

The Role Played by Strategic Planning in the Performance of Hotel HR Departments: The Case of Turkish Republic of North Cyprus (TRNC)

İsmet Esenyel¹ and Ahmed Ghazi Mahafzah^{2*}

¹Dean of Faculty of Tourism and Hospitality, Tourism and Hospitality Management, Girne American University, Karaoğlanoğlu, Kyrenia, Cyprus

²Ph.D Candidate, Department of Tourism and Hospitality Management, Girne American University, Kyrenia, Cyprus

Abstract

Hotel's Human Resource management is critical to its success. Having a Top-level management is an advantage not only to the human resource alone but also to the hotel regarding positioning itself in the industry. Well-organized hotels bag many clients due to their pleasing services, which meet the customer's needs. However, today many players in the hospitality industry are reluctant to establish an effective HR department in their long-term process as they find the process of establishing a long-term human resource strategic plan and department costly. For instance, according to research carried out by , they find out that managers in most hotels in Northern Cyprus used an input-oriented approach to boost productivity such as marketing and advertisements instead of establishing an effective HR department. The day-to-day life cycle of a hotel requires effective planning. For that reason, in the strategic plans of hotels, there should be a functioning Human Resource department which will ensure that the long run the hotel's performance is adequate. Similarly, Hotels should have a well-stipulated HR framework, which is vividly spelled out in the Strategic formulation process. However, during the initial process when coming up with a strategic plan the power within proper HR management most of the times, it is overlooked. This paper will provide a survey that was carried out in two hotels in the Republic of Turkish Northern Cyprus Known as Merit Crystal hotel and Colony Hotel respectively. The study will provide a wider picture of how HR performance is affected by strategic planning.

Keywords: Human resource management; Strategic planning; Strategic thinking; Human resources; Resource planning; Performance improvement; Productivity rate

Introduction

In his work Ali, has defined strategic thinking as the process where a company analyzes and declares its futures goals. Business strategic thinking correlates directly with strategic planning. The two help to make a sound business decision [1]. However, before a company starts its activities, it has to examine its strengths, weakness, the political situation, and economic conditions critically so that they can state their mission. Moreover, strategic business thinking puts the company's primary objectives in consideration before arriving at a final decision. Similarly, the business future is put at stake too. Business strategic thinking and business strategic planning do not differ much. However, the former on uncertain outlook has more details while compared to the plan. Strategic thinking considers the implications, which shape the future of the business regarding financial stability and the precautions of future events.

On the other hand, the strategic planning provides formidable details, which show the cause of action in case the future events occur. For instance, without a well-detailed marketing forecasting, it will be hard for business to take action in new market regions. The strategic planning helps to predict the performance outcome rather than the social outcome, which is stipulated by the strategic business thinking.

Conversely, given the importance of strategic planning, scores of business managers still find it difficult coming up with complete ideas and function of work that will help the company fulfills its goal. The strategic planning focuses more on business efficiency while strategic thinking fundamentally helps the business process efficiently.

Business managers are required to have strategic thinking skills for both short and long-term purposes. Managers should be keen to make a rational decision without fearing to fail. On the same note, the managers should be able to integrate both strategic planning and strategic thinking.

HR Strategic Planning

Strategic human resources planning is an imperative component of the overall strategic HR management. The HR management can link directly to the organization's strategic plan. As stated earlier the strategic planning helps to meet organizations missions successfully. Routinely originations complete their financial plans with a motive to accomplish the organizational goals. However, workforce plans are not put into consideration most of the times. Integrating both the human resource management strategies and the other systems within the business helps to achieve an overall improvement because the employee needs are meet.

According to Bibiano, the human resource planning is a continuous process that contributes to identifying both the current and future needs of the human resource. The progression is aimed at achieving the organization goals [2]. Moreover, Strategic Human resource planning and management (SHRM) supports long-term organizational goals about the strategic business framework.

The SHRM within an organization has various functions, which include improved employee relations. Proper employee relations help to unionize the working environment. The HR harmonizes labor and employee service. The issue is handled differently; the HR discipline is more concerned about job satisfaction [3]. Moreover, the SHRM tries

***Corresponding author:** Ahmed Ghazi Mahafzah, Department of Tourism and Hospitality Management, Girne American University, Kyrenia, Cyprus, Tel: +90 392 650 2000; E-mail: ahmad_jordans@yahoo.com

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to improve employee compliance, recruitment, safety, compensation, and benefit. Also, the HR is the tool responsible for implementing the framework strategy.

The Human resource performance planning is comparatively essential. The performance plan normally is a collaborative process that involves both the employee and the supervisor, which help to determine the performance development and expectations by accomplishing the objectives during the stipulated period. In developing the strategic plans actually, the origination should establish evaluation models, for instance, the SWOT evaluation model which will enable the organization to evaluate its performance and positioning in the industry [4]. The models help to provide an ideal position after close examination of all business activities and feature. The evaluation modules well improve the performance HR, the strategic thinking, and planning function.

Related Work

According to the research that has been done, human resource management can, therefore, be defined as the control and management of human resources. It is a branch in all organizations that is set up to maximize employee service provision by the employer's goals and objectives [5] it is focused on the supervision and management of the employees within the hotel paying major attention to the policies and systems set by the management of the hotels [6]. The departments in the human resource unit are responsible for specific activities in the hotel such as recruitment of employees, training and development and appraisal [7].

According to Lou's work, the Human resource in an organization integrates strategic plan and the performance improvement [8]. The decisions made affect the overall performance of the organization. In his research, Lous was quick to notice the gaps in the HR management. His research was based on the New Zealand market where he found that HR decisions affect employees, stakeholders and the future performance of the hotel.

According to [9], the developments in the industry have affected the architecture thus need to integrate an effective Human resource to ensure it performs efficiently. The organizations should thus focus on employee improvement through an establishment of a post-modern human resource department as it is essential in setting the quality levels that meet the international standards.

In their research, [9] found out that the human resource department is essential in improving the productivity rate. They conclude that the recruitment of employees, training employees and also developing their careers and customer satisfaction are the primary factors that influence productivity in hotels. As a result, more focus should be put on this factors as low-rated factors such as marketing, technology, and forecasting are given less focus. Because the hotel managers in Northern Cyprus implement a narrow view of rates of productivity and also follow a more input-oriented approach in managing their productivity rates, an emphasis is required in the hotel industry.

According to their research, the needs in the hotel industry demand for immediate and recurring strategies in which a longer-term consideration is the best decision [10]. A longer-term decision and consideration in strategic plan reflects the functional strategic management approach and not the reflective approach which make the latter preferable and showing progress in terms of performance improvement. Referring to earlier research, the researcher found out that the hotel industry has a shortfall in coming up with long

term directions and strategic planning [10]. Thus there is need for emphasis on long term human strategic planning as they improve employee performance and company productivity in the long term. Strategic human resource planning especially in the long term will help reshape the image of the hotel industry by setting quality standards of productivity and employee performance.

In another research carried out to study the key issues in strategic human resources, the researchers found out that the HR departments is of great significance in any organization. Before an organization invests in Human resource, it should understand the first issue of employee performance and associated practice issues [11]. Other issues encountered in HR include change management which affects most organizations with staff retaining being more manageable. Developing the careers of employees is also another issues in hotel industry that HR strategic planning addresses since the employee performance is key value of productivity in the hotel industry. Therefore, strategic HR planning will tackle these issues, especially in the long term establishment resulting in improved performance and productivity [11].

Murthy's works gave more insight on the organization objective. In his research, he was able to find that, for an organization to perform efficiently to its vision and mission. The firm has to work on its objectives first [12]. His research work proved that organizations could have a higher competitive advantage they use their employees efficiently. Nonetheless, effective employee management relies upon the HR rubrics.

In his research, Khawaldah was able to shed more light on the relationship and the impacts of strategic planning. HR department, in the long run, helps to provide customers with better quality services [13]. The author concluded that differences in strategic planning among organization saw the differences in customer's service

Theoretical Framework (General Benefits of HR Department)

According to Kubi an organization's human resource governs is referred to as human resource management. A business human resource department creates and implements policy, which oversees the employee's behavior within the organization. Moreover, human resource management maintains the company's behavior towards the employees. In general, the human resources refer to the individuals working for the organization. On the other hand, the human resource management entails the employee management who perceive them as valuable assets to the business. In the same context, the employee is referred human capitals. Like other businesses, the goal for the employer is to reduce the business risk and maximize returns by using the employees effectively [9].

The HR department for the TRNC hotels will be able to hire and train the qualified workforce. Given the dynamic within TRNC, employee hospitality training is incredibly important. The industry is highly diversified. With a functioning HR, managers can pick the right people who fit in their organization [9]. During hiring, they can create job descriptions so that the appropriate human resource can be selected.

On the other hand, the HRM department is responsible for maintaining the performance system. The TRNC hotel market is vast and extensive. Therefore, several hotels who have HR departments can leap the slowly from their employees. They motivate their employee. This helps to align the organizational objectives.

Moreover, HR helps in building values and cultures of the organization. The TRNC hotel market is highly competitive therefore prevails organization culture assist the organization to stand out. HR departments create conducive working environments. According to [14], a safe working atmosphere and culture helps to bring greater job satisfaction.

Also, HR department contributes to developing good working relations to great extent friendly, relationship. The HR is of calling all the employees to official gatherings, seminars, or meeting on behalf of the organization management. TRNC hotel industry has numerous emerging trends. For that reason, the business with HR departments can adjust faster because the working relations are at per. The TRNC hotel market includes beauty spas, casinos, hotels, swimming pools and fitness centers to mention just a few [14-19].

The research was carried out in the vast TRNC hotel industry. Statistical methods were used to conduct the research. Moreover, the research had predetermined hypotheses [20], which lead the entire research process. Interviewing was done as the methodologies for research, and the decision was unanimously reached after completion.

Findings and Discussion

As mentioned earlier, the researcher selected two hotels at the TRNC and assigned them as hotel A and hotel B. where hotel A describes Crystal Hotel and Hotel B represents Colony hotel.

Hotel A

The hotel has casino department and has above 200 workers, applies human resource information system (HIRS) above ten years. Moreover, interacts with only the HR department and all are professionals.

Hotel B

The hotel also includes casino department and has more than 200 workers. Moreover, applies HRIS system more than 15 years and all its employees are professionals. Table 1 tabulates this information and proves that the interviewees are customaries with all HRIS system for more than seven years.

According to the information mentioned earlier and the synthesis of the responses from both hotels A and B, exposed that even there

were two different systems of HR as general speaking. There are so many advantages as the number of workers, and their activities came from the HRIS system, and this can be noticed in Table 2.

It is well-known that HRIS has the effectiveness of the activities of manpower as:

It makes an analysis of the required personnel by HR in the hotel or company through matching the supply according to the demands for it. Then the system identifies the unfilled positions.

Additionally, the HRIS provides the visions of the company and the shortages in the employee's performance, then selects the right person to be trained who gets the position of the unqualified person. This process is found essential for evaluating and investigating the effectiveness of the training program.

All that mentioned earlier, both hotels A and B agreed that the system performs required operations faster and better in giving right decisions by identifying the positions and targeting specific employees as successors. Moreover, this system does not reduce recruitment costs. Three of these factors which are considered as main factors were specified in Table 3.

As shown in Table 3, these items make HRIS system easier to follow the workforce gaps, supporting long-term planning process with required information for the manpower planning and supplying the demand forecast process. Equal employment procedure for staffing with their information, separation process and applicants specification and qualifications, and managing the training programs, salaries, paying budgets and the employee's relations on the contracts and assistance needed with the support of the HRIS system. The Chi-square formula is exposed that HRIS system is very significant to the organization at level 99%.

While Table 4 explained and identified the main challenges related to the activities of manpower in the selected hotels as vowed and supplied workers, on coming to required information, shortage of workforce and the cost of recruitments. The Chi-square formula is exposed that it is very significant to the organization at level 1%, which yields that confidence level is at 99%. From these, it is easy to conclude that these are correlated with the activities of manpower, as much as they were affected the hotels previously and then the HRIS system.

Facility	Hotel A	Hotel B
Position	HRIS Personal	HRIS Personal
Casino department	Yes	Yes
HRIS integration with other systems	No	No
HRIS interactions	Professionals	professionals

Table 1: Summary and Hotels profiles.

Advantages	Hotel A	Hotel B
Does HRIS identify the unfilled positions accurately	Yes	Yes
Is HRIS analyze each position and its title in the hotel	Yes	Yes
Can HRIS reduce recruiting cost	No	No
Can HRIS provide visions into hotel and the required training	Yes	Yes
Has HRIS the ability to select the right persons to have trained at the required time	Yes	Yes
Does HRIS evaluate the effectiveness of the offered training programs	Yes	Yes
Does HRIS make decisions faster and better by identifying the positions and targeting specific employees as successors	Yes	yes

Table 2: Advantages of HR system.

Effective Succession Planning		Performance Management	
Identify specific positions and target specific employee		Analyze employee's skills and qualification	
Better and faster decision maker		Process of stratifying employee's goals	
Identifying and tracking high potential employees		Supporting performance compensation	
Test Statistics			
Chi-Square	0.01194	Chi-Square	0.002497
DF	1.197	DF	1.197
Asymp		Asymp	
Sig.	0.0000	Sig.	0.000

DF=Degree of Freedom, Sig.=Significant

Table 3: HRIS Contributions.

Challenges	
Labor Supplement	
Information access	
Cost of recruitment	
Shortage of workforce	
Test Statistics	
Chi-Square	0.010398
DF	1.972
Asymp. Sig.	0.0000

Table 4: Challenges affected with activities of manpower.

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