

International School of Economics

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The influence of personnel management policy on motivation of employees in the

service industry.

Thesis submitted for the degree of Bachelor in 6B04101 Management

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Abstract

This work is devoted to the study of staff motivation and the development of recommendations for solving the problem of low motivation of staff at hotel enterprises. A literature review was done on the issue of the connection of HR policies and staff motivation. The purpose of this research was to identify the influence of properly developed and implemented HR policies on staff motivation. After the literature review the methodology design was done. To identify the results of the study was conducted quantitative and qualitative research methods. The study revealed what and who can motivate employees and HR managers of St.Regis and Jumbaktas hotels, and also considered the problem of staff turnover, the correct personnel policy and a comparison of the internal structure of hotels. This research will help Jumbaktas Hotel to, increase employee motivation and develop a new HR policy structure.

Consequently, a more detailed study of the literature was made, as it was found out that this topic was insufficiently studied in Kazakhstan. It was decided to conduct a survey dividing the participants into managerial and non-managerial positions of two hotels. The survey included information about employee motivation and the level of formalization and impact of HR policy. Interviews were also conducted with the management in order to assess how HR policies are developed and used. According to the results of the study, a link was revealed between the presence of good work of HR policicians and employees.

Keywords: hotel, motivation, effectiveness, employee, HR policy, problem, wages, Jumbaktas, St.Regis, managerial, non – managerial. problem tree.

Table of contents

1.	Introduction	4
2.	Literature review	6
3.	Methodology	9
	3.1. Background information analysis	10
	3.2. Methods and techniques for motivating employees used in the activities of the hotel	10
	3.3. Organizational structure of Jumbaktas and St. Regis hotels	19
	3.4. Comparative analysis of an effective system of training and development of staff of a small and la hotel.	
	3.5. Competitors	21
	3.6. The problem tree	24
4.	Research results	25
	4.1. Interview	31
C	onclusion	31
Bi	bliography	33

1. Introduction

The fast-changing environment of the modern world puts a high pressure on the workforce – the main source of corporate productivity. Thus, the question of the attitude towards personnel becomes crucial for the companies, who want to be competitive and successful. The role of employees in the process of economic development is hard to underestimate. Kazakhstan has been going through a period of social change for more than three decades. Such changes affect not only the political, economic and social structures of society, but also inevitably affect the way of doing business.

Deep transformations are taking place in the employee value proposition and motivational structure.

For all organizations, large and small, manufacturing and operating in the service sector, people management is of primary importance. Without proper selected, professionally trained and managed personnel, no organization can achieve its goals and survive.

Motivation of employees is one of the most important issues for owners and managers of hotel enterprises.

It is believed that behavior is always based on motivation, with the exception of activities based on unconditioned reflexes.

The hospitality industry is confidently becoming one of the most profitable sectors of the Kazakhstani economy. The demand for modern opportunities and innovative methods to improve the efficiency of the hotel enterprise among Kazakhstani hotels is growing as competition grows and the professionalism of manager's increases. The hotel is turning into a manageable enterprise that is able to respond flexibly to changes in the market situation, which makes it fully profitable to invest in technologies and methods that increase the efficiency of hotel enterprises, including motivational management. Nevertheless, further development of hotel industry needs not only new entrants to the market to boost competition, but also new practices in personnel management. The introduction of these practices is impossible without an in-depth analysis of the current potential. Even knowing the fact that international hotel enterprises are more developed and provide better service, it is impossible just to copy their approach in order to change the existing situation. That is why the modern HR practices should be examined in terms of applicability for further introduction to local hotels.

Currently, the hotel business is being formed vaguely and with different level of personnel management policy development. This is the main problem and has a negative impact on the development of the hotel industry in Kazakhstan. Therefore, the main task of hotels is to improve their competitiveness through better service, and the service is created by the personnel who work in these hotels. After all, the

successful operation of the hotel depends on how the personnel reserve well motivated and effectively formed.

However, the first step of HR policy development does not start from the question "Whom to hire", but it starts with a deep overview of the market, competitors, background factors, and what is also important – the current state and the strategy of the company itself. Only having this done, it is possible to move on to the next stage – start to analyze the current employee motivation level and structure.

This study is aimed to find out what HR practices positively influence the level of motivation of hotel employees. analyze the motivational structure and HR practices on the example of two locally and globally managed hotels in Nur – Sultan .

Before forming a personnel policy, it is necessary to develop the right strategy for creating a personnel reserve. Initially, it is necessary to determine the initial components for hiring personnel, at the next stage it is necessary to regularly monitor the work of personnel and their development, using approaches such as improving skills, motivation, and training.

As was said earlier, it is important for hotels to determine the initial barriers for the admission of staff to the hotel. In general, there are three constituent factors for admission. (tab. 1).

Hypothesis:

Proper development and execution of HR policies is one of the key factors towards staff motivation and development.

Research questions

- 1. What HR activities positively influence staff motivation?
- 2. What are main factors of employee motivation at mentioned hotels?
- 3. What employees consider as important factors for their development and effectiveness?
- 4. What is the gap between employee demands and HR Activities?

The importance of this study is dictated by the course on the development of tourism in Kazakhstan, part of which is to improve the efficiency of hotel management. In the course of the study, factors affecting the motivation of employees in both small local hotels and larger international ones will be considered. Having identified the areas of influence of HR policies on motivation, it will be possible to create recommendations for increasing motivation through the establishment of HR processes.

Objective:

Diagnostics of the effectiveness of HR policies in terms of motivation of the personnel of the hotel enterprise.

In connection with this goal, the following tasks have been set:

- identify key motivational factors in various segments of the hotel enterprise

- to analyze the types and possible structure of motivation in a hotel enterprise;

- to explore the ways of diagnosing the motivation of staff in the hospitality industry;

- to analyze the staff motivation system in St. Regis and Jumbaktas hotels;

- to analyze the HR Policies in St. Regis and Jumbaktas hotels

Motivation of personnel for most Kazakhstan organizations of the hospitality industry is currently of particular importance.

This is due to the fact that the work in the market places high demands on the level of its qualifications, knowledge and skills of employees. The rapidly changing external and internal conditions of functioning pose the task of motivating personnel to the ongoing changes before most enterprises in Kazakhstan.

Currently, the most pressing is the identification of key motivational factors in various segments of the hotel enterprise. In addition, there is an acute issue of choosing the most effective methods for increasing the motivation of employees working in the hotel business.

The main research methods were theoretical analysis, the study of materials of scientific and periodicals on the problem, analysis of documents, comparative analysis, and marketing methods for analyzing the external and internal environment, observation, expert survey and others.

2. Literature review

The problem of motivating employees to work has become the subject of scientific analysis, starting with the management theories of the classical management school of F. Taylor. Theoretical aspects of the study of the problem of labor behavior were incorporated in the model of "economic man" by A. Smith, the theory of labor value by K. Marx, the concept of social division of labor by E. Durkheim. Today, the problem of staff motivation is also widely reflected in scientific and journalistic literature.

Motivation means the creation of conditions where a person's own motives awaken. In fact, motivation is the creation of an environment enriched with incentives and opportunities in which a person actualizes his motives (Blednova T.V., 2015).

It is believed that behavior is always based on motivation, with the exception of activities based on unconditioned reflexes. Motivation is what drives a person to action. A person will appear motivated when he actively takes action towards a specific goal. And vice versa, a person is passive, indifferent or inactive - as unmotivated or having low motivation.

So, motivation (lat. motivation) is a dynamic system of interacting internal factors (motivators) that cause and direct goal-oriented behavior of a person or animal.

Currently, there are a fairly large number of different definitions of motivation, from which the concept of motivation is formed, which each in its own way explains the motivational model of human behavior. Work motivation systems are developed on the basis of both theoretical research and practical experience. Until now, there is no universally used definition of the concept of "motivation". Each author formulates the definition of motivation, based on his idea of this concept. For example, M. Kh. Meskon and his co-authors in the book "Fundamentals of Management" give the following definition of the concept of motivation is the process of encouraging oneself and others to work to achieve personal goals or organizational goals" (Ablyazov R. S., 2014).

O. S. Vikhansky, A. I. Naumov offers the following definition: "Motivation is a set of internal and external driving forces that encourage a person to act, focused on achieving certain goals" (Vikhansky O. S., Naumov A. I., 2014).

V. M. Tsvetaev considers motivation as a process of activating the motives of employees (internal motivation) and creating incentives (external motivation) to encourage them to work effectively (Tsvetaev V. M., 2012).

Thus, all definitions of motivation are similar in one thing: "Motivation is the process of inducing an individual or a group of people to activity, by activating the employee's motives (intrinsic motivation) and creating incentives (extrinsic motivation), aimed at achieving personal goals and the goals of the organization" (Ablyazov R. S., 2014).

Many foreign authors - D. Baldwin, D. T. Bowen, D. James, M. Garvey, D. Erdos, K. Egerton-Thomas and others have actively researched theoretical and applied problems of motivation and stimulation of personnel work. Below are their works:

- P. D. Shock, D. T. Bowen, D. M. Stefanelli. Marketing in the restaurant business;

- D. James, D. Baldwin. Restaurant management;

- B. Marvin. Restaurant Marketing;

- K. Egerton-Thomas. Restaurant business: How to open and successfully manage a restaurant.

Labor productivity characterizes the fruitfulness of useful labor, which determines the degree of efficiency of production activities over a certain period of time.

According to the interpretation of the concept given by V. Konoplitsky, labor productivity is understood as an indicator of the efficiency of the use of labor resources, a labor factor, which is measured by the number of products in physical or monetary terms produced by workers in a certain time (Konoplitsky V., Filina A., 2014).

According to the theory of K. Marx, "the level of labor productivity is reflected in the relative value of the means of production, which the worker turns into a product over a given amount of time with a constant labor force" (Kabushkin N.I., 2009).

Strumilin S.G., classic of the Soviet economic school considered "labor productivity is determined by the amount of product created by workers per unit of working time" (Zabrodskaya N.G., 2014).

According to Zabrodskaya N.G. "the efficiency of using the labor resources of an enterprise is labor productivity, which is determined by the amount of products produced per unit of working time, or by labor costs per unit of output or work performed" (Ilyin A.I., 2010).

Susha G.Z. believes that "labor productivity is characterized by the effectiveness of a person's labor activity" (Susha G.Z., 2010).

Ilyin A.I. defined labor productivity as "an economic category that characterizes the efficiency of an employee in the field of material production" (Ilyin A.I., 2010).

Golovachev A.S. noted in his studies: "labor productivity represents the efficiency, productivity of employees in the production process" (Golovachev A.S., 2010).

Thus, in the production of a product, living and materialized labor is involved, and then it is customary to separate the acceptance of the productivity of living labor and aggregate labor, i.e. living and social work.

The productivity of living individual labor represents the effectiveness of only the living labor of an individual employee.

The productivity of aggregate labor represents the effectiveness of the totality of the living labor of employees and materialized labor in the means of production.

The productivity of social labor can act as a criterion for the economic efficiency of production, since such productivity determines the efficiency of all elements that make up production.

An increase in labor productivity is a determining factor in the volume of production, the main source of expanded reproduction and an increase in the well-being of an enterprise employee.

The article "The impact of human resource management methods on employee motivation and loyalty" (Mai Ngoc Quang, 2020) shows us that we are not the only ones who are interested in this topic. The study was conducted in several ways to identify the relationship between staff motivation and the quality of service provision.

We found an article in which a study was conducted on the factors of motivation of service personnel in Bangladesh, the result of which showed that safety in the workplace is primarily important for employees and working conditions turned out to be the most important factors. "Employee Motivation Analysis in Service and Manufacturing Organizations: An Example of a Developing Economy" (Selim Ahmed, Rafikul Islam, 2021)

Based on the results of the study "Who, What, Why and How in Performance Management" (Jocelyn Strange 2020), it is safe to say that new motivation strategies and the structure of personnel Management improve the working capacity of personnel several times.

The article "Motivation almost always wins over simple talent" (Norman Ralph Augustine, 2019) says that no matter what motivational programs are, if the goal or task seems impossible, the level of interest becomes less.

3. Methodology

The study included a mixed research method that includes qualitative and quantitative research methods as well as the policy analysis. The combination of these methods allows one to gather the complete understanding of the motivational structure of the mentioned enterprises, its influence on effectiveness and further aspirations of employees and management.

As part of the first phase of the study, the personnel policies of the St.Regis and Jumbaktas hotels were analyzed, which regulate the issues of training, development and motivation of staff. Analysis of these policies was helpful in terms of personnel approach comparison. Further, this information was used to prepare and conduct semi-structured interviews with the hotel staff in order to formulate a complete picture of motivational activities and employee attitudes towards their work.

Also the SWOT analysis of the hotels was performed in order to obtain more information on the current state of HR practices.

The research consists of:

- 1. SWOT analysis and background information collection
- 2. Documented HR policies comparison and analysis, problem-tree creation
- 3. Interview with top and HR managers on motivational and performance issues
- 4. Personnel survey on motivation and HR practices
- 5. Management survey on motivation and HR practice

3.1. Background information analysis

In order to study the practice of motivation management of hotel staff, testing the technology of motivation diagnostics, the study was conducted in St. Regis and Jumbaktas.

St. Regis Hotel is a 5 star hotel that belongs the Mariott international group of hotels. It is located in the riverside area of Nur-Sultan at the Central park of the city. The number of employees is 235. The number of rooms is 120. The price segment is from 85 to 100 thousand tenge. However, the occupancy rate of hotel is now no more than 30%. The rating of St.Regis hotel is 9.3 (according to booking.com website).

The main activities of St.Regis are:

- provision of hotel complex services for temporary accommodation;

- provision of catering services;
- full-service spa;

- fitness center.

Hotel "Jumbaktas" is a 4-star locally managed hotel located in the business area of Nur-Sultan. The room prices start from 32,400 tenge. Currently, there are 60 rooms in "Jumbaktas". The occupancy rate of hotel is now around 40%, that is not a high rate, nevertheless it can be a post-pandemic effect.

The main activities of Jumbaktas are:

- provision of hotel complex services for temporary accommodation;

- provision of catering services;

- full-service spa.

Though 5-star international hotel is not quite a benchmark for local 4-star hotel, the Jumbaktas hotel is the only one in the city that corresponds to 4-star level of service of the hotels by the reviews of clients. Moreover, as St.Regis hotel is one of the most popular in Nur-Sultan, the level of HR practices is very high and it was important to analyze what HR practices contribute to its success and how these practices can be applied in local enterprises.

3.2. Methods and techniques for motivating employees used in the activities of the hotel

Analysis of documents reflecting the practice of staff motivation management in hotels has shown that St. Regis and Jumbaktas employees work under an employment contract that includes:

- medical care;

- the passage of the medical commission is carried out at the expense of the hotel;

- paid study leave.

In order to study the practice of staff motivation management at St.Regis and Jumbaktas hotels was made:

- diagnostic interview with the St. Regis hotel manager;
- diagnostic interview with the director of Jumbaktas hotel;
- diagnostic interview with the director of Aisha Bibi hotel.

In a conversation with hotel managers, questions were discussed about the ways of hotel staff motivation (see Table 1).

Below is the information on personnel motivation practices. Monetary and non-monetary reward was mentioned.

St.Regis Incentives:

- bonuses, 10% service fee for all employees every month;
- sales bonuses for the operation department (percentage of cosmetics sales in the spa, bonuses for selling per room);
- appreciation week a week of gratitude to employees. Various nominations like «host of the month», «manager of the quarter», «lightning strike», «Astor» award. Each nomination has cash prizes or prizes in the form of a gift; gifts for the 5th birthday of each employee and + extension of the validity of the pride badge from 5 years to 20+.

Jumbaktas:

- bonuses, each department receives a percentage of sales, for example, waiters receive 10%, managers 2%;
- bonuses, in case of over-fulfillment of the plan;
- bonuses on employee birthdays and holidays;

Also, non-monetary incentives are practiced in St.Regis and Jumbaktas hotels, namely: moral stimulation in the form of verbal gratitude and photos of distinguished employees on hotel websites.

Both hotels have their own corporate culture elements:

- dress code for receptionists (shirts, name badge) and maids (beige trousers, white socks, slippers, dark brown cape, white apron);
- friendly manner of communication with customers;
- accompany the guest to the room and provide him with a cup of tea (with his consent).

		1	(Table 1)	
Ways	Kinds	Characteristics (what specific forms, ways of motivation)		
		St.Regis Jumbaktas		
I. Financial incentives	1.1. Base salary	 a well-calculated system of rentheir work; tariff rate (salary); 	nuneration of employees, based on the results of	
	1.2. Additional payments	 bonuses for the sale - for the pperational department (percentage for the sale of cosmetics in the spa, bonuses for upsale per room); appreciation week - a week of gratitude to employees. Various nominations like host of the month, manager of the quarter, lightning strike, Astor award. Each nomination has cash prizes or prizes in the form of a gift. 	percentage of sales, for example, waiters	
	1.3. Prizes	- 10% service fee for all employees every month.	 cash bonuses, in case of over fulfillment of the plan; gift bonuses on employee birthdays and holidays. 	
	1.4.Social benefits	insurance, free dry cleaning,	Social package: medical insurance, ransportation by transfer, meals, payment for a mobile phone and Internet access, yoga classes(paid).	

II. Non- financial incentives	2.1. Improving the organization of labor	 physical working conditions: the temperature regime is normal, there is no noise and vibration, the illumination is good; work schedule: 2/2. 	
		 gifts for a birthday, for the birth of a child, for an employee's wedding, etc.; gifts for every 5th anniversary of the employee and + the pride badge is updated Starting from 5 Years to 20+; monthly birthday party for employees who have a birthday in a given month; round table with general manager, every month for all employees; breakfast with the general manager - for employees who work the night shift. celebrations of the new year, employees to Bor woodays at the expense of the hotel. 	ew years child; the best o is sent work of directly tation of dy, the vork of pends on ofessional in recent usiness in e several uccessful which is: personnel
	2.5. Corporate culture	- a uniform uniform for hotel staff; - business cards, pens, notebooks; - accompanying the client to the room providing tea (with consent expense of the hotel.	t) at the

Further, an online survey was conducted among the staff of the St. Regis and Jumbaktas hotels to collect data for the quantitative research. This survey used elements of Herzberg's theory of two-factor motivation. The survey was carried out as part of the study using Google form (Appendix A). It was conducted for hotel employees and was sent via online platforms like Whatsapp, email, Facebook and LinkedIn. The total number of respondents was 133 employees, including 89 employees of the St.Regis

Hotel and 44 employees of Jumbaktas. The survey was sent separately to managerial personnel and nonmanagerial personnel. The survey was completed by 15 managers of Jumbaktas and 14 managers of St.Regis, as well as 75 staff of St.Regis and 29 of the staff of Jumbaktas. The survey included 16 questions with multiple answers to identify the motivational structure of employees, of which 6 questions about the effectiveness of the quality of work and promotion in the hotel. The survey was conducted in an anonymous format, the average time needed to complete the survey was about 10-12 minutes.

Based on the results of the analysis of policies, semi-structured interviews were conducted with employees of the St. Regis and Jumbaktas hotels and the received information was analyzed in the context of research questions.

The collection of data from the online survey (Appendix A) in the framework of the research was based on the responses of managers and hotel staff. The survey included various positions including waiters, concierge, administrators, restaurant managers, bartenders, HR specialists and also other positions.

The qualitative research method consisted of interviews that followed the questionnaire stage. Interview questions are indicators of the important factors of motivational growth and development of employees. The structure of the interview consists of two parts: the first is closed and brief questions, and the second part is open—ended questions that touch on the research topic in more depth.

A guide was specially developed for the interview (Appendix B), which included questions concerning elements of motivation and the effectiveness of the quality of work of employees of St. Regis and Jumbaktas hotels. The interview was conducted offline and online via Zoom and Whatsapp. The HR manager of the St. Regis Hotel was interviewed in an online format with duration of 23 minutes, and an interview with the management of the Jumbaktas Hotel was conducted at a meeting in the hotel itself with duration of one hour.

At this stage of the study, the group faced refusals from the management of the St. Regis Hotel and postponements of interviews with some respondents of the Jumbaktas Hotel. In addition, some employees and managers refused to take an interview and an online survey. The data collection ended up with a completed interview with top management of Jumbaktas hotel and HR Manager of St. Regis hotel and a focus-group with Jumbaktas employees.

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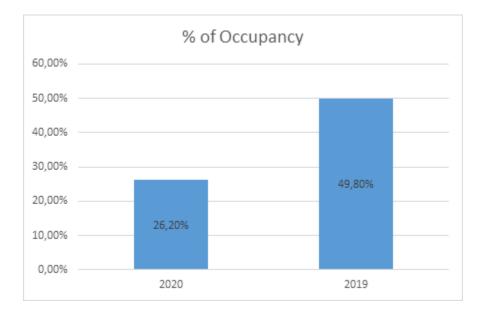
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The work of personnel in the tourism industry directly affects the competitiveness and reputation of hotel enterprises. Accordingly, the performance and work principles of the employees in tourism organizations depend on the development of personnel, professional knowledge and skill. Currently, and in recent years, the growth of the hotel business in Kazakhstan is unstable as several factors negatively affect the successful formation of the hotel business, one of which is an inefficient system of professional and personnel policy.

According to the data provided by STR (Smith Travel Research), in 2020, the average annual attendance of 4 and 5-star hotels in Kazakhstan significantly decreased. If the occupancy rate of hotel rooms in 2019 was 49.8%, then in 2020, it became 26.2%. The attendance of hotels in Kazakhstan has decreased by almost 15% during that time. (fig. 1). According to the data, due to the unstable situation in 2020, the profitability of the hotel business decreased by 57.6%, and this led to a reduction in labor costs. In addition, almost all large, medium and small hotels reduced the number of staff, thereby lessening the budget for staff development and training.

According to the data received from the Jumbaktas Hotel (tab.2,3), the average annual attendance of the hotel in 2021 (tab.2) was 39%. And in 2022, the average attendance for 3 months (tab.3) was 32% and this can be explained by the improving situation around the world (the situation with the virus), as well as the influx of guests from neighboring countries. If we take 2021 and 2022, we can notice a significant difference in attendance and occupancy of rooms. According to the table, you can clearly see that in 2022 the largest percentage of attendance was for the month of March, and in 2021 for June. If we compare the month of March 2022 and June 2021, we can see a difference of almost 9% in attendance and a difference of 1135 in the number of occupied rooms. Therefore, it can be concluded that despite the increase in the flow of guests and the over-fulfillment of the monthly plan of employees, it was in the comparable months that there were no changes in the development and training of staff at Jumbaktas hotels since the beginning of 2020.

(Figure 1)



Month	Number of rooms	Percent (%)
January	393	20,97%
February	577	34, 35%
March	469	24, 78%
April	393	23, 22%
May	525	38, 48%
June	664	50, 30%
July	612	44, 87%
August	523	38, 34%
September	681	45, 76%
October	880	48, 18%
November	837	45%
December	909	48, 87%
Total	7463	39%

(Table 2)

(Table 3)

Month	Number of rooms	Percent (%)
January	350	18, 82%
February	675	36, 29%
March	774	41, 67%
Total	1799	32%

a. SWOT analysis

(Figure 2)

Strenghts • "Jumbaktas" is the only hotel in Nur-Sultan, made in the luxurious national spirit. •10 years in the hospitality industry •A large number of services provided •4 star hotel •Qualified personnel •High-level service •A well-thought-out personnel policy that is	Weaknesses Far from the central beach and city parks • High staff turnover •
aimed at stimulating and developing staff	T JT
Opportunities	Threats
•Expansion of the company, opening of hotels under the same brand in other cities of	Loss of reputation •
Kazakhstan	Instability of the economic situation in •
•Improving the quality of service	Kazakhstan
•High effective demand and stable socio- economic situation in the hotel.	6-month downtime due to the cold season due to • natural and climatic conditions

(Figure 3)

Strenghts •5 star hotel •It is close to the city beach and central Park •High-level service •A well-thought-out personnel policy that is aimed at stimulating and developing staff •The possibility of holding exhibitions, seminars and thematic conferences in the immediate vicinity	Weaknesses Lack of parking•
Opportunities •Expansion of the company, opening of hotels under the same brand in other cities of Kazakhstan	Threats Loss of reputation• Instability of the economic situation in• Kazakhstan 6-month downtime due to the cold• season due• to natural and climatic conditions

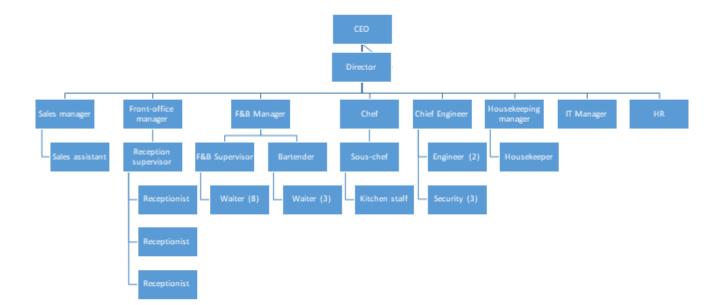
Jumbaktas is quite well developed and stands above other small local hotels. Despite the fact that it cannot compete with the international hotel St.Regis with this SWOT analysis (fig. 2,3), we wanted to show the readiness of Jumbaktas to develop and reach a level higher than it is now. Provided they start investing efforts for staff development. Since at this stage, Jumbaktas does not consider personnel as capital, but considers it as a resource. This causes a very high level of staff turnover and interests of staff. As soon as Jumbaktas starts investing in staff, conducting trainings and looking at staff as capital and cherishing the level of service, they will be able to show a new level of professionalism.

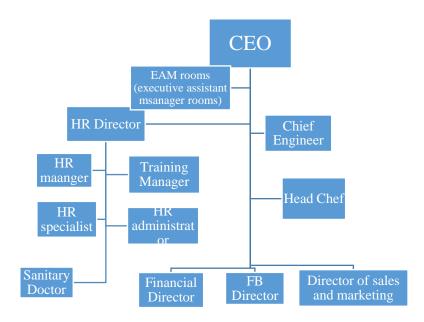
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3.3. Organizational structure of Jumbaktas and St. Regis hotels

Based on the problem tree of Jumbaktas (pic.2), the structure of organizations is demonstrated in order to consolidate the result to which we have come. The powers vested with HR in St.Regis contribute to the support of employee motivation. When the staff sees support from management and interest in retaining staff in order to reduce staff turnover and preserve the reputation of the hotel. Successful HR work at St.Regis affects the entire process of working at the hotel. Although there is an HR employee at the Jumbaktas hotel, but he does not have the same powers and voting rights as HR employees at the St.Regis hotel. A lot of problems are immediately noticed here, which are described in the problem tree of Jumbaktas. The organizational structure is the main point in the issue of problem solving, and the solution to these problems lies in the proper work of HR. Give authority to an HR manager who will be able to supervise and direct employees, hear their wishes, motivate and work for results. Only if the staff turnover stabilizes, a number of problems related to this situation will be solved.

(Figure 4)



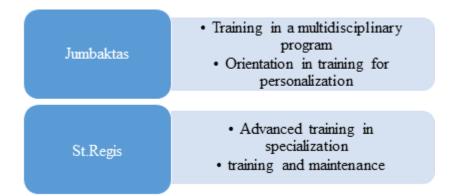


3.4. Comparative analysis of an effective system of training and development of staff of a small and large hotel.

The functional responsibilities of the employees should vary depending on the type and location of the hotel. The management of small hotels should understand what responsibilities their employees should perform and how to properly motivate staff to perform these tasks, as well as what level of service the guest expects from them, as in large hotels. After all, the proper development of staff motivation to perform functional duties is the key to the successful operation of the hotel. The correct distribution of job responsibilities is the basis for the organization. For the company's employees to work effectively, it is necessary to maintain the correct distribution of their responsibilities. Functional responsibilities should be formed in accordance with job descriptions, as well as standards of performance should be provided to employees. All these steps increase not only the employee's efficiency but also improve the result of work, the level of efficiency and motivation increases, and the employee's dissatisfaction and fatigue decrease.

The Jumbaktas Hotel is considered a small business, so the staff of this hotel performs interdisciplinary tasks and combines several specialties and moreover, job responsibilities are not regulated by the job description. This often leads to overtime work, unpredictable outcomes and thus, a decrease in motivation and efficiency. That is why the introduction of standards and instructions is of great importance. The St. Regis Astana Hotel is an international hotel, the work of employees is regulated by job descriptions and the staff has a clear specialization that is why all that should be done is job-based training and a narrow focus on functional responsibilities.

(Picture 1)



An important component of the personnel policy in any hotel is the proper motivation and the proper right training. Thanks to these two aspects, the staff will be stimulated to work with high efficiency and productivity. Therefore, after hiring an employee, it is important to properly motivate him so that he has the desire to work and perform his duties efficiently.

3.5. Competitors

We decided to look at the example of two hotels comparing the local 4-star hotel Jumbaktas founded in 2011 and the international 5-star hotel St.Regis founded in 2017. If we compare the St.Regis International hotel only with international hotels of its level, then everything will rest on the budget. Given the fact that there is no international participation in Jumbaktas, then naturally it is managed only by the Kazakh management, and at the same time it should be considered that it is quite competitive compared with other local hotels in the city of Nur - Sultan. Given the fact that the number of hotels of international and luxury levels that have 4 and 5 stars is increasing in Nur - Sultan Competition in the market is intensifying, but guests prefer such hotels that provide optimal prices, a high level of service provided, the main emphasis lies on quality service and a high level of service. That is why each of these hotels has its own competitors. At St.Regis competitors are such hotels as Rixos, Ritz-Carlton, Sheraton, Marriott, Hilton (expo), Radisson, which are also at the international level and have 5 stars. Despite the fact that Jumbaktas does not have a decent model for rising prices, like Hilton Garden, which adopts the practices of the 5-star Hilton, it can compete with international chain hotels. As well as the level of services provided and the service they are on the same level. Competitors are Wyndham Garden, Park Inn, Hilton Garden Inn, Hampton by Hilton. Despite the fact that we are comparing two hotels, we have considered other hotels in the city of Nur – Sultan, and compared them in the star category. Assigning stars to hotels is a convenient way to find out the quality of a hotel. Stars can give information about the comfort of the hotel, the level of service and even the condition of the rooms. The assignment of stars includes even the smallest details, such as a change of bed linen and towels, the presence of a mini bar, batHRobe, slippers, toothbrushes, the availability of Wi-Fi and cosmetic kits. Naturally, the availability of conference rooms, gym, swimming pool, spa, massage services, express laundry and ironing, luggage delivery services, etc. play a role in assigning 4 and 5 stars. Despite the fact that the Jumbaktas hotel is a local with 4 stars, it can compete with international hotels with the same category, this can be understood by the services provided.

(Table 4)

	St. Regis	Jumbaktas	Aisha Bibi
			1 1.
The level of turnover	There is a low level of turn	-	personnel, and turnover
of managerial and	is mainly among non-manag	-	
non-managerial	mainly turnover in	mostly the	mainly the turnover of
personnel	operational departments	turnover of maids,	waiters and
		waiters.	administrators.
Concer growth	There is an apportunity for	only for non-	only for non-
Career growth	There is an opportunity for		2
	career growth in all	managerial	managerial personnel
	positions	personnel	
Job descriptions	Documented and	-	Only documented
	maintained		
True of an antion	Inter sible, much of	Interaible. At the	These are re-
Types of remuneration	Intangible: week of	Intangible:At the	There are no
	gratitude various	end of the year,	prescribed and no
	nominations like "host of	the best employee	remuneration is not
	the month", "manager of	of the year is	divided into tangible
	the quarter", "lightning	determined by	and intangible, in
	strike", "Astor award",	voting and sent	certain situations, each
	incentives, birthday gifts,	abroad for a	employee has an
	on the birth of a child,	week's vacation at	individual approach.
	employee's wedding, etc.	the expense of the	
	Material:	company.	
	bonuses from sales,	gifts for a	
	bonuses, 10% for service	birthday, for the	
	is divided between	birth of a child, an	
	employees.	employee's	

			[]
		wedding, etc.	
		Every month they	
		choose an	
		employee of the	
		month and make a	
		symbolic gift.	
		Material: bonuses	
		from sales,	
		bonuses, 10% for	
		service is divided	
		among employees.	
The role of HR in the	HR has influence on the	HR performance	There is no HR
		-	
company	company, as well as keeps in touch between	only operational	department
		task, not engage	
	employees and	the strategy	
	management.		
Allocation of the	It is allocated for staff	Allocated only for	-
personnel budget	training and development,	intangible bonuses	
	as well as for intangible	(n/a: sending	
	bonuses from the	employees to	
	company.	Borovoe for 2	
		days)	
Training and	Completing 10 mandatory	Available to all	Available only for
professional	trainings in the first 3	employees. They	managerial personnel
development	months on the internal	send 2 employees	once a year
	Marriott global source	from each	
	platform. Every year the	department	
	most important ones are	(manager, and	
	held anew.	staff) for trainings	
	Advanced training-	1 time a year	
	available, take place		
	within each department. The possibility of studying		
	abroad (not often).		
	Social package: meals,		
	transportation, medical		
	insurance, free dry		
	cleaning, English language		
	training, trainings.		

Comparing with the 4-star Aisha Bibi Hotel and interviewing the manager, motivational factors were determined and what role HR plays in the company (Figure6). Compared to Jumbaktas, Aisha Bibi Hotel lags behind in terms of corporate culture and incentives within the company (tab. 4).

3.6. The problem tree

The problem tree of the Jumbaktas hotel (pic. 2) consists of several parts.

The trunk of the tree (the main problem) is the "low motivation". The roots (causes) arise from the company's poor construction of HR policy. The main problem root is caused by the "lack of HR authority" which includes the lack of financial rewards, encouragement and support from the company, public recognition of employees and career growth. Moreover, the professional growth trainings are also important in building the right employee motivation system.

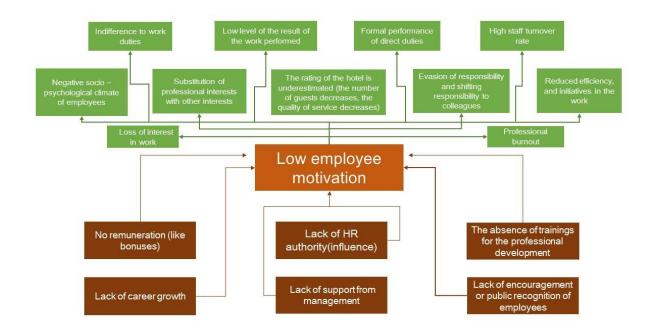
Now that the trunk (the main problem) and the roots (causes) have been identified, it can be assumed that the crown of the tree (consequences) come from the main problem. Based on an interview with a hotel employee (4 years of working experience at the company), the reasons for low employee motivation have several consequences. They include the high level of staff turnover, career burnout, indifference about the responsibilities, low level of work results, loss of passion for the work, decreased work efficiency and initiation, shifting responsibility to colleagues. These problems lead to the decrease in the hotel's rating, quality of service and, consequently, the number of guests.

As it was mentioned, the main problem is the inefficient HR system. All of the consequences such as low employee motivation come from the main problem.

The HR manager of the company is responsible for supervising the employees and connects the staff with the chief executive officer. The HR manager should always have an opportunity to express their opinion and make changes. Comparing HR managers of St.Regis and Jumbaktas hotels, several differences in their work can be seen. Unlike the HR manager of Jumbaktas hotel, the HR in St.Regis is fully involved in the policy-making process. The head of HR in Jumbaktas hotel does not make any decisions about hiring and firing the staff, does not supervise the work nor does conduct any HR activities for employees.

The conclusion is drawn based on the analysis of interviews with the HR manager and one of the employees of Jumbaktas hotel.

(Picture 2)



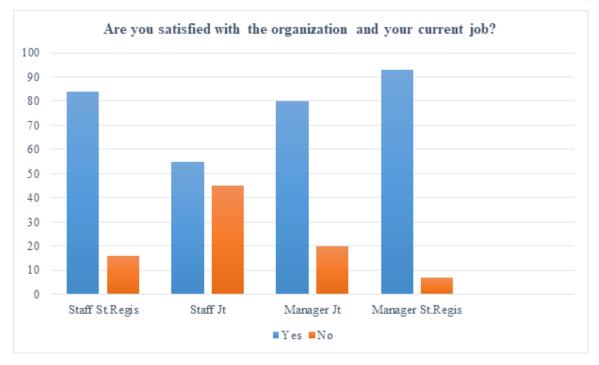
4. Research results

Questionnaire results

According to our survey (Appendix A) conducted for research purposes, our team wanted to determine how additional qualifications affect the effectiveness and motivation of workers, and what attitude employees have toward building a motivation system in the hotel business.

According to the results of our survey, it was revealed that the managers of the St. Regis are completely satisfied with the work in the organization and their current work, however, the indicators at the Jumbaktas hotel are different, as the results showed that 80% of managers are satisfied, of which 20%, namely the chef, IT manager and service manager, are not satisfied with the current organization, but they would still continue to work in the hotel industry (fig.6).

(Figure 6)



According to the results of our survey, it was revealed that 78% of managers of St. Regis and 26% of managers of Jumbaktas attend specialized trainings, 57% of managers of St. Regis and 27% of managers of Jumbaktas perform duties outside their competence, 14% of managers in St. Regis and 47% in Jumbaktas work overtime to achieve career growth.

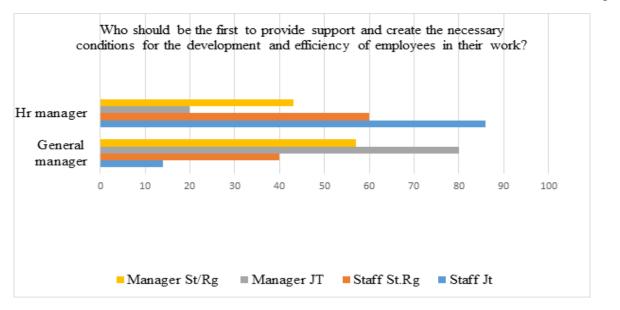
In comparison to the results (fig.7) of the non-managerial staff, then 42% in St.Regis and 17% in Jumbaktas attend specialized training, most of them are bartenders and administrators, as they see possibilities in their career development. 43% of employees in St.Regis and 31% in Jumbaktas perform duties that are not related to their primary function to achieve career growth. 23% of employees in St.Regis and 38% in Jumbaktas work overtime, and these are mainly respondents occupying such positions as: waiters and maids. As the survey showed, while the managers of both hotels are trying to develop and improve their qualifications in order to achieve career growth, the situation is different for employees. After all, as the results showed, 25% of the employees of St.Regis and 13% of Jumbaktas employees do nothing for further growth, mainly from among the servers, bartenders and some administrators.





"Who should be the first to provide support and create the necessary conditions for the development and improvement of the efficiency of employees at work?" As a result of this survey in both companies (Jumbaktas 86% St. Regis 60%), entry-level employees believe that the main support and conditions for career growth should come from the HR manager. This opinion is mainly held by the employees of the starting position, such as the waiter. Managers of both hotels believe that the main role in the development and efficiency of employees is played by the CEO. St. Regis and Jumbaktas employees have almost the same expectations about who will play a key supporting role (fig. 8).





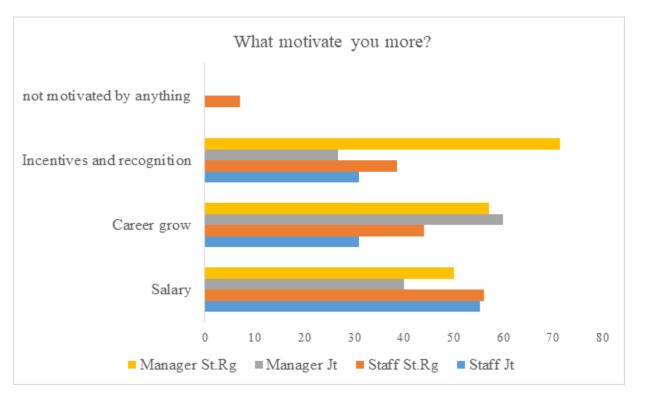
Having considered the answers and analyzed them, we concluded that even though bartenders and maids in the hotels of St. Regis and Jumbaktas work overtime, organizations do not promote them. And all other positions, including the manager, receive worthy encouragement and recognition from the management.

Regarding the motivation question, more than 55% of Jumbaktas staff and 56% of St.Regis staff responded that the driving factor for motivation is a salary. Basically, this answer was chosen by starting positions employees, namely waiters, bartenders, hostesses and maids. 41% of St.Regis employees, in addition to salary, choose incentives and recognition from management as significant as career growth for motivation. And 31% of Jumbaktas employees put these factors in second place, after material remuneration. However, some employees at St.Regis are not motivated by anything. These include a driver, a security guard and dishwashers. It can be linked with the fact that these employees do not see any career growth in these positions and therefore do not take any action for promotion and development as these roles themselves do not provide career growth.

83% at the St.Regis hotel and 72% at the Jumbaktas hotel said that the company gives them what motivates them. Nevertheless, 15% of St.Regis employees and 28% of Jumbaktas employees believe that the company does not provide them with motivation tools. According to our analysis, we concluded that this was the response of those employees who do not take any steps for professional growth, including a driver, a dishwasher and maids.

71% of the staff of the St.Regis hotel chose success at work and the opportunity to improve their professional activities as a motivation factor since the organization provides its employees, in this case, managers, with career growth and provides tools for motivation (fig. 9). In addition to success and development in work, the manager chose career growth (57%) and salary (50%). It is worth noting that none of the respondents, represented by the managers of the hotel St.Regis and Jumbaktas, choose the answer option as "none of the options", which proves their interest in developing professional competence.

(Figure 9)



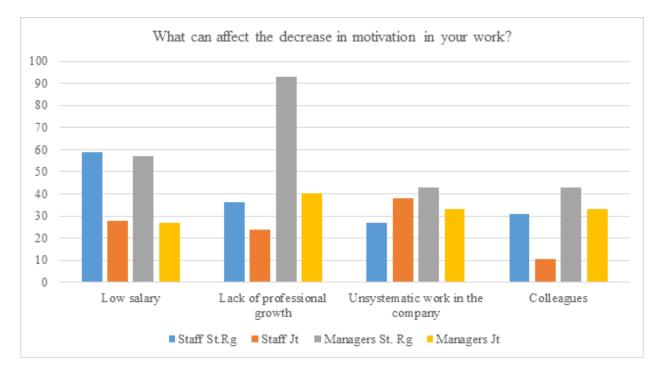
So the decision to join a company is explained by hygienic factors such as salary and the wish to work better in the area of motivation factors according to Herzberg's theory.

The survey that we created is based on our research project, was inspired by the American social psychologist Fredrik Herzberg, who analyzed the problems of activity, and labor of companies. With the help of the two-factor theory of motivation, one can understand that it theory can reveal the satisfaction and dissatisfaction of employees in their activities. Also, the theory explains the increase and decrease in labor productivity. Herzberg's motivational structure test influenced the creation of our survey, as we wanted to find out and compare what motivates Jumbaktas and St.Regis employees. Since the theory is two-factor, it is divided into: hygienic and motivational factors. Thus, we wanted to make an analysis of what affects employees: hygienic factors, such as salary, work schedule, comfortable conditions, etc., or the desire to

work better, be successful and grow in professional activity, which just relates to motivational factors in accordance with the theory.

59% of St.Regis employees and 28% of Jumbaktas staff rejected low wages as an important part of demotivation in work. In, addition to the starting position, they include a fitness instructor and, an assistant for organizing banquets, but most of the initial position is motivated by earnings. But the first in the list in reducing motivation among employees of Jumbaktas (38%) is not systematic work in the company, when only 26% of employees of St.Regis answered this way, including waiters and maids. As the results of our survey and data collection prove, most of the employees of Jumbaktas do work outside their competence, that is, the work in the company poorly systematized and not only the hotel staff, but also more than 33% of managers think so. But at the same time, 93% of St.Regis managers noted the lack of professional growth as the main reason for the decrease in motivation, and only more than 57% answered as low wages. Similarly, for 36% of the St. Regis staff, lack of professional growth plays a role in demotivation (fig. 10).

(Figure 10)



Consequently, having come to the conclusion based on our result, we found out that many employees of the two hotels do not consider their starting positions, do not consider the possibility of working in the long term, therefore they are not interested in other intangible rewards and bonuses. And the motivation factor for them is wages, even if the employees of the St.Regis hotel are given much more opportunities for career growth, as well as intangible and material incentives such as certificates, incentives, and recognition from management, and then there is still staff turnover in these positions in the hotel. Most of the employees of the Jumbaktas Hotel chose salary as a motivational incentive, since the Jumbaktas Hotel does not provide career growth and intangible rewards for employees of the starting position.

As for the managers of the two hotels, career growth and opportunities for professional improvement are a priority for them, since they consider themselves in the hotel industry for the long term. Although that the Jumbaktas Hotel does not provide such an opportunity for its employees. However, the managers of St.Regis have much more opportunities for development and professional development than the managers and employees of Jumbaktas.

4.1. Interview

As a result of the analysis of interviews (Appendix B) with the management of the Jumbaktas hotel and the staff of the St.Regis hotel, two "problem tree" were formed (pic. 2), with the help of which the key problem (low motivation of the staff) was decomposed, where the causes and consequences of the problem were considered.

Conclusion

This study was aimed at identifying the impact of personnel policy on employee motivation on the example of Jumbaktas and St.Regis hotels.

The hypothesis is that one of the key factors of staff motivation and development is the development and implementation of personnel policy.

While analyzing, it was found out that no actions took place in Jumbaktas hotel, because the company has a low level of the personnel motivation because of the wrong HR policy construction, which means the absence of HR managers activity, the absence of frequent rewards in material and non-material forms and the lack of interaction with the company's employees. It was revealed that in the hotel Jumbaktas built an improper organizational structure, as in the organization does not take into account the opinion of the personnel manager, although the HR manager is the connecting link between staff and general manager. Inaction management leads to staff turnover (especially maids and waiters), incompetence staff, low executive discipline, loss of interest in the work, indifference to job duties, professional and emotional burnout, decreased initiative and a lack of qualified personnel. Despite the fact that the head of the organization can take on some roles of HR manager, it does not deny the fact that the greater the number of employees, the higher the importance of implementation of such a position in the company. In the St.Regis it was found that the HR policy of the hotel works effectively and motivates staff to work

productively and honestly. Thanks to the right HR policy and their activities in the form of employee appreciation, social packages, bonuses and proximity of management to staff, the organization achieves high results. Personnel motivation works in such companies in which there is a fully functional HR manager or personnel policy that works transparently, reflecting the structure. Not all companies can afford to maintain a human resources specialist, but even in small companies this position should be provided for. If there were rules and procedures with personnel matters, the situation at the Jumbaktas hotel could have been much better. In the case of the St. Regis, human resources policies and procedures are transparent and systematic, so that employees can rely on the human resources manager, as he is able to create the necessary conditions for them.

Consequently, the human resources manager and human resources policy procedures play an important role in the company. Organizations that do not have a documented corporate culture, lack the influence of the HR manager, uncoordinated HR administrator and no formalized HR policy will not be able to reach the level of international hotels.

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Appendix A: survey questions

1. Your gender, age and position

2. How long have you been working in the hotel industry?

3. Are you satisfied with the organization and your current job?

4. Do you want to move up the career ladder in the hotel industry?

5. What steps do you take to achieve career growth?

6. Does professional training from the company affect your motivation?

7. In your opinion, who should be the first to provide support and create the necessary conditions for the development and efficiency of employees in their work?

8. What trainings have you had at this hotel over the past three years?

9. Is there any encouragement or public recognition of the work of employees in your organization?

10. What motivates you more?

11. Does the company give you something that would motivate you? (of the above)

12. What can affect the decrease in motivation in your work?

13. In your opinion, what is the best way for a manager to act in relation to an employee to increase motivation in work?

14. What would you prefer in the organization?

15. Should an effective labor incentive system be encouraged by the manager individually or collectively?

16. What is missing in your company that would help increase employee motivation?

Appendix B: Interview questions

- 1. Is the level of motivation of employees monitored?
- 2. How are the personnel in the company evaluated?
- 3. What is the level of turnover of managerial and non-managerial personnel
- 4. Is there a possibility of career growth?
- 5. Do all employees sit on an employment contract?
- 6. Are job descriptions prescribed for each job position?
- 7. Are there any HR policies?
- 8. Is there any training and professional development?
- 9. What types of tangible and intangible rewards are there?
- 10. The role of HR in the company
- 11. Who makes decisions on personnel?
- 12. Is the budget allocated for personnel?