
Sources Staff as a Factor of Service Innovation in the Modern Hotel Industry – Analysis of Selected Issues

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Abstract:

Purpose: The main objective of the article is to indicate the role of staff in the formation of pro-innovative politics in the service activities of modern hotel facilities. The paper shows how important the role of staff is in hotel service and that it is a major factor in innovation activities.

Design/Methodology/Approach: In today's market, service companies, as a result of competitive factors, must pursue strategic key organisational objectives such as survival and growth. One industry where service innovation plays a particularly important role is the modern hotel industry. A hotel business, regardless of type, should be able to create or adapt service innovations, otherwise the lack of modernity that comes from innovation will benefit the competition. The research hypothesis was defined as follows: an important source of innovation in hotel services is individual hotel employees, regardless of their position and place in the organisational structure.

Findings: The creativity, entrepreneurship, level of knowledge and appropriate qualifications of individual employees become important for a hotel enterprise in the course of implementing its market service strategy. Each of them can be an innovator.

Practical Implications: A practical aspect of service innovation on the part of staff is the right selection of employees at the recruitment and hiring stage. When looking for innovative solutions and factors in the personnel selection process in the hotel industry, three basic factors should be taken into account, such as expertise in the profession of hotelier, the characteristic personality traits of a hotel employee, the sense of self identity as an employee belonging to a certain management system and the ability to cooperate in an integrated personnel team.

Originality/value: The paper is of practical use. The results can be used by those responsible for the hotel management process, especially recruiters.

Keywords: Hotel personnel, hospitality, service innovation.

JEL classification: L22, R11.

Paper Type: Research work.

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1. Introduction

Apart from innovations related to industrial activity and production (production of tangible goods), innovations in the sphere of service provision, in other words, service innovations, are becoming increasingly important nowadays. Such a clear distinction results from the fact that services are characterised by features different from tangible goods, i.e. intangible nature, unity of consumption and production, necessary participation of the consumer in the process of production and provision of the service, high degree of involvement of living labour in the process of service provision, etc.

Therefore, service innovation is the result of the process of changes introduced in the area of service activities and in the process of providing individual services, regardless of their type. Service innovations are characterised by a high degree of intangibility, significant involvement of the human factor (provider and recipient), high influence of external and human factors. Within the implementation of the idea of service innovation, it is possible, *inter alia*, to: create new or improve existing services, apply new or improve existing methods of service provision, apply new ways of interaction with customers or suppliers, introduce changes in the organisation of the process of providing individual services (Niedzielski *et al.*, 2007). The implementation of service innovations is treated by service companies as a manifestation of the implementation of a modern style of organisational management and is associated with modernity in action. This may also be how the company is perceived by its employees and market partners (e.g., competitors, customers, suppliers).

In today's market, service companies, as a result of competitive factors, must pursue strategic key organisational objectives such as survival and growth. The achievement of these objectives has been taking place since the 1990s under the influence of such factors as the pressure to be innovative and creative in, among other things, the service activity being carried out or the process and production system of a particular service range. Entrepreneurs are looking for various tools to reduce operating costs, improve the quality of their product portfolio, be more flexible in terms of the market and, consequently, be innovative in their own way (Panasiuk, 2011).

2. Literature Review

In economic literature, issues of innovation in business are widely described and defined. This results in a number of typologies of innovation identified according to different criteria. In the literature, innovation (Latin *innovatio*) is most often defined as the introduction of something new, something newly introduced, novelty, reform. One of the first researchers to deal with the issues of being innovative, innovation and entrepreneurship was J. Schumpeter. He defined innovation as the introduction of new products into production or the improvement of existing products, the introduction of new or improved production technology, the use of a new sales or

purchase method, the opening of a new market for the sale or distribution of production or supply, the use of new raw materials or semi-finished products and the introduction of changes to the organisation of production (Niedzielski, 2003). In turn, Drucker (1992) defined innovation as a specific function of entrepreneurship, as a tool of the entrepreneur used to create a change in the economic and social potential of enterprises and a change in value and satisfaction of consumer needs through the use of specific resources.

According to Griffin (1996), innovation is a directed effort by an organisation to master new products or services, or new applications of existing products and services, and innovation is intended to help that organisation keep pace with its competitors. Baruk (2006) states that innovation refers to both processes and results and is a deliberate human-designed change in product, manufacturing methods, work and production organisation and management methods, applied for the first time in a given community or organisation to achieve new socio-economic benefits, meeting specific technical, economic and social criteria. Innovation is often referred to as one of the most important forms and tools of competition, alongside price, quality and flexibility of operation.

One of the industries where service innovation plays a special role is the hotel industry, whose main task is to provide tourists and other travellers, depending on their individual expectations, with appropriate conditions for stay (accommodation) outside their place of residence by offering and providing hotel services (Szostak, 2004). It is a service industry characterised by high labour and service process costs, which are independent of the volume of sales and result, among other things, from the constant readiness of a hotel facility to provide services. Contemporary hospitality businesses (e.g., hotels, guesthouses, motels, holiday resorts), regardless of their type, need to be innovative to survive in today's competitive market. One of the fathers of the modern hotel industry, Caesar Ritz, claimed that a modern hotel should be ultra-modern in its operations, regardless of the times in which it operates (Tulibacki, 2000).

3. Innovations in the Modern Hotel Industry

A hotel business, regardless of type, should be able to create or adapt service innovations, otherwise the lack of modernity that comes from innovation will benefit the competition. In the hotel industry there is also a need to set specific innovative goals and process objectives for implementation as a manifestation of a well-thought-out strategy of action and a need to "push" as well as "pull" innovations, i.e., to acquire innovations from the market as well as through diffusion of their implementation in other companies.

An exemplary typology of service innovations in the contemporary hotel industry might be as follows:

- a) hard innovations – technological innovations, connected with the process of hotel/accommodation facility operation; hotel services are strongly dependent on applied technologies that shape their ultra-modern form of provision; a manifestation and effect of hard innovations may be the description of a hotel facility as an "intelligent building"; they complement the technical quality of the hotel service;
- b) soft innovations – implemented in the area of hotel work organisation, management and marketing; they very often refer to the non-material sphere of the hotel service; they supplement the functional quality of the hotel service.

A hotel business' innovation policy is therefore implemented by setting innovative performance targets and measuring the relative impact and importance of different innovations on the hotel service provision process. An important source of innovation in hotel services are the individual hotel employees, regardless of their position and place in the organisational structure, both those representing the front office, i.e., those directly responsible for hotel guest services, and those forming part of the back office, i.e., employees providing backup services and having little direct contact with customers. The creativity, entrepreneurship, level of knowledge and appropriate qualifications of individual employees become important for a hotel enterprise in the course of implementing its market service strategy. Each of them can be an innovator. Many hotels place emphasis on training, education, inspiring creativity and improving systems to encourage people to be innovative.

Therefore, innovation in an organisation such as any hospitality enterprise depends not only on the creativity of those involved in innovation processes, but also on the resistance of those who are not involved and who do not think creatively about their jobs and the whole establishment in which they work (Niedzielski and Rychlik, 2006). Hotel employees can be a source of service innovation in relation to both hard (technological, operational) and soft (organisational, functional, intangible) innovations presented earlier.

Underlining the importance of the human factor as a source of service innovation in the contemporary hotel industry, such innovation can be defined as a purposeful and organised activity of hospitality entrepreneurs and hotel employees seeking practical application of various new solutions under given conditions and in time, in order to achieve positive economic effects, better satisfy the needs of hotel guests and make more efficient use of available resources (Niedzielski, 2003).

Many authors dealing with innovation stress the fact of the great importance of people in innovation activities, especially in the sphere of service provision. In this context, the high demand for creative thinking, creativity and creative entrepreneurship in the broad sense of the term is very often emphasised in economic activities, in organisational solutions and in the creation of service portfolios. This is all the more important and relevant in the hotel industry as the process of providing a hotel service and operating a hotel facility is highly correlated with the knowledge, skills and creative thinking of individual employees.

At the same time, attention should be drawn to the need to create and implement an appropriate system for motivating individual employees to think creatively and innovatively regardless of their position and in relation to their individual workplace and the organisation as a whole. The implementation of such a system should be carried out, *inter alia*, through appropriate training, staff recruitment procedures and the creation of conditions for creative thinking as regards the delivered service product, which is also an integral part.

Some hotels stimulate creativity and innovative entrepreneurship of their employees e.g. by inviting employees to discuss and debate innovative functional and technical solutions of the hotel service (e.g., in the form of "brainstorming"), higher wages are guaranteed for developed and implemented innovative solutions aimed at increasing the effectiveness of the organisation (e.g., in the case of hotel chains, solutions must ensure a networked implementation). Innovations proposed by the employees of a hotel can originate from various sources, mainly their own professional experience, observation and interviews with hotel guests, analysis of competitors' activities, service training, etc.

A hospitality enterprise is therefore a service market actor in which the product strategy is based to a large extent on the personnel factor, i.e. the staff, especially the front office staff (room attendants, reception officers, waiters, receptionists, etc.). Booking and reception staff are a vital and important part of any hospitality establishment. It is they who have the greatest responsibility for the satisfaction of the hotel guest in the service process. A courteous and competent receptionist or booking clerk creates a positive attitude in the guest not only towards themselves, but also towards the hotel as a whole. Receptionists also have the most frequent contact with the hotel guest and play a key role in the customer service cycle (before the guest arrives at the hotel - telephone booking and presentation of the hotel offer, during check-in, during the stay - coordination of services offered by the hotel and during check-out) (Kowalczyk, 2003).

The main factors that determine the style and methods of human resource management in the hotel industry are:

- fluctuation in labour demand - the workload in the hotel industry is constantly changing due to changes in the volume of demand caused by seasonality; it is becoming important to match supply with labour demand; in many hotels some workers are employed on a fixed-term or part-time basis;
- demand for direct (live) labour – in the hotel industry, the productivity of employees depends on their individual abilities and commitment; in this situation, the result of work does not always correspond to an objective assessment of human capabilities;
- the subjective nature of standards – defining standards of hospitality, service and cleanliness is inherently a subjective matter, so it is difficult to objectively assess the individual contribution of each employment on the basis of these standards;

- specificity of qualifications – the qualifications required in the hotel industry are often not suitable for companies outside the sector; at the same time, many of the jobs and activities performed in the hotel industry and in the operation of individual hotel facilities require basic qualifications and staff turnover is quite high, especially during the first year of employment.

An important aspect of subsequent service innovation on the part of staff is the right selection of employees at the recruitment and hiring stage. When looking for innovative solutions and factors in the personnel selection process in the hotel industry, three basic factors should be taken into account, such as expertise in the profession of hotelier, the characteristic personality traits of a hotel employee, the sense of self identity as an employee belonging to a certain management system and the ability to cooperate in an integrated personnel team.

4. Professional Knowledge of the Hotelier Profession

The basic capital of a modern hotel enterprise are the so-called intangible resources, i.e., the knowledge and competencies of the personnel (a set of qualifications, experience and professional skills). They play an important role in customer service. An important skill in the hotel industry that is required of every employee (to a greater or lesser extent depending on the position held) is command of foreign languages. A newly recruited employee should have such skills confirmed by appropriate certificates and practice. European hotel industry standards, for example, require employees in the reception department to be fluent in two foreign languages, both spoken and written, and to speak a third one. Sometimes this skill is more important than work experience in hospitality (Panasiuk, 2019).

An important element of the human resource management process in the hotel industry is that the company's staff have the relevant industry professional qualifications. It is necessary to continuously update the knowledge of employees by developing a generally available system of further education and in-service training, organising training for front-line staff, e.g., in the area of guest services, and for managers, mainly in the area of management.

5. Characteristic Personality Traits of an Employee of a Hotel Facility

People who want to work in the hotel industry, in addition to the skills acquired through previous work experience (e.g., technical, customer service or sociological and psychological knowledge), must be equipped with certain psycho-physical predispositions that are important in the profession of hotelier, such as:

- knowledge of social forms and customs,
- patience, composure, courtesy, honesty,
- eloquence, impeccable manner, kindness, understanding, self-restraint,
- responsibility, sense of duty, discipline,

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- resistance to stress,
 - ability to cope with any situation,
 - quick decision-making,
 - ability to reason quickly and to formulate conclusions concisely,
 - good organisation of work and regularity,
 - ability to speak properly, relaxed behaviour and communication skills,
 - pleasant demeanour and aesthetic appeal,
 - ability to remember names and perceptiveness,
 - continuous improvement of their qualifications and mental level,
 - command of foreign languages,
 - appropriate distance from guests,
 - ease of establishing contact with people,
 - adequate customer focus and listening skills,
 - emotional stability, ability to recover quickly in stressful situations,
 - ability to deal with customers' emotions,
 - readiness to help other people solve their problems,
 - negotiating and active sales skills,
 - habit of referring to a superior in situations requiring important decisions or commitments,
 - respect for the hotel's material assets.

Lacking these skills, a candidate for a hotel receptionist, for example, will not be able to prove themselves as a receptionist who, among other things, builds the image of their workplace through their attitude towards customers. A lot of responsibility lies with the hotel staff verifying the suitability of applicants for hospitality jobs. Hence, a very important part of staff training is not only to emphasise vocational training but also the psycho-physical training of the employee.

6. Conclusions

In terms of personnel management, efforts should be made to increase employee awareness, responsibility, competence in individual positions in all departments of a hospitality enterprise. In particular, employee identification with the workplace and with the activities performed plays a significant role when quality management and ISO procedures are implemented in a company. The absence of such an identity means that the system will not operate efficiently and there will be blockages in the flow of information regarding the efficiency of the system's operation and the resulting deviations from the planned action plan.

An appropriate personnel management measure in the hotel industry is the creation of an efficient work organisation, which should consist of the division of labour and the distribution of tasks according to occupational specialisation. Correct organisation of work boils down, among other things, to determining which jobs are necessary for a given scope of work and determining which tasks and competencies

are covered by a given job. Proper organisation of work eliminates bottlenecks and downtime that could result in dissatisfied customers. An appropriate number of employees working in a given service department of a hotel facility and the scope of their duties become important.

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