hungary and Poland all considered performance evaluation a positive experience. Interestingly, similar to the Irish managers, five of these employees suggested that performance evaluation is
beneficial to both the organisation and its employees, thus, indicating that these five non-Irish employees in this instance share a similar point of view to the Irish managers.

Two further managers suggested performance management can be used to motivate employees and improve their morale, a suggestion also proffered by Moriss (1999). These managers, however, each had different motives for their desire to use performance evaluation to increase motivation and morale. One manager believed that as employees are “the face” of organisations operating in the hospitality services industry, it is essential to keep employees motivated. A similar view has previously been offered by Constantinou (2004), who suggests that the effectiveness of any organisation is reflected in the performance of its employees, thus, indicating that the visible performance of employees reflects upon the entire organisation. This suggestion was borne out by three employees from China, Slovakia and Latvia respectively, who suggested that if they are working well, it will help the hotel to attract, and retain, customers. Another manager believed it is important to keep employees motivated for budgetary reasons. This manager suggested that as the hotel is working under a tighter budget for recessionary reasons, it is now essential to ensure that employees continue to work to their full potential. This manager also suggested that the reason performance management motivates employees is that without evaluation of their performance, employees will believe the organisation has simply forgotten about them. The manager believes it is important to converse with employees regarding their current performance in the hotel, and their future goals. This view, although from a different perspective, supports Gunnigle et al. (2006) and Armstrong and Baron’s (1998) contention that performance management provides employees with an opportunity to openly express their aspirations, expectations, fears and concerns. This view was shared by one Hungarian employee, who implied a desire for personal communication between her and her manager, stating “if they ask about your life that is a positive thing”, corroborating the contention of Schraeder et al. (2007) that communication is an important factor that affects employee motivation.
The above discussion centred on various reasons given by managers, and employees, for performance management in the sample hotels included in this research. It can be seen that the main reasons given include the potential for open communication and constructive criticism, and improvement in employee morale and motivation. The findings on the performance management systems used in the hotels in this research study are discussed in the following section.

5.3 Performance Management Systems Used in the Hotels in This Study

Five managerial respondents detailed a two-phased approach to performance management. Essentially, in five of the hotels there are two types of performance management systems in use: a system for new employees and a system for established employees. In four of the hotels, the system for new employees hinges on what the managers all refer to as job chats. Job chats are part of the performance management process in these hotels, but are akin to informal chats between a manager and an employee regarding the employees' performance, as opposed to formal documented conversations. Job chats, although specifically mentioned in four of the nine hotels, are a process not mentioned in the literature contained in Chapter Two, suggesting an avenue of further research. Job chats serve to update the employee on their progress and performance, while enabling the manager to uncover any issues which may be impairing the employees performance. Job chats, therefore, may be a useful means of introducing employees who are unfamiliar with performance management to the performance management process.

Five employees, for example, all reported that performance management is not conducted in their home countries, thus, their first encounter of the process was in Ireland. Job chats, therefore, may aid managers in informally familiarising the employees with the process, and acclimatising employees to open communication between superiors and subordinates. This may be particularly useful for introducing the concept of two-way communication to employees whose culture dictates deference to authority as these cultures may, according to Gardenswartz and Rowe (2001), avoid making suggestions as they may feel to do so
would be openly challenging the authority of their superiors. The fifth manager who spoke of a dual-phased approach did not refer to job chats, but did outline a smaller type of performance review which appears quite similar to the job chats undertaken in the other four hotels.

The similarities between the dual-phased approaches of the five hotels are not limited to job chats. The timing of various aspects of performance management differed, however, the performance management system for new employees in the five hotels all followed a similar structure. Each of the hotels have either a job chat or smaller performance review between four to 13 weeks after the employee commenced employment with the hotel. Two hotels have a further job chat 11 or 12 weeks later. Following on from these initial job chats, the employees are given a formal appraisal, along with employees already established within the organisation. Performance appraisal is a bi-annual event within five of the nine hotels. In two of these five hotels, the purpose of the first appraisal was to set goals, while the purpose of the second appraisal was to revisit these goals, provide feedback on performance, and either reinforce, adjust, or build on these goals, implying a process that is truly continual, as Armstrong (2009) suggests performance management should be. Three managers reported that performance appraisal is an annual event, while another manager revealed that performance appraisal occurs on an ad-hoc basis as managers believe the need for it arises. Ad-hoc appraisal contravenes the recommendations of both the UK Chartered Management Institute (2006) and Patten (1982). Patten (1982) suggests performance appraisal should take place annually, while the UK Chartered Management Institute (2006) suggests performance appraisal should be conducted every six to twelve months.

Managers from each of the nine hotels outlined the use of a performance management system involving the use of participative performance appraisals with an element of self-rating or self-assessment by employees, adopting an approach suggested by DeGregorio and Fisher (1988), who proffer that organisations should use a combined self and supervisory appraisal. In all of the hotels included in this study, managers and employees are each given appraisal forms to fill out prior to the performance appraisal. At the
performance appraisal, each form is discussed. Both parties then come to an agreement in relation to what will be recorded on a third copy of the appraisal form, which is the official form to be kept on record. According to one manager, the reason employees are given an appraisal form and asked to rate their own performance prior to the formal appraisal is to prepare them for the appraisal. Providing employees with the appraisal form prior to the appraisal interview should, if the form is adhered though through the interview, remove any ambiguity and uncertainty employees may have surrounding the process. This process is especially relevant for the five employees previously mentioned who had not experienced performance management in their home countries. Indeed, this practice should prove as beneficial to new Irish employees as to the non-Irish employees. Removing ambiguity and uncertainty should result in employees becoming more open to the process. Additionally, employee participation in the process may also afford managers an opportunity to uncover work-related issues faced by employees that may be impeding their performance, such as a lack of training, role uncertainty or inadequate equipment.

There would appear, with the exception of the views expressed by DeGregorio and Fisher (1988) and Farh et al. (1998) to be a lack of research on participative performance appraisal, while there is significant research and debate on participative goal-setting. The presence of participative appraisal in each of the nine hotels, however, highlights a need for research in this area. In addition to their opinions on performance management in hotels in Ireland, employees also outlined their experience of performance management in their home countries, which is discussed in the following section.

5.4 Performance Management in the Employees Home Countries

Employee responses in relation to the methods of performance management in their home country indicated that there is no uniform process in place. Employees outlined varied performance management systems, ranging from no performance management, to processes similar, or identical, to those in place in their current employment in Ireland. The experience of seven employee respondents of performance management in their
home country matched, or was similar to, their experience of performance management in Ireland. One of these seven employees was Chinese. This employee stated that performance management in China is similar to performance management experienced by this employee in Ireland, specifically, continuous feedback from the employee’s superior in relation to the employee’s performance. Generalisation is not possible based on one employee, however, the presence of such a process in China, as outlined by this employee, would be in contradiction of Hofstede’s (1983) research, in which it is suggested that communication between superiors and subordinates on the work of the subordinate is not culturally acceptable in China. Moreover, Hofstede’s (1983) research further suggests that communication in general between superiors and subordinates is not expected, or accepted, due to the presence of a large power gap. The responses of this employee, however, indicate that communication between superiors and subordinates may occur, albeit at a smaller level, in Chinese organisations.

Findings in this study displayed an inconsistency in reports from employees on the subject of performance management within the same country, indicating that the process of performance management varies widely between organisations in some countries. Two Hungarian employees, for instance, both with a background in hotels, gave quite different accounts of performance management in Hungary. One employee outlined a system similar to the system in place in the employee’s current workplace in Ireland, based on appraisals and continual feedback, both positive and negative. The second employee, however, stated that performance management is not conducted in hotels in Hungary. This employee stated that employees are expected to “just do the job”, and do not receive feedback. Similarly, two Slovakian employees outlined significantly different practices, as did five Polish employees. Three of these Polish employees did disclose, however, that whether performance appraisal occurs is dependant both on the size of the organisation, and the organisations own policy on performance management. Two other employees, one Latvian and one German, also stated that performance management in their home countries is practiced in some organisations, but performance management is not practiced in some other organisations. There are a number of possible reasons for such disparity. Armstrong and Baron (1998) suggest the approach adopted by organisations to
performance management is dependant on the context of the organisation, specifically its structure, culture, technology, the type of people involved, and the views of the organisations stakeholders. It is possible, therefore, that the factors suggested by Armstrong and Baron (1998) vary widely between organisations in these countries, thus, resulting in the differences in the employees experiences of performance management. Such differences in experiences, however, suggest that employees are used to dealing with different performance management practices, thus, adapting performance management may not be necessary.

Only five of the 23 employee respondents, one from Hungary, Lithuania and Spain, and two employees from Poland, stated that there is no form of performance management in their home country, although other respondents from the same countries had experienced performance management in their home countries. Interestingly, five employees, from Slovakia, Hungary, Poland, Lithuania and Spain prefer the system they have experienced to date in Irish hotels. One Slovakian employee stated that while performance management is conducted in their home country, performance appraisal is not conducted as frequently as it is in the hotel the employee currently works in. This employee prefers the frequency of performance appraisal and feedback in Irish hotels stating that “it is good here that it is often, because we have to know how we are working to make our job better”. This view supports Torrington and Hall’s (1998) suggestion that performance appraisal can be used by organisations to improve the performance of their employees. A Hungarian employee offered a similar opinion, contending that feedback is important because if the employee receives positive feedback they can perform better at their job, which results in their overall improvement. This opinion supports Domeyer (2007), who proffers that appraisals can motivate employees via recognition of achievements, and that feedback given during appraisals serves to assist employees in identifying skills sets which can be improved upon. Further, a Polish employee implied a preference for the emphasis on relationship-building between superiors and subordinates associated with performance management in Ireland. This employee stated that while performance management does occur in Poland, the process is not the same, and there is no emphasis on building relationships, whereas, in contrast the employee believes that in Ireland “it’s
good to know that you can ask your manager about everything. He knows you very well, and that’s very good”. The development of such relationships has previously been identified by Armstrong and Baron (1998) as an aim of the performance management process. Employees from Lithuania and Spain also reflected these sentiments, indicating that a good working relationship between management and employees is important to these employees. Employee participation in performance management through, for example, participative appraisal or participative goal setting, may assist in developing such a relationship.

The preference of five employees from different cultures for their experience of performance management, as conducted in Irish hotels, implies that individuals are capable of deviating from their cultural norm, substantiating Bings (2004) contention that populations are normal curves, and as such an individual may be found at one extreme of the cultural continuum, or in the centre.

There are a number of factors, both work-related and personal, that have the potential to affect the performance of employees. The factors deemed by managerial respondents as having the potential to affect employee performance are discussed in the following section.

5.5 Factors Affecting the Performance of Employees

Praise, recognition and acknowledgement of work were the most commonly cited factors by managerial respondents that could potentially positively affect the performance of employees. These factors were highlighted by four managers. One manager believes that the appraisal system exists in their organisation to serve as a vehicle by which managers can express their gratitude to employees, and thank them for their work. This opinion supports a suggestion previously made by Domeyer (2007) Gunnigle et al. (2006), who believe organisations can use performance appraisal as an opportunity to provide employees with recognition of achievements and good performance. This manager further suggests that it is a managers duty to thank high-performing employees. A second
manager suggested that positive feedback on good performance can motivate employees, substantiating Simonsen’s (1998) argument that positive feedback supports employee motivation. These suggestions indicate that managers believe that praise and recognition of good performance and work behaviour, which can be used to reinforce desired behaviours and actions, may serve to further improve employee performance.

Four managers believed that the personal circumstances of employees can affect employee performance. Two managers suggested that work-life balance issues can affect employee performance. In addition, one manager contends that family concerns can impact an employee’s performance. Each of the four managers further suggested that if employees have personal concerns on their minds while at work, their performance will be negatively affected. Such factors affect employees from feminine cultures, who place value, for example, on work-life balance and relationships with others, and who tend to be more nurturing. In this study, however, managers were referring to factors which they believe, in their experiences, affect the performance of all employees, regardless of culture. The identification of personal circumstances and work-life balance suggest that these factors also affect employees from cultures which have not been categorised as feminine. Moreover, Ireland has been categorised as a relatively masculine culture, and normally masculine cultures do not place as much emphasis on relationships and work-life balance and tend to be more assertive rather than nurturing. The identification of personal circumstances and work-life balance by Irish managers in this study as factors which can affect employee performance would appear, however, to contradict the categorisation of Ireland as a masculine culture. This contradiction may be attributable to a shift in cultural attitudes, perhaps resulting from recent fluctuations in economic stability. In the past thirty years, Ireland has experienced economic recession, significant economic growth, and is now again experiencing economic recession. This raises an interesting question as to whether this current study, if undertaken in a time of economic growth, would generate the same findings.

It was also suggested by three managers that the team in which the employee works can also impact their performance. As teams are comprised of individuals, it can be inferred
that if members of the team in which the employee works are not performing effectively, this will adversely affect the employees performance. Performance management can assist managers in counteracting poor individual performance within teams, as a further aim of performance management suggested by Armstrong and Baron (1998) is the enhancement and development of team performance and cohesion. In addition, three managers believed that the manager tasked with managing the employee’s performance may also be a factor that could positively or negatively affect performance. These managers deem the manager’s ability, and the type of relationship they have with their employees important considerations for affecting the performance of employees. Additionally, training was highlighted as a factor that can affect performance by three managers. Without adequate and suitable training, employees will not have a clear understanding of what is expected of them, nor will they be capable of performing tasks appropriately, thus, highlighting the link between appropriate training and performance. Other factors highlighted by managers as factors that could affect employee performance were employee morale, empowerment, employee involvement and job satisfaction, or a lack of job satisfaction. Managers believed that when morale is low or when employees are not empowered or involved, and thus are not satisfied in their job, their performance will suffer. It can be reasonably deduced therefore, that high morale, employee empowerment and involvement and job satisfaction will lead to a maintenance or improvement in performance standards. Morale and job satisfaction can be improved through the open communication necessary for participation, thus, it can be suggested that organisations build employee participation into their performance management systems, perhaps at the performance appraisal review, or goal setting.

Of the ten managers, only one respondent deemed pay to be a factor that could affect performance. The consideration of pay as an important factor by only one manager contradicts the assertion that Ireland is a masculine culture, as masculine cultures place value on money, suggesting that all ten managerial respondents should have considered pay important. This manager contends that as the hotel industry is a low wage paying industry, pay affects performance. In contrast, other managers believe pay is not a factor that affects performance, or the least likely factor to affect performance. These managers
consider support, development, training and happiness factors that positively affect performance. These are factors traditionally associated with feminine cultures, indicating that Ireland may be more feminine than masculine in relation to factors that affect employee performance. A similar contradiction in opinions in relation to monetary rewards, which will be discussed in more detail in a further section, was evident between employee respondents. Eight employees considered monetary rewards important, while a further four did not consider it important.

According to existing literature on cultural diversity, the performance of employees from different cultures should be affected by factors differently. Managers in this study identified factors which they believe affect the performance of specific cultures, which are discussed in the following section.

5.6 Factors Affecting the Performance of Employees from Different Cultures

Gardenswartz and Rowe (2001) suggest that national culture influences the behaviour of employees in the workforce. In contrast, two managerial respondents in this study suggest that individual people are affected by different issues or events in different ways as opposed to entire cultures. These managers do not believe that the performance of employees from specific cultures is affected by specific factors. One manager summarised “at the end of the day, we are all only human, so I think it comes down to the person themselves more than their culture”. This suggests that certain factors will not affect every individual from a certain culture in the workforce. Consequently, managers should avoid assuming that because one employee from a culture is affected by a specific factor that it is an automatic that another employee from the same culture will be affected in the same way by that factor. A second manager did, however, imply that the performance of employees from different cultures was once affected by different factors, stating “maybe in the first or second year of the hotel being open they might have been affected by different factors, but we have kept a lot of our staff, so they’ve very much integrated, so I don’t see a difference there in terms of culture”. This statement raises a question regarding whether the national culture of employees is, or can be, affected by
organisational culture. If national culture is indeed affected by organisational culture, this would suggest that there may not be a need for organisations to adapt management practices, including performance management, as employees from different cultures will eventually fit into the existing organisational culture. This contradicts existing literature on cultural diversity, which suggests that organisations must adapt to accommodate different cultures in the workplace, as the findings of this study indicate that employees may simply adapt to fit into the organisations they now work in, thus, organisational adaption may not be necessary.

The other eight managers, however, did believe that employees from certain cultures are affected by specific factors more than others. Three managers, for example, discussed the importance of religion to some of their non-Irish employees. In particular, two managers spoke of the importance of the celebration of Christmas Eve to their Polish employees. While the managers stated that it is not always possible to schedule time off on Christmas Eve for their Polish employees, if possible, they will ensure that they are not working for it. A third manager outlined the importance of Ramadan for Muslim employees, and the hotels desire to accommodate those employees in allowing them time to pray, and possibly giving them time off. It does not necessarily follow, however, that Muslim employees come from countries usually associated with the Muslim religion such as India. Rather, Muslim employees may be, for example, Irish. Similarly, employees from countries usually associated with the Muslim religion may not be Muslim. Managers, therefore, should avoid making assumptions regarding an employee’s religious background. In addition, if managers are aware that employees from certain cultures are particularly hopeful of certain days off in accordance with their religious calendar, management should factor these days into employee rota decisions in an attempt to keep employees both satisfied, and motivated, as it can be deduced that this satisfaction and motivation will be evident in the employees’ performance.

One manager believes that some cultures simply have different outlooks on life in general. This manager contends that Eastern Europeans tend to focus on the negative, and need to be cajoled occasionally. This indicates that it may be necessary to have a strong
focus on positive feedback in the performance management system of a hotel that has a large number of Eastern European employees. Another manager highlighted the importance of praise and positive feedback for Irish and Sri Lankan employees. This again indicates that a strong focus on positive feedback may be a crucial component of performance management. Organisations, therefore, should ensure that managers are aware of the importance of positive feedback provision when it is warranted. If positive feedback is as important to employees as these respondents suggest, its provision to employees should ensure the maintenance or improvement of their performance, and subsequently, maintenance or improvement of overall organisational performance. It can be suggested, therefore, that positive feedback should be considered an integral component of successful performance management.

The factors identified by managerial respondents that affect the performance of employees from different cultures were to a large extent predominantly related to religion and language. These factors, however, are specific to many cultures, rather than individual cultures. Additionally, religion transcends cultures, thus, managers should avoid making assumptions on the religious background of employees based on their nationality of origin. Most countries, although usually predominantly associated with one religion, tend to have a number of religions practiced by the population. Assuming an employee practices a certain religion, or indeed any religion at all, based on their country of origin may be offensive to some individuals, which could de-motivate the employee and adversely affect their performance, which, in turn, may affect overall organisational performance.

Cultural literature also suggests that employees from different cultures may have a preference for different goal setting methods. Managers, therefore, were asked to outline whether employees from certain cultures were satisfied, or less satisfied, than employees from other cultures in relation to goal setting in the hotels. Findings on the goal setting process within the participant hotels are discussed in the subsequent section.
5.7 Setting Employee Goals in the Hotels

The maintenance of quality standards was identified by three managers as the reason goals are set for employees in the hotels. These managers believe that through setting performance goals for employees, the hotel can maintain, and improve, its standards, corroborating Roberts (1998), who deems goal setting as a method of reinforcing desired behaviours or performance. The need to improve or maintain the overall performance of the organisation was also cited by two managers as a reason for setting goals. This view concurs with Erez et al. (1985), who suggest that goal setting can be used by organisations as an effective way of influencing the performance of individuals. Maintaining hotel standards and performance via goal setting for employees indicates that frequent feedback on goal progress and reassessment of the goals must be built into performance management systems. It can be reasoned that tying employee goals to overall standards and performance without monitoring goal progress throughout the goal attainment period may lead to a reduction in overall organisational standards and performance if an employee is not performing adequately for goal achievement and continues unchecked.

In five hotels in this study employees are either partially, or fully, involved in goal setting. One manager explained their reasoning behind employee involvement in goal setting as “if someone sets it for you, its seen as a chore, whereas if it’s a goal that they want to achieve themselves, they have a reason to get there”. Two managers similarly stressed that they believe if employees are not involved in setting their goals, the goals will not be achieved. These opinions suggest that employee participation in goal setting is integral to goal achievement, thus, organisations should aim to involve employees in the goal setting aspect of performance management. One manager did caution, however, that employees may become over-committed to their goals, which the manager suggests may be detrimental to their work. The basis for this suggestion is that employees could focus on a goal in one specific area so intently that their performance of other work duties may suffer. It can be suggested, therefore, that feedback should focus on the overall employee performance, not solely goal achievement.
Three of the hotels in the current study base their goals on the overall objectives of the organisation. These objectives are filtered down through the organisation to each department, and broken down into departmental goals and individual goals, suggesting that employees in these hotels are all working towards the same overall goal. It can be deduced that this practice of employees working towards greater organisational goals may assist in reducing goal conflict and a lack of goal clarity, as all employees are made aware of the overall greater goal. In two other hotels, goals are set on a more informal basis, and are changed whenever management deems it necessary to do so, but, particularly, to reflect the hotels business environment. Such practice is evidently sensible in the midst of current business environment uncertainty, and also reflects Latham and Locke’s (1979) warning to organisations that goal achievement can be affected by external constraints such as, for example, the actions of the organisations competition. Altering goals in the face of economic recession and increased competition may assist in keeping goals realistic and achievable. Reducing room sales goals, for example, to reflect decreased spending may keep employees motivated to achieve a more realistic goal.

Seven managers, having been asked whether, in their experience, employees from any culture or cultures have issues in relation to the manner in which goals are set in their hotel, responded in the negative. This indicates that, contrary to existing literature on goal setting for different cultures, goal setting may not need to be adapted for various cultures. Indeed, one manager again highlighted a belief that opinions on goal setting are dependant on the individual employee as opposed to their culture, suggesting that employees from a specific culture do not necessarily react in the same way to goal setting. Adapting goal setting to cater for cultures, therefore, may be unnecessary, as there is no guarantee that employees are dissatisfied with the system currently in place. A second manager raised an interesting point, suggesting that once the goal setting system in the hotel is fair, and employees receive equitable treatment, there is no reason for any employee, regardless of culture, to be dissatisfied with the process.
In contrast, two managers in this study believed that certain cultures do feel differently in relation to how goals are set. One manager has found that employees in general from Eastern Europe tend to find it difficult to set their own goals, indicating that participative or self-set goals may be ineffective for employees from Eastern Europe. Eastern Europe, however, comprises a number of countries and large populations, thus, assuming that employees from each country in Eastern Europe are adverse to involvement in goal setting is inadvisable. Another manager believes that as a large number of the non-Irish employees working in the hotel have previously been trained in different occupations, “they wouldn’t look on their objectives or goals as seriously”. A number of non-Irish employees in the workforce of this manager’s hotel have come from highly specialised professions, such as healthcare. The manager believes that this results in a lack of concern for goal achievement, suggesting that the employees may not be overly-concerned with a job that some may consider lower skilled. It can be argued, however, that since these employees are now working in the hotel because they need employment, that they will take their goals as seriously as any other employee.

Reasons for goal setting, and the process itself, varied across the hotels. Interestingly, seven managers suggested that employees from individual cultures do not collectively respond differently to goal setting within the hotels, with one manager again highlighting a belief that different individuals react to goal setting differently, as opposed to entire cultures, suggesting that modification of goal setting practices to reflect cultural diversity is not necessary. Findings of employees own perceptions of goal setting in their home country are discussed in the following section.

5.8 Employees Perceptions on Goal Setting in Their Home Countries

Goal setting again appears to vary widely both between, and in, countries. One Hungarian employee, for example, stated that, while working in Hungary, she set her own goals, which, if it were general practice, would imply a large degree of trust between superiors and subordinates. In contrast, however, another Hungarian employee stated that goals are not set in Hungary. Two Polish employees also stated that goals are not set in their home
country. Two other employees, one from Poland, and one Italian, stated that goal setting is dependant upon the organisation, in that goals are set in some of the hotels, but goals are not set in other hotels, which would, in the case of the Polish employees, explain why some had experienced goal setting in Poland, while others had not. These findings again indicate large inconsistencies in practice across organisations, not just between countries, but also within the same country. As there are such inconsistencies in practice in employee’s home countries, it can be reasoned that adapting goal setting practices may be unnecessary as employees may be used to working under, and adapting to, different systems.

Six employees, two from Slovakia, and one from China, Latvia, Lithuania and Poland stated that goals are set by management in their home countries. In the case of the Chinese employee, this would appear to concur with previous research by Sue-Chan and Ong (2002) who suggest that China is a high power distance, strong uncertainty avoidance culture, within which there is a large gap in power between superiors and subordinates, and an inherent fear of risk, indicating a reluctance on the part of superiors to allow employees to set goals, and a reluctance on the part of subordinates to engage in goal setting. Essentially, employees expect to simply follow orders. Contradictorily, however, the employee from China in the current study outlined a preference for the manner in which goals are set in the hotel the employee currently works in. The employee agreed with previous authors by revealing that in China, there is a large gap between superiors and subordinates, and that in relation to goals, the manager sets the goals, and employees must simply do as they are told. The employee subsequently disclosed, however, “I prefer the way it is done here”. The employee gave further insights into practice in China, stating that “In China, there is management and there is staff. There is them and there is us”. While generalisation based on the responses of one Chinese employee would be ill-advised, it can be hypothesised that an employee who prefers a different system, in this case an Irish system, of management, indicates that previous cultural research does not reflect the population at large. Alternatively, the employee’s responses may be attributable to acclimatisation into Irish culture. Regardless, further research on this issue would prove beneficial.
Finally, three employees, from Spain, Mauritius, and Germany, outlined a goal setting system whereby goals are set for employees based on overall organisational goals. This system is mirrored in three Irish hotels as discussed in the previous section, and again corroborates Schraeder et al. (2007), who suggest that organisations aim to match employee goals with those of the overall organisation. Although generalisations cannot be made based on the accounts of three individual employees from three countries, the similarity in practices does indicate a similarity in goal setting across these countries.

Overall, the above inconsistencies all serve to indicate that since employees have experienced such diverse practices in goal setting in their home countries, it would seem inadvisable to adapt Irish goal setting practices to cater for the presence of various individual cultures in the workforce. Additionally, some employees experience of goal setting in their home country matched their experiences of goal setting in Ireland, again adding strength to the suggestion that adaption of goal-setting practices is unnecessary, contrary to existing cultural literature.

In addition to discussing goal setting, managers were also requested to outline rewards offered by the hotels, and the findings from this discussion are discussed in the following section.

5.9 Rewards Offered by the Hotels

Three hotels in this study do not link rewards to performance, although two of these hotels do give employees cash bonuses when they receive positive customer feedback, which, as it is customer feedback driven, it can be deemed to be a performance-related reward. This does assume, however, that all employees in these two hotels are motivated by money, which they may not be according to existing literature on cultural diversity and reward preferences and values. Six hotels in this study do link rewards to employee performance. In addition, three of the six hotels that link reward to performance also have an employee of the quarter and an employee of the year scheme in place. In these three hotels, the employee awarded the title of employee of the quarter is nominated by, or
decided on, by their peers. Nomination by peers, however, assumes that employees are comfortable with the idea of others on the same hierarchical level effectively appraising their performance, which, according to existing cultural literature, may not be so. It can be argued, however, that peer nomination may offer a better insight into the performance of employees, as fellow employees who work alongside individuals on a daily basis may have a superior knowledge of that employees behaviour and performance than a manager who must spread their time thinly across many areas. It is possible, therefore, that peer nomination may result in more accurate rewarding of employees, which may serve to enhance the motivation of those employees. This, in turn, may result in an increase of their individual performance, and overall organisational performance. Thus, some degree of peer input into the reward system of an organisation may prove beneficial. This input should be monitored by management to ensure that a situation where colleagues simply nominate their friends or more popular employees does not arise.

In one hotel in the current study, employees are issued with Star Cards, which are issued by the General Manager to employees for excellent performance and hard work. This practice, however, assumes all employees are individualistic in culture, and value individual praise and recognition. Consequently, employees who are collectivist in culture, and do not value individual praise and recognition as forms of reward may, not be motivated by this practice. Indeed, this practice may have an adverse effect on the performance of employees who have collectivist cultural tendencies, as such cultures value group cohesion, thus, individual praise in this form may interrupt the group harmony of these employees. Interrupting group harmony may result in a reduction of employee performance, which in turn, would result in a decrease of overall organisational performance. It may be necessary, therefore, to offer a mix of individual and group rewards.

In one hotel, employees receive small tokens from hotel management throughout the year, which are not performance-related, such as crème eggs at Easter, and bottles of wine at Christmas. A possible concern with these tokens from a general diversity perspective centres on religion, as some religions do not celebrate Easter, or Christmas.
Additionally, the celebration of these religious holidays without recognition of other religious holidays which may be kept by employees of other religions, such as Ramadan or Hanukkah, may lead to discontent among those employees. The manager did not, however, mention any related problems, implying the employees accept the tokens at face value. This further suggests that employees may adapt to the rewards and perks offered by organisation in which they work, thus, adaption of reward systems to reflect multiple cultures in a workforce may not be necessary.

While employees do not have a choice in the rewards they receive, employee respondents were asked to outline their reward preferences, or the rewards that they consider motivating. Rewards offered in the employees' home countries, and the employees reward preferences are discussed in the subsequent section.

5.10 Rewards Offered in the Employees Home Countries and Employee Reward Preferences

Responses from Slovakian and Polish employees in this study indicated that rewards vary between organisations in these two countries. Two Slovakian employees and three Polish employees stated that no rewards are offered in their home countries. Interestingly, however, another Slovakian employee, and four other Polish employees stated that rewards for performance are offered in their home countries, again implying that reward practices vary across organisations within the same country, similarly to goal setting and appraisal practices. One of the Polish employees did state that whether rewards are offered for performance is dependant on the policies and practices of individual organisations. This indicates that for these employees, there seems to be little need to adapt rewards offered as part of the performance management system in their current organisation, as reward practices are so varied in their home countries they are, it can be deduced, used to adapting to different reward practices.

Overall, fifteen employees outlined performance based rewards, of which 12 employees reported that monetary rewards are offered for performance in their home countries. Four
of these 12 employees were from Poland, while the remaining seven employees were from Hungary, Lithuania, Slovakia, Italy, Spain, the Philippines, Mauritius and Germany. This would indicate masculine values in these cultures relating to reward, as masculine cultures value financial reward.

Only one of the 23 employees interviewed considered rewards irrelevant, stating “rewards don’t matter to me”. Of the remaining 22 employee respondents, ten employees, two employees from Hungary, two employees from Poland, and one each from Lithuania, Slovakia, Spain, Italy, Latvia and Germany considered monetary rewards important. This is a significant number of employees, as only one managerial respondent considered pay an important reward, implying that hotels may not be effectively rewarding, and subsequently motivating, employees. Without efficient reward, it is likely that employee performance standards will not be maintained, and consequently, overall organisational performance will suffer, which, with today’s heavy emphasis on quality and service, may be detrimental to organisations.

The hotel sector, however, is not traditionally well paid, raising the question as to whether this large variance in managerial and employee opinions may be linked to the current economic recession and scarcity of money, or whether the variance is indicative of a desire by employees to receive a higher basic wage. Regardless of the meaning behind the difference in managerial and employee opinions, it is evident that managers may not be aware of the rewards considered important, and valued, by their employees. In contrast, four employee respondents did not consider monetary rewards important. Interestingly, three of these employees are Asian, indicating that it is possible that Asian employees are not as concerned with monetary rewards as their European colleagues, ten of whom deem monetary reward important. Additionally, some Polish employees consider monetary reward important, while another Polish employee does not consider monetary reward important, displaying an inconsistency in values between these employees, thus, evidently, reward preferences may not be standard across Polish culture. The consideration of the two employees from China and the Philippines of financial reward as unimportant contradicts research by Hofstede (1983) who suggests that these
cultures are masculine, thus should place importance on financial reward. Interestingly, both of these respondents were female, while the majority of respondents in Hofstede's original study were male. While it is not possible to generalise results based on two employees, nonetheless, a question is raised as to whether Hofstede's original study in 1969 may have yielded different results should there have been a higher number of female respondents.

Positive feedback, or recognition from managers, was regarded as a good reward or a positive motivator by seven employees, five Polish, two Hungarian, and one Slovakian. This constitutes approximately a third of the employee sample, thus, indicating the importance of positive feedback in effective performance management. Five employees, from Lithuania, Poland, Spain, Slovakia and Sri Lanka, identified extra time off or a short break away as motivating rewards. Interestingly, three employee respondents, from Poland, China and Spain, believe that the type of reward offered is irrelevant, being of the opinion that any type of reward offered by an organisation will serve to motivate employees. This suggestion indicates a lack of reward preference, suggesting that not every individual has a reward preference that is culturally dictated. A number of other rewards, such as vouchers, promotion, empowerment, training and satisfaction derived from happy customers were also considered important by employees. The wide variety of rewards considered important, however, highlights the difficulty organisations may face if attempting to satisfy every employee in relation to rewards. It is unlikely that every employee will be motivated by the hotels reward system.

One of the most interesting findings on employees' perceptions on rewards in their home country, and employee reward preferences, stems from the wide variety of opinions expressed by Polish employee respondents. Some employees stated that rewards are not given in their home country. In contrast, however, other employees stated that rewards are offered in Poland. In addition, some Polish employees consider monetary rewards important whereas others stated that monetary rewards are not important, or that the type of reward offered is irrelevant, believing that any reward serves as a motivator. Further, five of the eight Polish respondents consider recognition or positive feedback from their
manager a good reward and motivator. The differences in opinions amongst these eight employees serve to indicate that there is no standard reward system in place in Poland, at least in the hotels these employees worked in, as the employees did not have a uniform experience of rewards in Poland. Moreover, the rewards valued by these employees differed, suggesting that reward preferences differ from individual to individual, and are not necessarily culturally dictated. In addition, the wide variety of reward practice experienced by Polish employees indicates that it may not be necessary to adapt reward offered by the Irish hotels to suit the employees, as there is no cultural norm in relation to reward in Poland.

Rewards were one aspect of performance management investigated in this research study. Feedback was another such component. Methods of giving feedback and reasons behind giving feedback to employees are discussed in the following section.

5.11 Methods of, and Reasons for, Giving Feedback to Employees on Performance

In this study, managers from the nine hotels were asked to identify how often feedback is given to employees on their performance. Four managers responded that feedback is given to employees informally on a continual or daily basis. Three of these managers consider daily feedback important as they believe it is unsatisfactory to wait for appraisals to give all feedback, whether it is positive or negative. One manager summed this up by stating that “obviously if something big comes up it will be brought up at appraisal again, but appraisal is twice a year, so I’m not going to wait two months to bring up something that has to be dealt with there and then”. Another manager stated that while feedback is usually given formally at appraisal, it may be given informally on a daily basis if required. It is reasonable to suggest that feedback should indeed be given informally on a continual basis, especially in the sectors such as the hotel sector. Hotels are driven by high standards of service, thus, it is inappropriate to withhold feedback on performance until the performance appraisal review, as issues negatively affecting performance must be addressed immediately to ensure they do not have an ongoing negative effect on the hotels overall performance and service provision, as this will deter
customers and affect the organisation's bottom line. Additionally, frequent provision of positive feedback, when it is deserved, reinforces good behaviour and performance, strengthening the hotel's overall performance, which in turn should aid in customer attraction and retention.

Only one of the nine managers reserve the provision of feedback for appraisals or job chats. The manager of this hotel did further state, however, that collective feedback is given at monthly departmental meetings. Collective feedback at departmental meetings was also outlined as a method of feedback provision in two other hotels. The provision of collective feedback, however, may present some issues. Praising entire departments for the performance of one or two employees may actually de-motivate those employees as they may believe their individual performance has gone unnoticed, especially employees who come from individualist cultures. Moreover, giving an entire department negative feedback based on the performance of a small number of employees may also serve to de-motivate the other employees in the department, if they are being critiqued for negative behaviour that is not their own, although according to existing cultural literature, this may be an appropriate method of providing feedback to employees from collectivist cultures, as such employees aim to maintain group harmony, which individual feedback tends to interrupt.

Managerial respondents highlighted a number of reasons for the provision of feedback on employee performance. Two managers believe the purpose of providing employees with feedback is to ensure employee career development, corroborating contentions by Van Fleet et al. (2005) and Galpin (1994). One of these managers believes that if employees do not avoid negative feedback, they can use it as a learning experience, an assertion implied in the related literature in Chapter 2. This is a reasonable suggestion, as without being made aware of their mistakes, employees cannot improve their performance. Performance management systems, therefore, should not shy away from the provision of constructive feedback. Another manager believed positive feedback can increase an employee's morale, and encourage improved behaviour once employees believe they will receive recognition. Similarly, another manager suggested that feedback serves to
reinforce good behaviour, and negative feedback can ensure errors are not repeated. This view corroborates Estep (2004) and Armstrong and Baron (1998), who suggest that feedback exists in two forms: corrective (negative), and reinforcing (positive). These two points again serve to highlight the importance of feedback provision as part of effective performance management.

Managers were asked to discuss whether employees from different cultures react differently to feedback on performance, as according to existing literature some cultures will react to feedback in different ways. Five managers, who all spoke on the provision of negative feedback, believe individual people react differently to feedback, rather than different cultures. This is significant, as if entire cultures do not react to feedback in different ways, then there may not be a need to adapt feedback to reflect the presence of different cultures in the workforce. Three of these managers also suggested that an employee’s reaction to feedback is dependant on the way in which feedback is given by the manager. These two suggestions were summed up clearly by one manager, who stated “sometimes you have to give feedback that is negative...people are going to be upset that it’s negative, that’s just human, that’s not cultural. And it comes down to the manager’s ability to ensure that it is constructive”.

Managers, therefore, prior to conducting performance management with employees, should be trained in the provision of feedback on performance to ensure it is given appropriately, constructively and in a timely manner. Opinions on the matter of feedback were not uniform, with some managers believing that different cultures do react differently to feedback. One of these managers believes that employees from Asian countries in general tend to be “more devastated if they get negative feedback”. This suggestion was contradicted by the Asian employee respondents in this study, who did not identify any concerns with receiving feedback. It may be inadvisable, therefore, to assume that all Asian employees dislike receiving negative feedback. This assumption may also result in managers avoiding giving Asian employees negative feedback, which, if negative feedback is necessary, would have adverse consequences for the hotel, as inappropriate work behaviour will continue if it remains unchecked. Managers, therefore,
rather than not giving feedback, need simply to be aware that some employees may need a more sensitive approach to feedback giving than others.

Similarly to views on factors which affect performance, goal-setting and rewards, a number of managers believe individuals react in different ways to feedback, as opposed to entire cultures reacting differently to feedback. Employees opinions on feedback are discussed in the next section.

5.12 Employees Perceptions of Feedback

Employee respondents were asked to outline whether feedback is given in their home country, and the method by which it is given. Thirteen employees, six Polish, two Slovakian, two Mauritian, and one from Hungary, Latvia and Germany, stated that they receive feedback on their performance in their home countries. Six of these employees, three from Poland, and one from Slovakia, Latvia and Germany, stated that feedback is given either in the same manner, or a similar manner to the feedback they have experienced in Irish hotels; verbally and by their manager. As their experience of feedback in their home countries matches their experience of feedback in Ireland, it may be unnecessary to adapt performance management to cater for these employees.

Six employees from Hungary, Poland, China, Spain, Latvia and Germany, suggested that feedback on their performance can motivate, and provide a sense of self-satisfaction, indicating a desire on the part of these employees for receiving feedback. A number of employees contend that feedback can aid in improving their work and career development, which had previously been suggested by two Irish managers as a reason for giving employees feedback on their performance, indicating similarities in thought processes between these six respondents from three different cultures on the subject of feedback on performance.

Negative feedback was held in a positive light by ten employees, three from Poland, and one each from Lithuania, China, Slovakia, Italy, the Philippines, Latvia and Germany.
Indeed, one of the Polish employees suggested that negative feedback is the most important type of feedback. A number of reasons for this view were presented by the employees. One Polish employee suggested that as each organisation has its own rules, without negative feedback employees would not know when they are in contravention of these rules. Another Polish employee, and one Lithuanian and one Latvian also agreed that negative feedback was important to make employees aware of their mistakes, and to enable them to avoid making those mistakes in future. Overall, the employees believed negative feedback should improve their performance in their future work. These views on negative feedback indicate that these employees, from these eight cultures, are not against receiving negative feedback, and consider it important, thus, managers who may be reluctant to give negative feedback for fear of offending or upsetting employees from these cultures need not avoid giving negative feedback. These ten employees display an understanding of the importance of negative feedback. One employee, from Spain, believes that negative feedback must be given with some caution, however, believing that some individual employees may be more sensitive than others, therefore it needs to be approached differently. It is interesting to note that this employee referred to different employees in general being more sensitive, rather than employees from different cultures being more sensitive to negative feedback.

The previous number of section have discussed managerial and employee opinions on a number of areas, including performance management components: feedback, goal setting and rewards. The main focus of the primary research of this study is on cultural diversity and its impact on performance management in Irish hotels. Findings on managers' perceptions on diversity in general are discussed in the following section.

5.13 Managers Perceptions of Workforce Diversity

Organisational workforces are becoming increasingly diverse, thus, managerial respondents from the nine hotels involved in this study were asked whether they consider it necessary to manage workforce diversity. Of the ten managerial respondents, two managers responded that diversity should not be managed. One manager believes that
managing diversity would create a need to “categorise people or put them in boxes”, which the manager believes results in “setting yourself up for things to go wrong when you start categorising people because of their age, or disability”. Essentially, this manager believes that by managing diversity, the organisation begins to highlight differences between employees, which may have an adverse affect on the workforce. This is a reasonable assertion, as it is unlikely that every employee wants their differences to be highlighted to other employees.

Managers from two hotels, who stated that they do not believe diversity should be managed, did go on to identify steps that are taken in the hotel to create an awareness of diversity and inclusiveness, thus, implying that these two hotels do indeed manage diversity, while the managers may not believe they need to manage diversity, these steps indicate that they are managing diversity. In one hotel, diversity is discussed through the induction programme for new employees, with a focus on discrimination, bullying and harassment. Briefing employees on discriminatory behaviour and the consequences of such is suggested by Doke and Beagrie (2003) as a step that organisations can take to communicate the value of diversity to its employees. Another hotel in this research study has a Guarantee of Fair Treatment policy in place, under which the hotel aims to hire the best person for the job, regardless of aspects of diversity such as age, gender, and religious beliefs. With the increase of cultural diversity in Irish workforces, this emphasis on inclusion and non-discriminatory behaviour is appropriate. If employees are trained and made aware of what constitutes inappropriate behaviour regarding discrimination in terms of diversity prior to commencement of actual employment, it would be more difficult for an employee to later state that they were unaware of the hotel's stance on discrimination and bullying.

Managers suggested a wide variety of ways in which workforce diversity is, or potentially can be, advantageous for the hotel. One manager suggested that workforce diversity can be advantageous for the hotel because if employees believe the hotel is open to diversity, they will feel more comfortable in the organisation, which will improve their performance, and consequently, the organisation's profit levels, concurring with a similar
argument presented by Robinson and Dechant (1997). This argument is based on the premise that employees who are comfortable in the organisation will be more productive and work more efficiently, achieving higher standards, which will translate into increased organisational performance, thus, increased profit. Managers also believed that openness to diversity can aid the organisation in attracting diverse employees, and serve to present a good public image of the hotel, corroborating research conducted by Espinoza (2007) and Lockwood (2005). Two managers believe a workforce comprising diverse employees makes the organisation better equipped to deal with the diversity of its customers, and makes the employees more relatable to customers. Indeed, one manager stated “it’s a hotel. You’re getting different cultures, different nationalities, different age groups coming through that door every day. And people want to see someone they can relate to”. This view supports previous contentions by a number of authors, including Espinoza (2007), Farrer (2004) and Cox and Blake (1991). The findings suggest that having a workforce that is reflective of customers may present a competitive advantage for hotels, as customers are more likely to do repeat business with a hotel they are comfortable staying in. This may be especially true for customers who do not have a good level of English, but who are assisted in check-in and check-out by an employee who speaks the same language. Another three managers suggest that diverse employees bring different experiences, perceptions, ideas and skills to the hotel which they suggest serves to improve the entire hotel, concurring with research by Bagshaw (2004), and the European Commission (2003) among others. Finally, one manager, who works in a hotel in a rural area suggested that diversity can benefit the locality in which the hotel operates, suggesting that diversity can “move them on a bit, maybe more into the next century a bit, so they have a bit more understanding for other people”.

Managers’ opinions on diversity in general were discussed in this section. The following section discusses findings on manager’s perceptions on cultural diversity in specific, focusing on the management of cultural diversity within the hotels, and highlights managerial suggestions on potential advantages or challenges presented by cultural diversity.
In addition to their perceptions of diversity in general in the hotel, managers were asked to specifically outline their opinions of cultural diversity. Only one manager believed cultural diversity in specific should be managed, while one manager expressly stated that there is no need to manage cultural diversity. Each of the ten managerial respondents agreed that cultural diversity can be advantageous for their hotels.

Three managers suggested that cultural diversity provides an advantage to the hotel through an increase in different perspectives and a wider range of experiences, corroborating previous research by Robinson and Dechant (1997) and Waters (1992). Two managers in the current study also suggested that certain skills are stronger in employees from certain nations. One manager, for example, suggested that Spanish employees tend to work to a slower pace, but are very friendly and “great with customers”. Another manager suggested that the presence of different cultures in a workforce can result in increased idea generation, again stemming from the different experiences employees from different cultures would have encountered. Three managers also suggested that cultural diversity can assist the hotel in transactions with customers, as employees can assist in translating for both parties. This contention is based on the reasonable premise that customers will respond positively to employees with whom they relate to. Moreover, as previously discussed, employees from other countries will be able to assist customers who do not have a high enough level of English to conduct transactions. Employees from different cultures will also be able to familiarise the hotel with the customs and practices of their cultures, to avoid any embarrassment or issues with customers from those same cultures. It is important, therefore, that management make full use of the knowledge and experiences of their employees. It can be further argued that by using employees’ knowledge and experiences, employees may feel more involved in the organisation, which may serve to increase their motivation, and, subsequently, their performance. An increase in employee performance should then also result in an increase in overall organisational performance.
Managers also suggested possible challenges that could arise as a result of cultural diversity in the organisation. The challenges suggested by the managers are those which the managers have encountered through experience. Two managers suggested that the presence of a large number of employees from one culture could result in that culture becoming overly-dominant in the hotel. This could be considered a rather divisive statement however, as Irish workforces are still predominantly Irish, thus, it could be argued that Irish employees are a dominant culture. It can be deduced, therefore, that the managers are solely referring to non-Irish cultures, raising a question in relation to why the managers do not consider a dominant presence of Irish employees a problem. Three further managers believed that cultural diversity could present problems for the hotel with customers, for two reasons. The first reason suggested by two of the managers is that some Irish customers may, in their opinion, want to deal solely with Irish employees. Essentially, the managers are fearful of the presence of racism among customers, firmly believing that some Irish customers do not wish to deal with non-Irish employees. The reason for potential problems with customers suggested by the third manager is based on current levels of unemployment in Ireland. The manager believes that Irish customers may, in the face of high levels of unemployment, be resentful of the employment of non-Irish individuals in the hotel, thereby creating difficulties for employees. Throughout Ireland's most recent period of economic prosperity, referred to as the Celtic Tiger, however, many Irish did not want to work in service sectors, such as the hotel sector, which are traditionally categorised by long hours and low pay. Now that Ireland is in a recessionary period, indeed any work, is becoming more appealing to Irish employees. For quite a number of years, however, sectors such as the hospitality sector relied heavily on non-Irish employees. It is reasonable to suggest that should the job scarcity in Ireland deepen, hotels and other sectors may find themselves under local pressure to employee more Irish employees. This pressure may be unfortunate for hotels, however, as it is questionable whether Irish employees would remain in the sector once Ireland again begins to experience economic prosperity.

In addition to the above, two managers suggested that problems may arise with a language barrier, depending on the employees’ level of English. Preconceived notions
about other cultures in the organisation may also present a challenge, according to another manager. One manager highlighted a potential need for increased training for non-Irish employees who may have been trained in certain professions in their home country, but must "downgrade to hotels" to work in Ireland. The manager gave an example of a member of staff who is a trained nurse, but was unable to obtain a nursing job in Ireland, and subsequently began working in the hotel, requiring full training in the hotel business. The manager believes this situation would not arise amongst Irish individuals, as "an Irish person that's trained in the medical profession would stay in the medical profession". The manager suggested that Irish individuals would not "downgrade" from a profession such as medicine, to the hotel sector. The manager suggests that Irish employees in the hotel sector have been trained in the hotel sector, thus, are not in need of as much hotel related training as their non-Irish colleagues, who may have been trained in different professions. In contrast to the challenges suggested by some managers, three respondents do not believe that cultural diversity presents any challenges for their hotels. In the experience of those managers, cultural diversity does not present, or potentially present, any particular challenges for the hotel.

Similar to the managerial respondents, employees also shared their perceptions on cultural diversity in the workforce. These perceptions and opinions on cultural diversity in the workplace are discussed in the following section.

5.15 Employees Perceptions on Cultural Diversity on the Workforce

Similar to the managerial respondents, employees were also asked to share their opinions on cultural diversity in the hotels. One employee suggested that cultural diversity in Irish organisations is inevitable due to the increasing presence of different cultures in the general population. The employees reasonably believe that due to the increased number of non-Irish residents in Ireland, cultural diversity in most Irish organisations is inevitable. Three employee respondents believed that cultural diversity in an organisation may be problematic, for a number of reasons. One contention is that cultural diversity can be problematic in regard to communication, if employees do not have adequate English, a
concern also voiced by two Irish managers. Communication between colleagues, employees and management, and employees and customers will be understandably difficult if employees do not have a suitable knowledge of conversational English. Hotels, therefore, should either recruit employees based on their level of English, or alternatively provide English lessons for employees who do not have appropriate English skills. Another suggestion was that as employees from different cultures have “different beliefs, different views on life”, managers may find it difficult to “deal with everyone the same”, corroborating a challenge suggested by Joplin and Daus (1997). Another employee, from Italy, responded that while he personally enjoyed working with employees from various cultures, he could envisage potential problems for the hotel in relation to cultural diversity, and in particular if employees were unfamiliar with the job. The employee was of the opinion that integration of different cultures into a workforce is easier if every employee has previous experience with the particular job they are now required to perform.

Five employees, two Mauritian, and one each from China, Spain and Germany, believe the presence of employees from different cultures can assist the hotel with non-Irish customers. Three of the employees, from China, Spain and Germany, believe that by working with employees from different cultures, it makes it easier to deal with customers from those countries. This argument was also presented by two Irish managers, indicating a similarity in opinions across five cultures, two Asian and three European, on this matter, suggesting that opinions and thoughts are not necessarily shaped by national culture. Similarity in opinions between Irish managers and non-Irish employees were again apparent when three employees, two from Mauritius and one German, proposed that employees from different cultures can assist the organisation in translating for customers who do not speak English, an argument previously made by three Irish managerial respondents.

Five employee respondents, three Polish, one Lithuanian and one Chinese, consider cultural diversity within the workforce personally beneficial. These employees believe they can learn from the different cultures, both in relation to skills, and in broadening
their own knowledge of different cultures. Additionally, two employees find the necessity of using English as a common language useful for the improvement of their English language abilities, which the employees suggest benefits them in their personal lives outside of the workplace, as it assists in integration into their new communities. Overall, employee respondents have a positive view of cultural diversity in the workforce, and presented both personal and business reasons regarding the benefits of cultural diversity. A number of these benefits were similar to arguments previously suggested by the Irish managerial respondents, thus, indicating similarities between the different cultures in this study. These similarities in perceptions indicate that altering management practices to cater for different cultures in the workforce may not be necessary, as these culturally diverse employee respondents embrace the differences associated with cultural diversity.

Managerial respondents were requested to share their opinions on whether cultural diversity necessitates the adaption of performance management systems, as previous literature suggests it does. The findings are discussed in the following section.

5.16 Managers Opinions on Whether Cultural Diversity Necessitates Adaption of Performance Management Systems

Managerial respondents were requested to outline their opinions on whether they believe the presence of cultural diversity in their hotels necessitates a change in the performance management system in place. Three managers believe that cultural diversity necessitates making small changes to certain aspects of performance management, but, that the process as a whole can remain unchanged. Seven managers believe that performance management should not be adapted or altered to cater for different cultures, as to do so would, in the opinion of these managers, make the system unfair, and serve to further highlight differences amongst employees, but in a negative rather than positive manner. This view contradicts Waters (1992), who contends that traditional management may be inappropriate in diverse settings. One manager suggested that altering the performance management system for different cultures is inadvisable as the system needs to be comparative, transparent and consistent, which it cannot be if there are different ways of
managing performance. This is a valid argument, as it can be deduced that a lack of consistency and transparency in performance management would damage the effectiveness of the system, especially if performance management is tied to promotions or pay rises, as employees will be unable to compare their treatment by the organisation. This could result in a decrease in employee motivation, and, subsequently, a fall in employee performance, destroying one of the main purposes of performance management, which is to increase overall individual and organisational performance.

Indeed, Gray (2002) when discussing performance appraisal, as an integral component of performance management, highlighted the importance of a clear, consistent and dependable system. Similarly, another manager believes it is unnecessary to alter performance management as having one system ensures that all employees are treated equitably and fairly. In addition, another manager suggested that there is no need to alter a performance management system, once the system is conducted with an awareness of employee differences, and why certain people may act in certain ways, or do certain things. Interestingly, this manager spoke of employee differences in general, as opposed to cultural differences. This finding suggests that Irish hotels altering performance management systems for different cultures would be a negative decision, as doing so would render the system ineffective by adversely affecting the fundamentals of a successful performance management, specifically fairness, equality and transparency. Thus, contrary to the assertions of previous cultural literature which suggests that organisations must adapt their performance management systems to cater for the presence of different cultures in their workforce, this finding indicates that doing so may be both unnecessary and inadvisable. It can be suggested, therefore, that rather than altering performance management systems, organisations should train their management, and employees, on the possible different ways employees from different cultures may react to different aspects of the organisation's performance management system. In addition, organisations should have a transparent performance management system to ensure all cultures are aware that they are being treated equitably in regard to performance management. Indeed, every management practice in the organisation should be conducted in a transparent, equitable manner to ensure fairness at all times.
Three managers interestingly contend that regardless of national culture, employees may be influenced by the culture of the organisation. The managers believe that employees integrate into, and adapt to, the organisation's culture, especially full-time employees who remain with the organisation. It could also be argued that employees will come together to form their own culture in an organisation, especially full-time employees who work together each day, and begin to form new rules and norms. This finding again has significance for Irish hotels in relation to performance management systems. The first argument suggests that if employees integrate into the culture of the organisation, and adapt to this culture, then there is no reasonable argument in favour of altering performance management to cater for the employees' national cultures. The second suggestion, that employees from different cultures, once working together in the same organisation begin to form their own culture, and develop rules and norms, also suggests that an individualised approach to performance management, reflective of the different nationalities represented in the organisation, is unnecessary. In summary, this finding suggests that adapting performance management to cater for different cultures is unnecessary, as employees from different cultures may, in the experience of managers in this study, integrate into one culture, that is the culture of the host country, or the culture of the hotel.

Managers' opinions on whether cultural diversity necessitates the alteration of performance management systems were discussed in this section. Similarly, employees were also asked whether the hotel in which they are currently employed should alter any aspect of the performance management system in operation. Their responses are discussed in the following section.

5.17 Employees' Opinions on Whether Performance Management Systems Need to be Adapted

Nineteen employee respondents stated that they have no desire for the hotel to change performance management practices or any aspect of their management, supporting the assertion of the three managers who suggested that employees may become influenced by
the culture of organisations. Two employees, from Hungary and Poland, responded that they have found conditions in their respective hotels more than comfortable since the commencement of their employment. Both employees commented on the friendliness of others working in the hotel, as did a further three employees from Poland, Slovakia and China. One employee expressly stated “I don’t think it’s necessary to change things for all the different cultures. I don’t think they have to do that. That’s my opinion and I’ve been here for four years, so I really like it”. Indeed, the employee from Hungary believed that the Irish system of performance management should be conducted in Hungary, and suggested that Hungarian employees would prefer it. This contradicts literature on cultural diversity that suggests that management processes, including performance management, is not appropriate for different cultures, thus, must be adapted to reflect the presence of multiple cultures in the organisation. Nineteen of the twenty-three employee respondents expressly stated that they have no desire for performance management to be adapted, indicating that there is possibly no need to adapt performance management systems for different cultures, further suggesting that there is a need for cultural theory to be revisited, as 19 employees in this study have directly contradicted one aspect of cultural literature and theory, specifically that management practices, including performance management, must be adapted.

Three employees, from Hungary, Poland and Mauritius expressed their contentment on being able to openly communicate with their managers, and being able to discuss problems with them. Indeed, at several junctures throughout the employee interviews, the gap between management and employees in home countries was highlighted. The employees who highlighted this gap were from China, Poland, Lithuania, Hungary, Italy, and in each case, the employees inferred a preference for the ease of communication between superiors and subordinates in their current employment. The identification of this hierarchical gap by the employees, and subsequent expression of preference for the more personable relationships shared by the employees and their Irish managers indicates a preference for Irish cultural practices, at least in relation to relationships and communication with superiors. It is clear that a foundation of successful performance management is communication. Communication is necessary in many areas of
performance management, and may come in many forms, such as in the form of feedback, or participation in goal setting, or discourse during performance appraisal. The preference of these employees for a lesser gap in power suggests, therefore, that performance management adaption is not always necessary. Indeed, should management begin to communicate less with employees based on the acknowledgement of the large power gap that these employees state exists in their home countries, performance management will be less effective, as regardless of the large power gap between superiors and subordinates in the home countries of these employees, the employees prefer less of a power gap. Artificially creating a power gap between superiors and subordinates based on the assumption that these employees would be more comfortable with a power gap as they have experienced a power gap in their home cultures would be inadvisable, as these employees prefer not having such a pronounced power gap. Managers in Irish hotels, therefore, should avoid making assumptions on employee preferences based on knowledge of employee cultural norms, as it can be deduced that the creation of an artificial power gap will de-motivate these employees, as they enjoy the open communication they now experience with their Irish superiors.

One Polish employee suggested employees should adapt to the country in which they work, stating “everywhere should have rules, and employees should respect them. We are in Ireland now, we have to respect the rules”. A Slovakian employee similarly stated “I am happy to work the way they work here, I don’t want them to change anything for me”, while a Latvian employee simply stated that there is no need to change performance management to suit him as he is happy with the system. This indicates that these employees, from three different countries, do not expect, or desire, a change in management practices, thus, it can be argued that performance management process adaption may be unnecessary.

In summary, 19 of the 23 employee respondents interviewed have no desire for a change in performance management systems to cater for their cultural needs. This is highly significant, as previous research by a number of authors such as Melia and Kennedy (2005), Fletcher (2001), Lindholm (1999-2000) and Hofstede (1993) suggest that
alteration of management systems, including performance management, is necessary in a culturally heterogeneous workforce. This clearly indicates that there is a need for further research into the effect or implications of cultural diversity on management processes, as the findings of this study indicate that cultural diversity does not have implications for performance management, contrary to existing literature.

5.18 Conclusion

This chapter analysed and discussed the sixteen dominant themes identified through primary research for this study. The new data gathered is analysed in the context of existing literature, and it corroborates, contradicts, or adds to the relevant literature on performance management and cultural diversity. Indeed, one significant addition to existing literature stems from the number of respondents who believe individuals vary in thoughts, perceptions and expectations as opposed to entire cultures being culturally bound in thought. A second significant addition to the existing literature base is the discovery that the majority of employee respondents in this study have no desire for a change in Irish performance management. Conclusions drawn from the findings discussed in this chapter are contained in the following chapter.
Chapter 6
Conclusions and Recommendations
Chapter 6: Conclusions and Recommendations

6.1 Introduction

This thesis sought to explore whether the presence of diverse cultures in the workforce of Irish hotels has implications for the performance management systems in place in these hotels. As outlined in Chapter 2, cultural diversity necessitates the adaption of management practices to reflect differences between cultures, thus, this thesis set out to explore the opinions of Irish managers and non-Irish employees on the subject via in-depth interviews. It emerged through the primary research of this study, however, that in practice, hotels in this study have not adapted their performance management process to cater for different cultures, nor do the managers who took part in the study believe such adaption is necessary. Additionally, with the exception of one employee who would simply prefer more performance appraisals, the non-Irish employees who took part in the study have no desire for their current employers to adapt performance management for them. This chapter outlines conclusions drawn from the primary research, and makes a number of recommendations for performance management of culturally diverse employees, and also proposes some recommendations for future research.

6.2 Performance Management System Adaption may be Unnecessary

The findings of this study suggest that it may not be necessary for Irish hotels to adapt their performance management systems to cater for the presence of diverse cultures in their workforces. Managerial respondents deem adaption unnecessary, and importantly, 19 of the 23 employee respondents expressly stated that they have no desire for performance management practice in their respective hotels to be altered. These employees represented a number of different cultures, thus, indicating that altering performance management systems to cater for different cultures in the workforce may not be necessary. This desire by employees for maintenance of the current performance management processes which are currently in place in the respective hotels also suggests that their needs, regardless of culture, are being met in Ireland.
In relation to the goal setting component of performance management, a number of managerial respondents did not believe that employees from some cultures react differently to goal setting, nor had they experienced or encountered employees from any culture having particular issues with goal setting. In addition, employee respondents outlined a number of different goal setting practices used in their home countries, indicating that goal setting is not a standardised process, thus, employees may be used to adapting to different processes or systems. If employees are used to dealing with, and adapting to, a variety of goal setting practices, it can be deduced that they will not have problems adapting to the system in the Irish hotel they now work in, therefore, rendering adaption unnecessary.

Additionally, it was suggested by some managers that employees' reactions to feedback are dependant on the ability of managers to give feedback rather than their national culture, therefore, suggesting that if feedback is given appropriately, and in a positive, constructive, manner, problems should not arise. Consequently, altering the hotels feedback processes may not be necessary. Regarding practices in employees' home countries, a number of respondents stated that they receive feedback on their performance in their home country, implying a similarity with Irish practice, therefore, suggesting that these employees should not have any difficulty with the practice of giving feedback.

The only aspect of performance management systems that the findings of this study suggest may require some consideration by management is that of reward, specifically, monetary reward. In relation to monetary reward, only one managerial respondent in the study considered financial rewards important. In contrast, however, ten employee respondents from different cultures considered monetary rewards important. This variance in opinions indicates that managers may be unaware of what motivates their employees, thus, may not be rewarding them effectively. If employees are not rewarded effectively, it is likely motivation will decrease, which will have an adverse affect both on their own performance and overall organisational performance. This difference in opinion in regard to the importance of monetary reward may, however, be related to the current economic recession as when any resource, such as money in this instance,
becomes scarce, it is more desirable which may, in turn, influence employees responses. It is possible, therefore, that if the same employees were asked to identify important rewards in a time of economic prosperity, they may respond differently. Regardless, there is presently a gap in opinions between the employees and managers in this study regarding the importance of monetary reward, which may prove problematic for motivation.

Employee participants in the study were asked to identify whether performance management is conducted in their home countries, and to discuss feedback, goal setting and rewards offered in their home countries. In relation to each of these four areas, there was some agreement between countries, some difference between countries, and, most interestingly, employees from the same country often illustrated very different practices. These differences suggest that as practices in employees home countries vary so widely, they should not have problems with the different practices used in Irish hotels. Two conclusions can be drawn from this variety of practices, as the 19 employees stated they have no desire for a change in performance management in the Irish hotels within which they are currently employed. It may be suggested that management practices, including performance management, are indeed transferable across cultures. Additionally, as there is, according to the respondents, such a wide variety of practices in place across cultures, it suggests that employees are used to different practices, thus, suggesting that Irish practices need not be adapted.

In summary, neither managerial or employee respondents in this study deem performance management adaption to cater for the presence of multiple cultures in a workforce necessary. Adaption based on the suggestions of existing literature, therefore, may be inadvisable based on the findings of this study, as employee respondents in this study were content with the performance management practices in their hotels, and it can be deduced that unnecessarily adapting a system which does not currently pose problems may only serve to introduce problems.
6.3 Individual Rather than Cultural Differences

Managers in this study, on a number of occasions, expressed a belief that the opinions, behaviours and reactions of culturally diverse employees are due to individuality rather than national culture. This suggestion was borne out on a number of occasions by the diverse opinions of employees from the same culture, or cultures that had previously been similarly categorised. Indeed, the disparity in opinions was most evident among Polish respondents, as Poland was the culture most represented in the employee interview pool. The Polish respondents displayed a wide range of opinions on every area of questioning, adding weight to the argument that opinions and perceptions vary between individuals rather than being determined by national culture.

Some managers suggested that the performance of employees from different cultures is not affected by different factors. Rather, the managers suggest that the performance of individual employees, regardless of their culture, is affected by different factors. Indeed, other managers who suggested that employees from different cultures are affected by different factors identified religion as a factor which affects individual cultures. Religion, however, is a factor common to very many nations rather than specific to individual cultures, thus, can affect employees from many cultures.

Regarding goal setting, the majority of managerial respondents stated that in their experience, employees from different cultures do not, in their experience, have any problems with the manner in which goals are set in the hotels, with one manager again suggesting that individual employees react differently to goal setting as opposed to all employees from a specific culture. Similarly, a number of managers believe that individual employees react in different ways to feedback, as opposed to entire different cultures reacting differently to feedback. Opinions among employee respondents regarding the importance of feedback varied, indicating that opinions on the matter are dependant on the individual, rather than the culture, as employee from the same cultures had diverging opinions.
Employees' opinions on what constitutes an important or motivating reward again varied significantly. Not only did reward preferences vary amongst employees, they also varied among employees from the same countries. This variance again suggests that preferences vary among individuals rather than among cultures. Significantly, ten employees from eight countries deem monetary rewards important. In contrast, only one managerial respondent believed monetary rewards important, indicating that the hotels in this study may not have sufficient knowledge on employee reward preferences to appropriately reward, and consequently motivate, their employees.

The preference of some employees for the style of performance management they have experienced in Ireland further suggests that individuals are capable of deviating from their categorised cultural norm. Moreover, some employees from various cultures identified a preference for performance management in Ireland while other employees from the same culture did not, suggests that this preference stems from individuality rather than collective culture.

6.4 Research Limitations

There are a number of limitations to this research. Time constraints presented a significant limitation, as they dictate the amount of time that can be devoted to research. The researcher did not have the luxury of significant time to wait for hotels to confirm interest, thus had to move on after a number of attempts to receive confirmation of participation from some hotels. Additionally, four managers from four other hotels were interviewed, but due to a reduction of staffing numbers in these hotels, employee interviews were not possible, which cost the researcher time, and unfortunately rendered those four interviews unsuitable for inclusion. This constitutes a limitation as had these four hotels participated fully in the study, the non-Irish employee interview pool would have been larger, allowing further analysis and exploration of culture.

Another limitation, closely related to the first, centres on the employee sample size. While a number of Eastern European employees participated in the primary research, a
number of countries were represented by a single employee, specifically China, Germany, Spain, Sri Lanka, Italy, Lithuania, Latvia and the Philippines. For the purposes of deeper cultural exploration, it would have been preferable to have a larger number of employees from each of these cultures, as a number of interesting points were made by employees from these cultures, however, generalisation is neither possible nor advisable based on the responses of one employee from a specific culture.

A language barrier presented by the rather low level of English of a number of employees constitutes a further limitation. While employees understood what they were being asked, there were, although infrequent, occasions where some employees were unable to provide a coherent response due to their language abilities.

A further limitation of the research is that it focused exclusively on Irish hotels. It would be interesting to compare the findings in this study with findings from a similar study conducted in another country, or another industry, as it is possible that the employees may have adapted to Irish or industry culture.

A final limitation stems from recruitment practices. Often when conducting recruitment and selection, organisations look at the person-organisation fit, meaning they hire candidates they feel will “fit” into the organisation well, and settle in quickly. If the hotels were hiring candidates based on whether they would fit into the organisation, it is logical to infer that employees consequently would not have issues with management practice. However, the fact that these employees would “fit” into Irish practice still disputes existing cultural theory, as according to existing literature, employees from different cultures should not fit into the culture of an Irish organisation as easily.

Based on the findings of the research, and partly on these limitations, there are a number of recommendations to be made, and these will be presented in the following sections.
6.5 Recommendations for Future Research

There are a number of recommendations to be made based on this study, both for future research, and for Irish hotels. A significant theme underlying the primary research of this thesis was that individual people react differently, perceive differently, and are affected by situations differently, as opposed to entire cultures. Previous research suggests that societal culture shapes and develops that society’s thoughts, perceptions, behaviours, outlook on life, views on money and relationships etc. Respondents in this study on a number of occasions, however, suggested that an individual’s make-up shapes these factors, rather than their culture. Essentially, it is suggested that individuals are not culturally constrained. This contradicts previous research on cultural diversity. It is recommended, therefore, that a study exploring individuality rather than collective culture could be undertaken.

A further recommendation is that a similar study could be conducted in a time of economic prosperity. Recessions affect individuals priorities, thus, it would be interesting to explore whether employees would be more or less focussed on monetary reward in a time of prosperity or indeed simply economic stability. In this study, only one managerial respondent considered monetary rewards important, while eight employees considered it important. This indicates that it is possible that employees are not being rewarded in the most effective manner, as there appears to be quite a difference of opinion between managers and employees regarding the importance of monetary reward as a motivator. It is also possible, however, that the focus on monetary reward by these eight employees is due to the current recession, thus scarcity of money, the possession of any resource becomes more desirable when it is scarce. Alternatively, the eight employees may consider monetary reward important due to the low wages traditionally associated with the hotel sector. A comparative study with employees in other industries from the same cultures as the eight employees in this study would be interesting to explore whether employees employed in industries with higher remuneration deem the same rewards important.
As outlined both in this chapter and in chapter five, a number of challenges presented by cultural diversity in the workforce were identified by managers which had not been discussed in previous literature reviewed in chapter two. It is recommended, therefore, that a further study could be conducted with practitioners across other industries further exploring their opinions on advantages and challenges presented by diversity, either general diversity or specifically cultural diversity, to add the valuable insights of industry practitioners to the existing business case for diversity.

A further recommendation has been briefly referred to in section 5.3 of chapter five. Specifically, each of the nine participant hotels outlined a form of participative performance appraisal, involving both employees and management in performance appraisal. While there has been considerable research and debate on the subject of participative goal-setting, there does appear to be a gap in research on participative performance appraisal. A study could be conducted to analyse the process of participative performance appraisal, and explore the potential benefits or disadvantages of such a process.

6.6 Recommendations for Practice

In addition to recommendations for further research, there are also recommendations for hotels based on the findings of this study. In five of the participant hotels, a two-phased approach to performance management was practised. Essentially, there was a performance management system for new employees and a system for existing employees. In four of the five hotels, the system for new employees hinges on what all four managers refer to as “job chats”. These job chats are akin to informal chats between the employee and manager or supervisor regarding the employee’s performance, as opposed to formal, documented conversations. Job chats are not mentioned in the existing literature. As these are informal chats which serve to update the employee on their progress to date, and aid the superior in reinforcing goals and desired behaviours, they are a valuable tool which can be used to assist in introducing the employee to performance management in the organisation. It can be recommended, therefore, that hotels, and
indeed any organisation conducting performance management, would explore the idea of using these job chats to introduce new employees to their particular system of performance management, as systems vary between organisations. In addition, as job chats occur within a month or two of employment commencing, they can be used to regulate employee behaviour and performance from an early date, which may lead to a reduction in employee centred performance-related problems at a later date.

A number of steps taken by hotels in this study to encourage inclusiveness of diversity were outlined by managers. One measure taken by one hotel is an induction programme which focuses on explaining discrimination, bullying and harassment to employees prior to commencement of their employment. Another hotel has a Guarantee of Fair Treatment policy in place. Under this policy, the hotel is obliged to hire candidates who best suit the job in question, regardless of aspects such as age, religion and gender. Another hotel has a similar Equal Status Policy in place, and also, through an affiliation with a charitable organisation, employs individuals with disabilities. A resulting recommendation for practitioners is that they aim to have a programme similar to those mentioned in this study in place, to ensure primarily that the best person for the job is always hired and never overlooked based on prejudicial flaws in recruitment. The recommendation is also made to facilitate inclusiveness of diversity in organisational workforces, regardless of whether managers believe diversity needs to be consciously managed or not.

6.7 Overall Conclusion

The findings of this study indicate that cultural diversity appears to have no implications for performance management in the nine hotels included in the research. According to existing literature, however, cultural diversity requires adaption of management systems, including performance management. This constitutes the key finding of this research, and calls for significant further study on cultural diversity and other aspects of management. Further, the majority of non-Irish employee respondents have no desire for their current employers to adapt performance management as a consequence of their presence in the workforce. Indeed, a number of employees expressed preference for their experience of
performance management in Ireland over their experiences of performance management in their home countries. This would appear to contradict existing research which suggests that management practices and theories are not transferrable across cultures.

Of further significance is the suggestion by a number of managers that employee behaviour stems from their individuality rather than as a result of their national culture. This assertion was borne out by employee respondents on a number of occasions through their responses, some of whom also expressed an opinion that employees react to situations in certain ways because they are individuals, not as a result of cultural constraint. Moreover, on a number of occasions some employees, most notably the Polish employees, gave significantly divergent opinions on the same subject matter, adding weight to the argument that individuals may be influenced by their individuality rather than their culture. This, again, suggests that performance management adaption may be unnecessary, if not perhaps unwise, as employee perceptions are influenced by individuality rather than culture. Adapting performance management practices, therefore, to cater for the employees of one culture may be simply impossible, and perhaps serve to reduce the effectiveness of overall performance management. In summary, therefore, the findings of this research study indicate that adapting performance management systems because of cultural diversity in the workforce may be unnecessary.
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Appendices
Appendix 1: Managerial Interview Guide

Interview Questions (Managers)

Manager:
Hotel:
Date:
Number of different nationalities:

1. Why does the hotel evaluate the performance of its employees?
2. What type of performance management system(s) does the hotel currently use? Is there an appraisal-type component to the system where you discuss the employees work with them?

3. What are the factors that you believe affect employee performance?
4. How are employee goals set in the hotel? Is there any employee involvement in the process?
5. Why are goals set?
6. It is said that it is imperative that employees are committed to their goals. What do you think?
7. Do you find employees from any particular culture(s) to be more, or less, happy with how goals are set in the hotel?

8. Is feedback given to employees? Why is it given?
9. How is feedback given to employees on their performance?
10. How often is feedback given?
11. Do you find employees from any particular culture(s) to be more, or less, happy with how feedback is given in the hotel?

12. Are employees rewarded based on their performance? Why?
13. What types of rewards are used?
14. Do these rewards ever vary for any reason?
15. Do you find employees from any particular culture(s) to be more, or less, happy with the rewards used by the hotel?

16. Should diversity in the workplace be managed? Is there a need?

17. Do you believe that employee diversity can be advantageous for the hotel? Why/why not?

18. Does the hotel try to manage employee diversity? How?

19. Do you believe that the management of cultural diversity in specific has/can have benefits for the hotel, particularly in the current economic climate?

20. Does/can cultural diversity present difficulties or challenges for the hotel? If yes, could you tell me about some of these challenges?

21. Does cultural diversity call for processes such as performance management systems to be changed or adapted? Why?

22. Has the hotel made any changes to its performance management system to cater for different cultures?
Appendix 2: Employee Interview Guide

Interview Questions (Employees)

Hotel:
Date:
Employee:
Nationality:
Length of time with hotel:
Previous experience in hotels in home country:

1. How is your performance evaluated in the hotel?
2. How often is it evaluated, and by whom?
3. Is this an acceptable or a usual way of managing performance in your own country?
4. Why is performance evaluated?
5. What is your opinion of the overall way performance is evaluated in the hotel?
6. If it were to be changed, what would you suggest they should change?

7. Are goals set in the hotel?
8. Who sets your goals? How are they set?
9. Is this similar to the way goals are set in your home country?

10. How often do you receive feedback on your work?
11. In what format is feedback given?
12. Is feedback given on work in your home country? By whom?
13. Is feedback on your work important to you?

14. Are rewards offered by the hotel?
15. Are these rewards based on performance?
16. Are rewards given based on performance in your home country?
17. What type of rewards would motivate you? Or what type of rewards do you consider important?
18. Does this system suit the majority of employees from your country? Is there any other method of managing performance that you think would be more suitable?

19. Has the hotel made any changes to cater for your culture?

20. Has this/have these change(s) affected your performance?

21. (If they have not made any changes)...If they were to make changes, what should they change?

22. Have you any overall comment on the impact of cultural diversity on performance management?