

Psychological Influences of Organizational Culture on Young Employees at Upscale Hotels

Bachelor Thesis for Obtaining the Degree

BBA Tourism and Hospitality Management, Major Hotel

Submitted to Eva Aileen Jungwirth-Edelmann, MA

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Vienna, 29 April 2019



Affidavit

I hereby affirm that this Bachelor's Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed.

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Abstract

Topic: Psychological Influences of Organizational Culture on Young Employees at Upscale Hotels

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Content: Organizational culture is represented through visible and invisible matters that are unique signs of an organization. The concept of creating a "healthy" culture encompasses the communication and transmission of common organizational values that members live by to strengthen a culture itself. However, culture is highly affected by environmental changes and initial values are difficult to sustain.

The purpose of the thesis is to understand the perspective of organizational culture and the generation factor, as an environmental influence that affect culture changes. The several aims defined have the intention to investigate how different organizations within the same industry communicate their values. Moreover, the aim is to examine the Millennials' perception of organizational culture by studying three different hospitality brands, namely a conventional hotel, an international chain and a lifestyle hotel.

The mix methods have been applied in the research, considering the secondary and primary data. The primary research has been conducted by administrating the interviews with one representative at the leading position per case study. Additionally, the questionnaires have been conducted with 11 case studies' employees.

The results show that although communicating and transmitting a culture is considered very important, even the experts in the field are not completely aware of the visible facts, which psychologically influence society to form a meaning of an organizational integrity. Moreover, it has been concluded that different hospitality organizations can have dissimilar philosophies that significantly influence on defining the core values. Since organizations are given the challenge to adopt to external changes, among which is a generation replacement, the research findings indicate that cultural adjustments occur according to new generational requirements. However, the extent of a culture modification highly depends on the organizational culture strength.

Supervisor: Eva Aileen Jungwirth-Edelmann, MA



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List of Abbreviations

- HR Human Resources
- HRM Human Resources Management



1 Introduction

1.1 Motivation and cognitive interest

The groups diversification can be seen through numerous categories that show a members' attitude towards life segments. One of the globally widest diversities according to which people are recognized is a culture. The cultural diversity distinguishes members according to their unique beliefs, values and attitudes. Members of a particular culture are led by norms proposed by a culture itself. Thus, psychologically seen, those norms shape the behavior of group members. Consequently, cultural psychology has a significant influence on how culture is perceived and communicated. As a dynamic model, cultural norms could be changed by the time. The culture modification is mostly affected by the social concept, in which a human generation plays a critical role in its development. Nowadays, the term "culture" has been widely used on the business level, distinguishing industries and organizations even among the same fields. This study will be focused on the particular unit – organizational culture and its psychological influences on young employees in the hospitality industry.

The greatest company's achievements are influenced by well-structured organizational culture (Warrick, 2017). Numerous researchers have been investigating the term "organizational culture", clarifying its importance. Organizational culture is the main business occupation that has to be taught, transmitted and adjusted, applying elementary organizational values (Schein, 1984). While management experts initiate the process of learning and passing on organizational culture, changing factors are rather exposed by external influencers. Nowadays, organizations are confronted with a number of challenges to create a strong organizational culture. Due to the revolution and generational involvement by the time, a continuous adjustment of organizational culture is necessary. Therefore, understanding a generational phenomenon represents a great concern to organizations in managing their corporate culture. Additionally, because a culture contributes to fastening an organizational business environment, a model has to be directed towards newcomers (Schein, 1984). Therefore, organizations engage in training practices that could represent corporate culture suitably to new members.



New times require new societal adaption in each sphere where innovations occur. The same assumption could be applied when analyzing changing culture policies and new generational needs. A scientific approach of the research intends to provide an understanding of organizational culture from the organizational perspective. Germane, a challenging task is assigned to the Human Resources Department to manage organizational culture practices that deal with ever-changing generational demands. Moreover, it is vital to understand psychological influences that affect the current labor market, where young employees – Millennials, are becoming dominant. Lastly, organizations should consider a culture workshop as an important segment of familiarizing young employees with a corporate culture behavior and teach them to act devotedly. Therefore, by recognizing work preferences of a current generation and those that will enter the business environment in the future, the aim is to master the process of attracting, training and retaining potential talents, who match the organizational-culture fit.

1.2 Outline of the thesis: aim, research questions, hypothesis and limitations

The main aim of the study is to provide understanding of the psychological aspects of organizational culture on Millennials in the hospitality industry.

Based on the research topic, the following secondary aims have been developed:

- Organizational culture concept
- HRM system and its practices that strengthen organizational culture
- Training division and methods of transmitting organizational culture
- Discussion on Generational Management and changing generational demands, considering Millennials as a dominant group in a current labor market
- Organizational culture in the hospitality industry
- Case studies: Sacher Hotel, Hilton Belgrade Hotel and Ruby Marie Hotel

According to the above-mentioned secondary aims, the following research questions have been stated:

• What are the psychological aspects of organizational culture?



- How does a generational demand influence a culture change?
- What are the effects of organizational culture transmission to newcomers?

• How does the company regulate organizational culture transmission according to generational requirements?

- How do young employees perceive organizational culture?
- Does a culture differ among hospitality brands?

By analyzing research objectives, the settled research questions aim to respond to the following hypothesis:

"There is a strong causal relationship between generational work requirements and organizational culture adjustments."

In this research, several limitations are identified. One of the potential limitations is the research timeframe from the author's perspective, which prevents an in-depth research. The sample size is the second limitation, which could decrease study reliability. Due to the hotels' high occupation, research could not have been done in each case study identically. The selected samples for conducting interviews might promote the culture differently, which could cause irrelevant results. A study generalization could be an additional concern as the research considers only one case study per hotel type. Lastly, the author is not a research expert, which reveals that the conclusion emanates solely from the interviews results matched with the extensive literature research. The gap in lack of sample size and unidentical primary research has been overcome by examining and connecting the findings of the interviews and questionnaires, as well as the marketing promotion of the case study.

1.3 Overview of the thesis

The study provides in-depth empirical research of the topic, divided into the following chapters:

1. The introduction explains the main motivation of researching the importance of organizational culture paradigm and its need for transmission and adjustments. The beginning of the thesis indicates the several secondary aims and research questions,



as well as the hypothesis that will be tested in the research. Additionally, potential limitations are justified.

2. The extended literature review provides a comprehensible understanding of the term culture and how it is seen in society. As the research topic aims to investigate a culture on the corporate level, the literature outlines the main purpose of an organization and its basic function. Furthermore, this section explains culture extension on the organizational level, clarifying an organizational culture model, its purpose in an organization and importance of conveying organizational norms. The second chapter reveals the relevance of knowledge in the Generational Management science, under which the Millennials' characteristics are approached. Lastly, considerable attention is drawn to the psychology beyond a workplace and organizational culture. Moreover, the literature provides in-depth research on the hospitality industry and its characteristics, which certainly affect organizational culture in the approached sector.

3. Methodology section justifies the research methods and techniques used for analysis. It provides information on the case studies' relevance for summarizing a conclusion as well as selected participants, who were the case studies' representatives. This section clarifies the interview and questionnaires construction and reflection.

4. Findings illuminate the research interpretation based on the answers collected from the participants. It comprises a detailed illustration of responses, which are summarized and compared.

5. Conclusion grants the results and assists in providing a helpful clarification of the psychological aspects of organizational culture. This chapter shows the relevance of tested hypothesis and recapitulates the summary derived from the research questions.



2 Literature Review

The literature review provides the in-depth research of the evolving organizational culture paradigm and its psychological aspects. Therefore, the first section explains the organizational culture encompassment. Further, the concepts of the HRM system and training division are illustrated as important elements that support culture creation and transmission. The second part takes a closer look at the social influences of ever-changing generational involvement, examining a currently dominant generation in the world – Millennials. Furthermore, psychological influences of organizational culture on humans at the workplace are analyzed, under which Millennials are particularly a topic of the study's interest. Lastly, attention is drawn to organizational culture in the hospitality industry and its characteristics that influence creating a corporate culture as such.

2.1 Organizational culture paradigm

Since the late 1970s, organizational culture has become a captivating topic of discussion among companies (Chatman & O'Reilly, 2016). The literature provides numerous approaches on the organizational culture birth and its significance. To understand the meaning of the organizational culture term, there is a need to clarify a *culture* as a broad term, and theory on the *organization*. Those concepts represent an interconnected relationship, in which a culture leads a successful organizational operation (Warrick, 2017).

2.1.1 Culture

Diversity in the world has been created by a groups' distinct set of interpretations (Mazur, 2010). The special "rules" among societies create a culture (Tylor, 1920). People are taught throughout life to act as their cultural norms dictate, which, in fact, unconsciously shape our personality and create dissimilarities in society (Sincero, 2012).

The term culture is defined as a scheme of mutually obtained and widely recognized actions and beliefs, under which a party functions at a certain period (Pettigrew, 1979). Culture is further explained as "the sum total of ideas, conditional emotional responses, and patterns of habitual behavior which the members of that society have



acquired through instruction and imitation and which they share to a greater or less degree" (Linton, 1936, p. 288). The theories argue about influences that affect a culture as well as members within, from the moment of its implementation to the needs for changing.

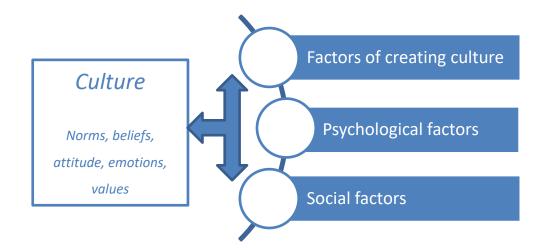


Figure 1: Key factors of influencing culture

Figure 1 summarizes the theory on how culture creation begins, which psychological influencers are identified when creating a culture, and how social factors influence culture changes.

One of the perceptions of culture creation says that it has emerged from the need for sustaining and reproduction (Lehman, Schaller & Chiu, 2004). Thus, culture expansion is related to the human biological need, which further naturally extends a number of members that belong to a certain group. Additionally, it has been argued that human beings have shown an inclination to setting up the values of one society and transmit those in order to fasten their social groups and solidarity (Lehman et al., 2004). Those strong beliefs, norms and emotions are further conveyed to new members that create an identity and keep a tradition (Schein, 2004). However, it has been discussed that through the socialization, people acclimate to "standards" of a large culture. Humans also learn how to act and perform within other groups of a great civilization, and possibly, to discard the previously accustomed norms and values with the aim of choosing another culture or sub-cultures (Sincero, 2011).



When it comes to the cultural identification in society, psychological influences shape human nature. A cultural psychology approach explains that the understanding lies in the correlation between a culture, its norms, the human brain and biological origins (Kim & Sasaki, 2014). In fact, nationalities and genes are connected to the neuroscience, through which the psychological processes of culture are comprehended. In general, the core idea is seen in the process of how and to which extent humans acclimate to proposed attributes, identifying cultural "standards" through emotional capabilities and sense of right and wrong, moral and immoral, which, again, differs according to one's origin (Kim & Sasaki, 2014).

Tylor names a culture "*civilization*", which clarifies by itself the social influence and culture revolution (Tylor, 1920). Human civilization development has steadily affected culture changes. Researchers and scientists have deeply investigated culture on the global level as well as its subgroups. Those units include a religious, culture of one nation, gender-based, language, industry cultures, etc. (Cameron and Quinn, 2011). Culture attributes differ from place to place and group to group. Each group has its own "symbol, language, ideology, belief, ritual, and myth" (Pettigrew, 1979, p. 574). These elements, in fact, form a culture, aiming to create a unique schema, which values, beliefs and norms are recognized in the public.

A culture has been widely used in a business context. It has been implemented to operational strategies, political culture, economy culture, industrial culture and alike. To narrow it down into the core unit, companies create their own, unique culture – organizational culture, to manage people inside, their business values and show to society who they are (Hudrea, 2006; Chatman & O'Reilly, 2016; Schein, 1984).

2.1.2 Organization

An organization is a synchronized component that includes minimum two individuals, whose objective is to perform in order to accomplish a mutual aim or several aims" (Gibson, Ivancevich, Donnelly, & Konopaske, 2012). The authors match the verb "organize" to clarify a definition, explaining that it is a process when people organize actions within a unit. Organizational goals are strategic organizational plans that individuals or groups have to realize in a certain period of time (Kashyap, n.d.). Additionally, an organization is seen as a system consisting of capitals that, through



the implementation of chosen methods, strive to reach organizational aims (Gibson et al., 2012).

The purpose of an organization is to provide goods and services. Therefore, there is a need for the monetary and nonmonetary capital that is necessary for performance. The organizational assets are the core competence for achieving success. According to Osibanjo & Adeniji (2012), four different types of assets have been distinguished (**Figure 2**).

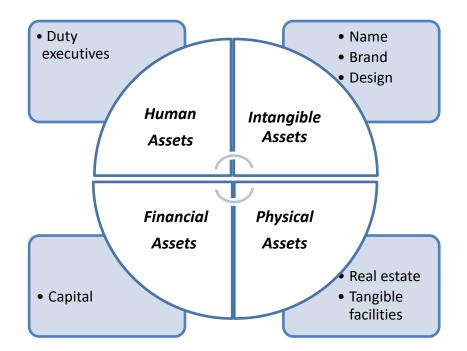


Figure 2: Organizational assets

Figure 2 illustrates the components that assemble an organization, which further assist a company in creating a positioning in the marketplace, targeting both employees and customers. The organizational assets are dependent variables, which cannot perform successfully without a correlation (Gibson et al., 2012).

Organizations strongly rely on human asset (Gibson et al., 2012). In the recent years, entrepreneurs' attention is more drawn to establishing a healthy workplace in which a human asset satisfaction leads to a higher commitment and successful business operation. As of a range of approaches the authors argue about, the concept that organizations have started implementing are related to the following aspects:

Source: Osibanjo & Adeniji, 2012



- Organizational Behaviour the system of learning behaviour, focus on people in the work environment
- Organizational Setting company's structure; leading style; internal politics, policies and standards, and culture
- **3. Organizational Development** changing as an imperative to increase the effectiveness

Source: Gibson et al., 2012

The awareness of human presence in the company is decisive and numerous researchers justify the importance of the way how people are led. Additionally, organizational development has also been alarmistic due the need to survive and stay competitive (Gibson et al., 2012). To show its flexibility and competitiveness, a successful business operation needs to stay consistent with its core values and, equivalently, to consider development activities and changes to adapt to the environment (Aghina et al., 2016).

2.1.3 Organizational culture

Managing people inside a company to comply with its proposed policies represents a great concern to organizations. Since the 1940s, researchers have identified interconnectedness inside an organization as a driver for a strong human relation and employees' commitment (Hudrea, 2006). The primary idea of the organizational cultural theme appeared as a sense of synergy within an organization and the quality of intercommunication among employees and employers to achieve settled aims (Chatman & O'Reilly, 2016). Later on, organizational culture has received greater attention, becoming an imperative for effective and unique business performances (Warrick, 2017).

The fundamental idea stands for the fact that organizational culture is consisted of commonly accepted contents and standards, which allow a cohort to perform under the setting (Schein, 1984). The ultimate aim is to create a suitable workplace with a collective identification (Hudrea, 2006). According to the Brown's view, organizational culture is a form of organizational proposed standards that one's has experienced through involvement into the organizational practices by the time, and that are



demonstrated through the physical matters and by the internal actions among fellows (Brown, 1998; as cited in Nickson, 2007).

One of the most applicable definition that shows an overview of the organizational culture principle is proposed by Schein (1984, p. 3) in his work "Coming to a New Awareness of Organizational Culture". The further text clarifies a definition through categories of cultural visibility.

"Organizational culture is the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaption and internal integration, and that have worked well enough to be considered valid, and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems".

Source: Schein, 1984, p. 3

2.1.4 The pattern of basic assumptions

Organizational culture is very often visible in core practices and facts, which increase awareness of organizational performances and philosophies. Some of them are evident, while others are hidden beyond a culture system (Hofstede, 2011).



Artifacts

2.

3.

Visible organizational structures and processes (hard to decipher)

Espoused Beliefs and Values

• Strategies, goals, philosophies (espoused justifications)

Underlying Assumptions

• Unconscious, taken-for-granted beliefs, perceptions, thoughts, feelings... (ultimate source of values and actions)

Figure 3: Levels of culture

Source: Information adopted from Schein, 2004

As suggested in **Figure 3**, the basic patterns – artifacts, are visible in different categories, considering the dress code, norms and behavior, business environment as well as a relationship among humans, through the hard facts such as an architectural side – exterior and interior, working material and technology used (Schein, 1984). Organizational culture is on the other hand invisible. Espoused values determine principles that guide others to behave in a proposed manner. Additionally, unspoken and unwritten policies presented by organizational culture often guide people to act appropriately to the settled codex, beliefs and norms, creating a unique business character (Cameron and Quinn, 2006).

2.1.5 The organizational culture invention and development

It has been discussed how culture elements could be seen in practice, but there is still an issue about its formation and sustenance. The following text provides an insight into the process of organizational culture creation and its stages of development.



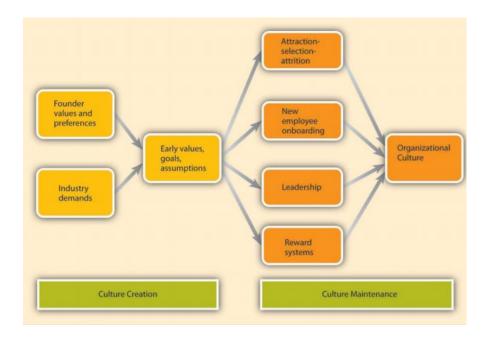


Figure 4: Culture creation and maintainance

Source: Schein, 1992; retrieved from Bauer & Erdogan, 2012

Figure 4 exemplifies the ground phase of culture creation and stages of implementation that, as shown, maintain a culture appearance. When it comes to opening a company, a chain begins with establisher or establishers' core values that are directly brought into the business politics. Especially a family business has robust, traditional values based on a founder's strong perception (Cherchem, 2017). What will be set as the essence that an organization promotes certainly relates to the industry in which the business operates. The common attributes of industries tend to form a similar organizational culture. For instance, the economy industry strives for more discipline politic, while some technology or nonprofit organizations are rather focused on human needs (Chatman & Jehn, 1994). Therefore, a perfect match of founder's values and industry requirements create an initial design, principles, norms and objectives of the organizational ethnicity (Bauer & Erdogan, 2012).

When culture is created and its relevance is proven, successful companies act strategically to maintain what has been built with great effort. One of the processes of sustaining a culture is to transmit it to new members (Bauer & Erdogan, 2012). Nowadays, organizations employ themselves in recognizing talents, who possess preferred characteristics that correspond to those that organizational culture espouses (Dawson, Abbott, & Shoemaker, 2011). Therefore, a personal-organizational



fit evaluates the correlation of individual characteristics and organizational culture profile (Schein, 1984). Researchers argue that culture is a central element in evaluating how well an individual fits to an organization. Once individuals are recognized, a company needs to choose a way through which a culture will be introduced to new members, enhancing the stability of a collective system (Warrick, 2017).

While people are not always conscious of a culture until they experience it, leadership practices aim to motivate employees and guide behavior. It has been argued that the context of a strong culture lies in its communication in various forms to influence the maintenance of initially settled policies (Warrick, 2017). The author argues that leaders are self-representatives of culture; thus, they need to be familiarized with culture standards to share the same and lead human resources appropriately (Schein, 1984; Warrick, 2017). A type of management style shapes the ethics and practices among an organization. A phenomenon of a strong culture implies compliances. Lastly, a rewarding system serves to "grade" employees' compliance through rewards or punishment. This ties up organizational politics, showing the relevance of appropriate behavior (Bauer & Erdogan, 2012; Chatman & O'Reilly, 2016; Warrick, 2017).

In general, organizational culture assigns "identity to employees", guiding them along the organization by proposed norms (Cameron and Quinn, 2006, p. 16). On the other hand, it creates a unique atmosphere that controls the overall organizational performance (Warrick, 2017).

2.1.6 The problem of external and internal factors

Organizational culture is a dynamic social-business model. Organizations are highly exposed by external influencers (Schein, 1984). Changing factors are beyond a human control and prevent sustaining the initial culture. Organizational culture modification occurs due to "political, technological, cultural, demographic, economic, market" changes (Alvesson & Sveningsson, 2008, p. 14). Particular interest in the social science shifts the organizational culture reversal, orienting companies towards human resources (Hudrea, 2006).



Furthermore, Alvesson and Sveningsson (2008) argue that changes also occur internally due to the organizational development, which encompasses a reorganization of structure and degree of integration. The groups are struggling to survive in an ever-changing environment, sustaining its primary mission. Still, an adequate strategy is a must to retain a competitive advantage. The internal integration stands for the adaption and capability to act as a team. Probably the focal interest is on organizational norms that have to be commonly shared, particularly to new members (Schein, 1984). The strategy formed to coordinate the integration represents a guiding schema for members. Organizational culture policies and employees' behavior are strongly interconnected. The internal integration and members compliance are imperative for creating a "healthy" culture (Chatman & O'Reilly, 2016).

At the same token, Cameron & Quinn (2006) propose the instrument of identifying the core competence of an organizational culture mission, which is sensitive to internal and external environmental changes. Consequently, initial organizational culture and its policies could be changed over a progression period. The framework of four different types of culture is demonstrated below.



Figure 5: The competing values framework Source: Cameron & Quinn, 2006

Figure 5 demonstrates distinct cultural types, determined by their extent of exposure towards stability or flexibility, as well as internal or external focuses.



• Clan culture

This type is the representative of teamwork companies, in which attention is highly drawn to the stimulation of cooperation and employees' progress and devotion. Those companies support a friendly work environment, aiming to assure long-lasting benefits by an internal focus on the increased employees' satisfaction.

• Adhocracy culture

As highly exposed by external influencers, this culture emerged from the need for revolution, novelty and modernization. A progressive operation, vulnerability and inventiveness are the main associations. The employee orientation is quite compliant to the work dynamic.

• Hierarchy culture

Formality in communication and hierarchical order clearly define this culture. The work is done under the regulation and employees have a straight set of rules that guide behaviour. Stable work is focused on the standardization of policies.

• Market culture

Adapted to the outward circumstances, a market culture is oriented toward being competitive in the market and "focused on transactions with (mainly) external constituencies such as suppliers, customers, contractors, licensees, unions, and regulators". The main focus is income and efficiency.

Source: Cameron & Quinn, 2006, p.39

Generally speaking, an essential role in managing organizational culture is assigned to managers, who control the effectiveness from two aspects: operational and cultural. People involvement is elementary. Although shared beliefs of members create a strong culture, a crucial aspect is still the way of motivating and leading human beings and implementing organization standards.

2.2 HRM role in organization

The various definitions in the literature explain that Human Resources Management operates as modus that manages employees and organization, employee-related



practices, rights and obligations that corresponds to the law, utilizing the quality of performances (Tubey, Rotich, & Kurgat, 2015). The history background of HRM began from the early 1970s, when Personnel Management practices were not to lead people, but to set strict operative rules and obligations that needed to be fulfilled (Osibanjo & Adeniji, 2012). Starting with the basic tasks to regulate conditions and situations in the work environment, HRM sector has increased its responsibilities by the time on the administrative and operative levels (Ulrich, Brockbank, Johnson, & Younger, 2007).

Nowadays, HRM is considered a special department, aiming to strategically manage organizational effectiveness with the assistance of its human resources (Osibanjo & Adeniji, 2012). A general theory explains that HRM as "a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce, using an integrated array of cultural, structural and personnel techniques" (Storey, 1995; as cited in Osibanjo & Adeniji, 2012, p. 5).

The emphasized human factor, as many authors explain, is the main organizational asset (DeNnisi & Griffin, 2008). A modern approach of a human capital explains that it is "the collective value of the capabilities, knowledge, skills, life experiences, and motivation of an organizational workforce" (Mathis & Jackson, 2008, p. 5). In contrast, the old view of human asset could be seen through the practices of older approaches through which humans served to accomplish organizational goals by utilizing their intellectual and physical capacities. The alter theory finds a fit to the management definition, which the core principle is to manage organizational strategies through the labor to achieve organizational settled goals (Drucker, 1986). Nowadays, researchers support the idea that even managers of different departments have the role of HR managers to the certain extent, influencing not only the quality of employees' performances, but also their satisfaction and motivation (Osibanjo & Adeniji, 2012).

Management vs. Leadership style

Relating to the basic theories of human resources and management, those approaches could lead to the issue of managerial style. In contrast to the core values of management, which strategically achieves an organizational plan, the latest



approaches rather show the emphasize on the importance of leading human resources and provide them benefits to achieve high performances (Mathis & Jackson, 2008). A managers' role has been a subject of debate – should their responsibility be limited solely on strategic planning, or should it also consider the effectiveness of leadership practices? Researchers support a management and leadership classification, where one side is in charge of executing an organizational mission, while another side takes a role of leading and motivating organizational human capital (Lunenburg, 2011).

Category	Leadership	Management	
Thinking Process	Focuses on people Looks outward		Focuses on things Looks inward
Goal Setting	Articulates a vision Creates the future Sees the forest		Executes plans Improves the present Sees the trees
Employee Relations	Empowers Colleagues Trusts & develops		Controls Subordinates Directs & coordinates
Operation	Does the right things Creates change Serves subordinates		Does things right Manages change Serves superordinates
Governance	Uses influence Uses conflict Acts decisively		Uses authority Avoids conflict Acts responsibly

Table 1: Comparisons between leadership and management

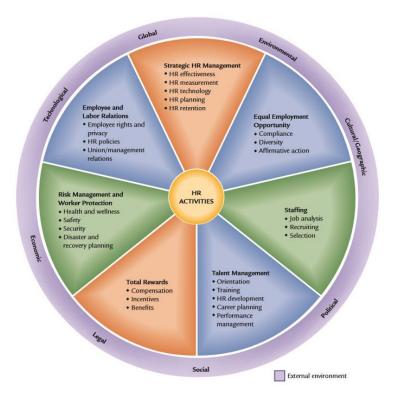
Source: Lunenburg, 2011

As indicated in **Table 1**, several business-related differences have been identified between leadership and management approaches. The first two levels distinguish the main focus of each role. A leader creates a vision by emphasizing the importance of human resources, while a manager's occupation is present situation improvements and real facts. The last levels explain the influential role of leadership by which collegiality and trust are built. In contract, management uses the authority and control to direct and coordinate (Lunenburg, 2011).

2.2.1 HRM practices

Beside from the HRM primary functions, its practices involve a variety of actions, which makes that system stable. Systematically, HRM system pervades through different models and activities, controlling operations both internally and externally.







The illustration in **Figure 6** explains the overall picture of HRM activities that are divided into the seven sectors of competencies. The figure also shows external environmental influences that affect HRM performances, which outspread from global, environmental and social changes, to technological, to legal, economic, politics and cultural adjustments. As the figure displays, on one side, a strategic part of HRM aims to achieve effectiveness through the planning process. The employees' labor regulations and equal opportunities protect the rights of each party. On the other hand, rewards and Talent Management assure development through staffing, training and general labor performance.

Osibanjo & Adeniji (2012) have identified three main HR challenges of external and internal influences, which directly or indirectly impact HRM operations:

1. *Organizational challenges* are related to internal factors caused by external circumstances, such as organizational culture and organizational structure.



- 2. *Environmental challenges* are caused by external factors that each organization faces. Those are related to the national and international law, workforce, social circumstances, work dynamic, etc.
- **3.** *Individual challenges* represent the greatest concern for HR practitioners. Spreading out an organizational policy, those matters are seen through how employees are preserved and which benefits individuals could acquire to increase commitment and productivity.

Source: Osibanjo & Adeniji, 2012

2.2.2 Training and methods of transmitting organizational culture

One of the main occupations of HRM is the practices that regulate training of new employees and those at current positions, to improve skills and abilities for present and potential job requirements (Summers, 2009). Hard skills are directly related to gaining the appropriate knowledge in a specific field that influences improvements and progression in performing specific tasks (McKenna and Beech, 2008). In contrast, it is required that employees possess characteristics necessary for the work environment, not only for performing tasks, but also in interpersonal relations, such as teamwork, good cooperation among co-workers, leadership, etc. Generally speaking, managers uphold training division in each sector, aiming to foster employees and their "critical skills, attitude/behavior, and knowledge" in order to "change their existing organizational culture to a higher work performance culture" (Ibrahim, Boerhannoeddin, Kayode, 2017, p. 104).

When a culture needs to be transmitted to new employees or current human resources due to internal changes, training practices are crucial. Promoting organizational culture is a challenging task. In order to create a strong culture and maintain it, there is a need to communicate an organizational culture mission and its policies.





Figure 7: Culture transmission to new members

Source: Information adopted and adjusted from Gibson et al., 2009

When it comes to hiring individuals that achieve an organizational culture fit, they come through the certain stages of adaption. Gibson et al. (2012) suggest an overview of activities that have to be estimated through the process of transmitting a culture (see **Figure 7**). Firstly, new employees are involved in the course that includes culture learning and hard-skill training. The process of involving new members in the culture communication practices is called socialization (Gibson et al., 2012).

The most effective method of socialization is achieved through an orientation program. The orientation program is a mentoring method of learning organizational culture (Mathias & Jackson, 2008). An adoption process lasts approximately a week and its formalization extent differs according to the organization. The orientation week reaps many advantages as it helps new employees to align the organization smoothly, meet organizational norms and interactive human relations (Gibson et al., 2012).

The initial idea of transmitting organizational culture begins with discussion of what is contemplated. Culture communication is discussed through historical facts and stories of an organizational culture mission, which is done through different practices, such as "announcements, memos, rituals, stories, dress, and other forms of communication" (Gibson et al., 2012, p. 41). Those methods of communicating a new culture aim to motivate workers to comply with new circumstances, understand, accept and apply the values and norms a company stands for. Above all, the authors explain that organizations adopt practices of authorizing person to provide instructions to new member through the process of socialization (Gibson et al., 2012).



While experiencing culture through the socialization, the most effective principle of learning happens in the phase when one gets involved into the system (Gibson et al., 2012). By observing the environment and organizational behavior, newcomers receive the message and decide on an appropriate way of acting. Thus, probably the most effective learning starts when one officially begins to apply learned skills and organizational values. A communication of organizational culture values needs to be continuous and applied in every-day life. As role models, members ought to present in practice what has been initially proposed by the organization itself (Chatman & O'Reilly, 2016).

A company that aims to accomplish high achievements by being employee-oriented helps new members to familiarize themselves with the organizational system. Managers have a responsible role in passing on a culture as managers are, in fact, representatives of culture values (Warrick, 2017). Nevertheless, companies, above all, engage themselves in recruitment practices, hiring individuals that fit to organizational culture. Researchers claim that individuals, who possess traits similar to organizational characteristics are more likely to adapt easily to a firm's corporate culture (Dawson et al., 2011).

2.2.3 HRM role in establishing organizational culture

The HRM role in establishing organizational culture considers the implementation of organizational practices through organization's human resources, who collectively share organizational norms, values and beliefs (Nickson, 2007).

In a more concrete practice, after the company has defined its culture, HR manager has a task to implement and foster the plan. Different culture orientations have different strategies that need to be intentionally applied. Cameron and Quinn (2008) suggest the profiles of HR managers and actions they need to engage themselves with to build a specific culture.



Flexibility and Discretion CLAN ADHOCRACY OUALITY STRATEGIES OUALITY STRATEGIES Surprise and delight Empowerment External Team building Creating new standards Internal Focus and Integration Employee involvement Anticipating needs Human resource development Continuous improvement Focus and Differentiation Open communication Finding creative solutions HIERARCHY MARKET QUALITY STRATEGIES QUALITY STRATEGIES Error detection Measuring customer preferences Improving productivity Measurement Creating external partnerships Process control Systematic problem solving Enhancing competitivenes Quality tools (fishbone diagrams, Involving customers and suppliers Pareto charting, affinity graphing, variance plotting)

Stability and Control

Table 2: The competing values of Human Resources Management

Source: Cameron and Quinn, 2008

Table 2 explains that each culture type has its own value, and therefore a clarified aim to be implemented through the specified roles, means, ends as well as competences that managers should possess. For instance, creating a *clan culture* requires an employee-oriented person, who could increase a commitment by responding to employees' needs. An *adhocracy culture* requires a change agent, who works on transformation and organizational renewal. For building a *hierarchy culture*, there is a need for an administrative specialist to improve an efficient infrastructure. A *market culture* demands a strategic person to focus on HR strategic planning (Cameron and Quinn, 2008).

Therefore, the main aim of each organization is to achieve high performances in the market. In doing this, strategic planning is obligatory. Nevertheless, apart from the financials, which play a crucial role, a more important consideration is the way an organization leads its human resources to accomplish a mission. Thus, HRM fosters an organizational culture system, increasing the strength of the same by managing its human capital, which in fact makes one organization (Cameron & Quinn, 2008).

2.3 Generational Management

Generational involvement creates diversity in the workplace and; thus, an active work environment. Managing human diversity in the workplace has always been a challenging task. Respect, communication, misunderstanding and different



generational requirements are just a few components of the organizational matter when it comes to handling a diverse workforce. To understand a distinctive set of worldviews, organizational representatives learn how to observe groups needs objectively and act appropriately (Reis & Braga, 2015).

2.3.1 Generation

A term generation could be examined from different perspectives. There are two main indicators that identify generations: a year of birth and occasions arose in a certain phase (Kicheva, 2017). To explain the generational strength that develops over time, it is defined as "a group of people or cohorts who share birth years and experiences as they move through time together" (Kupperschmidt, 2000; as cited in Kicheva, 2017, p. 104). Members born in the same period are more likely to show a tendency towards similar attractiveness (Iden, 2016). Shaped by the social situation, each generation acts according to its own preferences affected by the social circumstances occurred from the time of the birth and over growth (McCrindle, 2014).

2.3.2 Generation Categories

As of the age classification, which is the most common division of diversifying generations, the period of 20-25 years is usually assigned to the group age phases. Nevertheless, there is no standardized year categorization; rather, it slightly differs from the author to author. A table below illustrates a generational age range according to the year of birth proposed by McCrindle (2014).

Category	Year
Traditionalist	1925 - 1945
Baby Boomers	1946 - 1964
Generation X	1965 - 1979
Generation Y	1980 - 1994
Generation Z	1995 - 2009
Generation "a"	2010 - x

Table 3: Generational categorization

Source: McCrindle, 2014



2.3.3 Generations at the workplace

The current work environment consists of four working population. The broader view includes *Baby Boomers*, whose presence is quite low due to the retirement, *Generation X, Generation Y* and *Generation Z* that is slowly introduced to the business. Although four mentioned generations could be considered, the workplace is highly occupied by Baby Boomers, Gen X and Gen Y. Researchers have been highly focused on the Generation Y population, as they have increasingly started replacing Baby Boomers, who gradually leave their workplace (Solnet & Hood, 2008). The table on the next page illustrates the main business characteristics of four generations, which allows a reader to understand the generation differences and their changing preferences in the business world.



	Baby Boomers	Generation X	Generation Y	Generation
				z
General characteristics	 Live to work Competitive Self- gratification 	 Work to live Pragmatic Impatient Self-reliant 	 Work-life balance Education oriented Sociable Confident 	 Work experts "Change the world" attitude Self-aware
Work orientation	- Office only; long hours - Efficient -Performers - Salary important	- Office, home - Independent - Task-oriented - Salary/ security important - Need direct feedback on the performance	 Office, home, flexible schedule Explain why Multi-tasking Group- oriented Salary/ security Seek often approval 	 Shift to visual reality Seek for freedom Equality and diversity Luck of loyalty Salary, financial rewards, benefits and security
Career goals	High-goals achievements	Build a transferable career, variety of skills and experience	Build several parallel careers, have several jobs simultaneously	Career achievements
Communication	In-person communication	- As needed - In-person communication	- Instant messages - E-mails	Technology tools - Social Media channels dominant; employee apps
Work expectations	Believe in the hierarchy and work their way up the ladder	 Independent, resourceful people, who value freedom and responsibility Eager to learn more 	 Their opinions need to be heard The sense to be valuable in the company Fast job promotions Use own methods 	- Promotions important - Expect to be highly appreciated

Table 4: Generations at work

Source: Akhtar, 2019; Jagaciak & Fink, 2017; Kicheva, 2017; Kleinschmit, 2019;

Llewellyn, 2018; McCrindle, 2014; Rainmaker Thinking, n.d.; Scott, 2018



As could be seen from **Table 4**, different generation orientations related to the business environment have gradually changed. Nowadays, the employment expectations are becoming immensely higher and HR managers have tough work to meet the needs of each generation. Researchers argue that being aware of generational characteristics and diverse work requirements is crucial in managing a workforce. The managers' unconsciousness to reflect the generational science into practice could result in "conflict in the workplace, misunderstanding and miscommunication, lower employee productivity, poor employee well being and reduced organizational citizenship behavior" (Wong, Gardiner, Lang, & Coulon, 2008, p. 879).

2.3.4 Generation Y

Generation Y, also called Millenials and Net Generation, is the group born between 1980 – 1994 (McCrindle, 2014). As born after Generation X, many similar characteristics could be identified. This group grew up in the period of technological improvements and excessive Internet usage (Becton et al., 2014). This period is also labeled by the fall of the Berlin Wall and war against terror. Either historical or cultural, events occurred could be associated with defining generation attributes (McCrindle, 2014). For instance, Generation Y members have seen their parents living in the period of economic growth, internal organizational changes, such as downsizing, which resulted in job insecurity (Reis & Braga, 2015; Solnet & Hood, 2008). As such, the way Generation Y grew up influenced their own work orientation (McCrindle, 2014).

The first characteristic associated with this generation is a desirable knowledge in the technical industry, which allows them to easily cope with the latest innovations and electronic developments (Stanimir, 2015). The attention is particularly drawn on educational possibilities, seen as extremely relevant for personal improvements and career opportunities (Brown et al., 2015; Reis & Braga, 2015). Millennials seek challenges, and this creates a competitive atmosphere in which they perform, with a strong attitude to bring additional value in work (Maxwell, Ogden, & Broadbridge, 2010). Instead of being supervised and said what to do, they rather choose to get along to be motivated and inspired to perform. As team players, members of this generation have strong communication and interactive skills (Kicheva, 2017). The



work-life balance is probably the most notable characteristic associated with Generation Y, having spare time for personal activities (Stanimir, 2015).

2.4 Psychological impact of organizational culture

The preceding theory has shown that organizational culture represents what the organization stands for (Hudrea, 2006). Therefore, organizational culture naturally with its uniqueness forms its positioning in the market (Nickson, 2007). As such, organizational culture has a conscious or less conscious psychological impact on its members, such as employees and a consumer population. This chapter will draw attention to the psychological influences of organizational culture from the perspective of an organization - what it aims to achieve, and how culture affects employees' well-being. The author's further topic of discussion will be a currently dominant Generation Y and its values of organizational behavior.

2.4.1 Psychological impact of a workplace on humans

Work is considered a high occupation in the socialiable terms of one's individuality (Weinberg & Doyle, 2017). Psychologists argue about numerous theories that explain a psychological relationship between workplace and humans.

The causal connection between work and workers is identified, thereby workers contribute an organization by providing the intake (e. g., knowledge, physical commitment) and in return get paid for the shown effort by numerous rewarding policies (Anderson, Ones, Sinangil, & Viswesvaran, 2001). One of the theories that rely on the psychological impact is a human belief that one could achieve beneficial outcomes for a company and in return receive an appropriate reward (Briner, 2000). As long as the work compensation is considered equitable, work will have a positive psychological impact on workers, and reasonably, will influence a high employee commitment. In contrast, a negative psychological influence occurs as an employer negative "answer" on a worker's shown diligence and achievement (Briner, 2000).

Nowadays, psychologists have recognized that human needs for work are related to social identity and integrity; in other words, the sense of belonging to a particular group (Weinberg & Doyle, 2017). The term *social identity* refers "to in-group identification", where an individual is attached to the group's beliefs and behaves in



the same manner as other members (Tajfel & Turner, 1986, p. 277). The psychological view further explains that in-group identification is made after self-evaluation (Kelman, 1961; as cited in Ashforth & Meal, 1989). According to Kelman's suggestion, it could be seen that humans tend to evaluate who they are, personal characteristics and affinities, which lead further to the self-identification and a need to belong to a certain group - one that is most suitable for an individual personality.

2.4.2 Psychological impact of organizational culture

Studies have shown that organizational culture can have direct and indirect psychological influences. Schein (2004) in his books emphasizes that culture needs to be experienced by members to create a meaning of the organizational environment. Therefore, a culture could be experienced through its interpretation in various forms.

Organizational culture practices impact human behavior by different symbolic interpretations. **Figure 8** illustrates Brown's suggestion of cultural elements that represent a culture (Brown, 1998; as cited in Nickson, 2007). Those elements are created by organization, aiming to influence human behavior and their perception of an organization through its unique manifests.

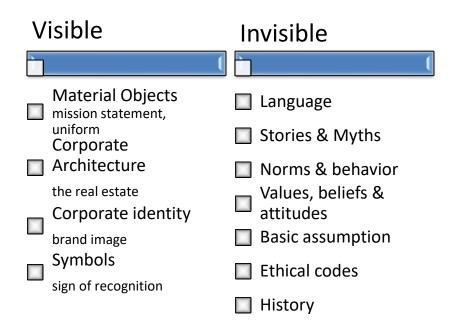


Figure 8: Organizational culture manifests

Source: Information adapted from Nickson, 2007



Among the visible elements, the author identifies material objects, corporate architecture and identity, and symbols as key elements of the organization recognition. The most powerful factors are seen through visible objects that directly show what a company stands for, influencing members to create a meaning.

A mission statement promotes an organizational purpose, and aims to directly influence members with a product/service aim and advantages of consuming the objects of organizational business (Sufi & Lyons, 2003). Corporate architecture is a form of organization symbols. The organizational style and aesthetics show the organizational character and distinctiveness. An architectural side of the object is defined by the style an organization forms at the very beginning, over the initial phase. The symbol is a visible aesthetic that a company invents as a personal sign which distinguishes a company in the market place (Nickson, 2007). Symbolic interpretation significantly influences the emotional impression (Olins, 1991; as cited in Nickson, 2013). Apart from the outlook, visible hard-facts are also seen through the dress-code of personal. The uniform serves as a sign of the organizational values and the brand image that provides an identification of members who belong to a certain group (Rafaeli, 1993; as cited in Nickson, 2007). Organizational activities, outside and inside environment, organizational mission statement and symbols create a uniqueness, and therefore assist an organization in the market recognition. In fact, the main aim is the organizational differentiation amongst others within the same industry (Nickson, 2007).

In contrast, invisible elements are related to the social context of interaction and communication. The language used stands for the way employees communicate among each other. Organizations, therefore, aim to show organizational culture by means of interaction among employees, and employees to customers. Stories and myths serve as a manner of a communicated history of the organization practices. By sharing stories, organizations seek for the culture development, forwarding its existence to members. In those stories, cultural norms, values, beliefs and ethical codes are communicated as well, aiming to provide a corporate image of how things should go on (Nickson, 2007).



2.4.3 Psychological impact of organizational culture on employees

Nowadays, when work is no longer considered the place of "doing the job and get paid", organizational practices have improved a work composition (Weinberg & Doyle, 2017). The well-structured working conditions influence employees satisfaction, increase commitment and decrease turnover. The authors argue that the organizational policies could affect mental conditions of employees to the high extent (Gondleker & Kamat, 2016). The research conducted by Karasek & Theorell (1990) indicates that organizational culture policies, such as "challenge, freedom, low conflicts level and autonomy", could embellish human psychological condition at work (Gondleker & Kamat, 2016, p. 184).

According to Van Horn, Taris, Schaufeli, and Schreurs (2004), some organizational culture politics are driven patterns that affect employees welfare, influencing a productive work. When the principles of organizational culture stimulate organizational members, they are keen on performance improvements (Hayes & Ninemeier, 2009).

Organizational Practices	Psychological influences
Employees cognitive functioning	Concentration, engagement
Motivation	Aspiration to be involved, competence, rewarding system, compensation
Social behavior	Equality, respect, communication among employees and employers and interaction to customers
Self-reported physical health	A healthy work environment prevents causes of any sickness of a mental and physical health, such as: depression, stress level, anxiety, etc.
Emotions	Employee commitment, better performance, quality outcome

Table 5: Psychological influences of organizational culture practices on employeesSource: Burton, 2010; Van Horn et al., 2004



Table 5 depicts organizational practices that positively affect employees' performance. Organizations strive for creating a healthy workplace, where a human presence and their satisfaction is crucial for organizational success.

The psychological approach of occupational culture stands for the occurrence when through a new interaction people bring in their former culture experience (Schein, 2004). It could be concluded that humans unconsciously accustom the working manner they have learnt and bring it with when entering a new culture system. In this process, people could also influence changes within a unit, especially if a new member holds a leading position (Schein, 2004). It is argued that occupational culture might also cause struggles in communication due to the confrontation of different perceptions (Johnson, Koh, & Killough, 2009).

2.4.4 Psychological impact of organizational culture on Generation Y

As shown earlier in the Generational Management theory, it was seen that different generations are looking for different organizational practices. New generations are more inspired by freedom and challenges; thus, organizational culture should be interactively optimized to respond to what is demanded from both sides – the company's aim and generation needs.

The core characteristics of Generation Y can naturally be connected with its interest in organizational attributes when it comes to choosing the right workplace. Millennials' special attention is given to a strong organizational culture as an important segment for attraction (Maxwell et al., 2010). In connection with organizational culture, only captivating organizational policies that fulfill their requirements can make this cohort loyal. Once they consider that a job is not providing value, they leave a company (Becton, Walker & Jones-Farmer, 2014; Brown, Thomas, & Bosselman, 2014). The crucial perception of Generation Y is the necessity for equality and diversity elements in the business environment (Reis & Braga, 2015). Their greatest concern related to the organizational culture attractiveness is the liberty to set their own methods of working, opinion and creativity (Brown et al., 2014). This group highly appreciates a less hierarchical company structure, and they seek an inspiring and helpful atmosphere (Reis & Braga, 2015). Millennials are looking for constant challenges, personal development and promotions at work. The



importance of feedback on a regular basis is highlighted (Reis & Braga, 2015). Maxwell et al., (2010) state that members of this generation is looking for a suitable recompense for their engagement. Millennials appreciate liberty, independence, adaptable and responsive work conditions (Ho, Ahn, & Law, 2015).

2.5 Hospitality as a workplace

With the step of globalization, the hospitality industry has increasingly advanced, receiving a favorable positioning nowadays in the worldwide market. As the hospitality sector has improved its operation over the history, hotels, as well as other lodging providers, have become more interested in offering experience, rather than just services (Medlik & Ingram, 2000). This chapter contains the theory on the hospitality industry, its classification and characteristics. Furthermore, the literature research will show the connection of the industrial characteristics with the hospitality organizational culture establishment. Lastly, the secondary researches provide information on a Generation Y presence in the hospitality industry.

2.5.1 Hospitality industry

The hospitality industry is a widely defined economic and service sector. It is strongly connected with the tourism industry, yet the sectors difference is identified. Tourism is a broader service provider, which deals with traveling, destination management and alike. In contrast, the term *hospitality* is generally related to the accommodation services. From the 18th century, the industry has evolved, extending its operation on providing dining and entertainment services. Today, the phenomenon is considered a "home away from home" (Chibili, 2016).

2.5.2 Hospitality real estate classifications

The hospitality properties can be divided into several categories according to organizational practices. The hospitality real estates are classified as following: hostel, motel, hotel, cruise, bars, restaurants and similar objects which purpose is to provide lodging and dinning as elementary activities ("Str", 2019).



When it comes to identifying the category of hotels, the organizational classification depends on the standardization rules, which slightly differ from country to country. The most common identification is a star rating, from 1 to 5, where 5 stands for hoteliers that provide high quality and wide range of services (Minnazzi, 2010). Other classifications can be divided into:

- Scale: luxury and upper upscale; upscale and upper midscale and midscale and economy
- > Organization operation: chains and independent
- Type of the organization: heritage, resorts, luxury, lifestyle, limited service, etc.
- > Location type: urban, suburban, airport, motorway, resort, small metro/town

Source: "STR", 2019

Nowadays, due to the customer's sophisticated needs, expectation has become the central word among companies in this sector. Customers have high expectations of the service quality, especially when that expectation is influenced by the hotel rate and class (Minnazzi, 2010). Moreover, probably the crucial issue arises due to the importance of a hotel brand image, which certainly influences a degree of expectation (John & Mattila, 2010)

2.5.3 Characteristics of the hospitality industry

Regardless of the type, size or location of a property, the common industrial characteristics are globally recognized. Since the industry deals with both products and services, **Table 6** shows an extensive set of hospitality characteristics, which directly impact a business operation.



Characteristics	Explanation	Source
Inseparability	The service provided can solely be provided to customer at the moment of consumption	Claessnens, 2015
Intangibility	Even though some visible facts could be seen through various advertisements, service in the hospitality has to be experienced	Chand, n.d.
Variability	Providing service cannot be a systematic and fixed work. There is a great variety in daily communication (always different issues in a relationship customer – employee), employees' performance, customer requirements, etc.	Chand, n.d.
Perishability	The accommodation services cannot be stored and sold again; instead, the unused night in a hotel is considered a revenue lost	Chand, n.d.
Labor intensive	Staffing is a great challenge, as a high turnover is the industry's biggest concern	Ho et al., 2015
Cross-culture	International operation character of the industry causes a high extent of cultural diversification among employees and guests. This further implies an ethical issue, communication and interactive relationships among members	Grobelna, 2015
Innovation- driven	Trends and innovative attitude of hospitality properties lead to achieving a competitive advantage	Dzandzhugazova, Blinova, Orlova, & Romanova, 2016
People- oriented	Creating experience for guests by the service quality offer and managing human resource to deliver that quality	Nickson, 2007
Brand image influence	The importance of the brand positioning in the market and its identity	O'Nell & Mattila, 2010

Table 6: Hospitality industry characteristics



2.5.4 Organizational culture in hospitality

Organizational culture in the hospitality industry is special. It distinguishes this industry not only according to the recognized business type, but also to the diversity of subunits among the sector. As the literature allows, the conclusion could be made that establishing organizational culture in hotels is to the great level matched with the industry characteristics.

As the industry highly depends on people, most organizational culture characteristics could be associated with an inevitable human presence. The industry deals with a high turnover, seeking for new talents continuously. The reasons might be found in low salaries, over shift work, job insecurity, low possibilities for personal improvements and degree of work demands affected by the season (Dawson et al., 2011).

To begin with the primary aim of hospitality providers, which is customer satisfaction, a responsible role is given to employees. Since the front-line labor is in direct contact with quests while providing services, employees' competence and their personal traits are the greatest industry occupation. While a human asset is in active communication with customers, they interactively present organizational culture to those members. Thus, training human resources is of great importance for hospitality and tourism organizations, which outcome leads to higher accomplishments (Nickson, 2007).

In the study to identify the hospitality industry, in which 49% of hotels were involved among all institutions that belong to the industry, it was found that management has been highly oriented towards employees, not solely on monetary achievements. The core values that would represent the industry are seen through "creating experience for their guests" and being "home away from home", as well as negative characteristics, such as "high turnover" and "burn-out" (Dawson et al., 2011, p. 299).

Although companies nowadays use a flatter hierarchical structure, in the hospitality industry it could be hardly achieved. Especially in big hotels or hotel chains, each department needs to be managed by several supervisors, ending up with a General Manager control. Therefore, decentralization in hospitality is hard to actualize as all departments require supervision to ensure service and product quality demanded by customers ("Hierarchy Structure", n.d.; Medlik & Ingram, 2000)



The implication of the study related to organizational culture in hospitality, tourism and leisure, indicates that managers are important subjects in organizations, whose role is to promote "teamwork, building the future together, building the ability to learn and collaborative setting of strategies", (Kyriakidou & Gore, 2005, p. 204). The authors argue that the industry requirements could be satisfied significantly through positive organizational culture practices. The focus on employees, especially soft skills training, communication and equality could result in better understanding and applying organizational business values in day-to-day life (Kyriakidou & Gore, 2005).

2.5.5 Generation Y in hospitality

Generation Y has increasingly started occupying vacancies in the hospitality industry. However, it has been stated that the correlation of Generation Y needs and the industry real-life practices is very low. In the various studies conducted (e.g. Barron and Maxwell, 1993; Kusluvan and Kusluvan, 2000) it is found out that hospitality students are not entirely aware of the industry requirements until they get involved into practices, which mostly causes their disappointment and changed insight on the actual work engagement in the industry (Solnet & Hood, 2008).

As of the shift towards employees' well-being at work, as well as generation requirements, hospitality organizations face a difficulty to strategically answer to those needs to achieve in return high competitiveness (Solnet & Hood, 2008). Organizations are given the challenge to respond to the generational demand in terms of their personal development through a training division, communication and worklife balance (Solnet & Hood, 2008). A great consideration should be addressed towards applying the practices that could increase Millennials motivation and engagement at work. Although Solnet and Hood's (2008) research show that the generation places a self-aware over income, the several studies of Generation Y employees in the hospitality approve a different approach. The study conducted by Ho et al., (2015) state that the work compensation plays a critical aspect in attracting Generation Y, regardless of the culture and nations. The authors also explain that a positive organizational culture and personal benefits are decisive factors for Generation Y employees' retention (Ho et al., 2015). Therefore, HRM policies should directly address organizational culture policies, particularly in the process of recruiting, when an organization aims to attract new talents



3 Methodology

The methodology section layouts a systematic analysis of the research. **Figure 9** illustrates the author's guidelines of the research conduction.



Figure 9: Research guidelines

In the early phase of research, the topic introduction is elaborated as well as the research significance. In the very first step, the author defines the research questions and hypothesis, which will be examined through the secondary and primary research in the further text. The following phase comprises the secondary data research of the relevant aspects of the study. In step three and four, the author clarifies the research aim in detail and explains the methods used in conducting the research. Furthermore, the primary data of the research is illustrated, with a specification and meaning of each research segment. The collected research material is interpreted in the next phase. The research summary contributes to composing the last phase – conclusion and testing the hypothesis defined in the first phase.

3.1 Research aim

The study focuses on the psychological influences of organizational culture on young employees in the hospitality industry. Thus, a primary aim as well as several secondary aims delineated at the beginning have been formulated to answer on the research



topic. The main aim is to identify and understand the psychological aspects of organizational culture on young employees, defined as Millennials, in the hospitality industry. To elaborate the topic, the secondary aims will assist in defining organizational culture and a relevance of its strong appearance within an organization. As the focal aspect, it will be discussed how organizations could communicate organizational culture and psychologically influence members to act devotedly. Moreover, the aim is to identify similarities and differences among hospitality brands and their organizational culture practices. Lastly, due to the challenges to initiate a change of culture policies in order to go with the time, it will be discussed how and to which extent organizational culture changes is a generational replacement, the interactive influences of the young generation on organizational culture adjustments will be examined. Additionally, the study will examine the correlation of the Millennials' business preferences and organizational culture at diverse hospitality brands.

3.2 Research design

The study requires the implementation of the mix methods research, including qualitative and quantitative data collection. "Qualitative research is a systematic scientific inquiry which seeks to build a holistic, largely narrative, description to inform the researcher's understanding of a social or cultural phenomenon" (Astalin, 2013, p. 118). Qualitative research is widely applicable in the social context (Mojahan, 2018). The author further argues that a qualitative research method helps to explain why members of a particular group behave as they do, an influence of occasions on people behavior in daily life and people's worldviews. The quantitative approach is used for the systematic numerical research, which assists in examining data statistically (Yilmaz, 2013). The combination of both research methods aims to counterpoise the potential limitations and disadvantages of using solely one research method, providing a deep comprehension of research aspects and analysis (Almalki, 2016). The philosophical foundation of using the mixed method research is suggested as the research topic includes broad segments that are the matter of behavior and perceptions than can be further examined statistically. Thus, the research will be conducted by semi-structured interviews and closed format questionnaires.



In accordance with proposed research method, the type of interview and questionnaire is formed. The interviews are constructed of open-ended questions, which will assist in collecting in-depth information on organizational culture practices at the case studies. The advantages of using interviews in this study can be seen through its purpose to explain and outline the significance of the subject (Kvale, 1996). The constructed questions are in the chronical order with respect to the units of analysis explained in the following section. By conducting interviews, the main aim is to gather knowledge on the subject matters related to the study. The semi-structured interviews will allow the interviewer to communicate the topic with the freedom to ask additional questions corresponding to the situation and dialogue.

The questionnaires have been developed as of the nature to collect a greater number of responses, providing "descriptive information" and "tentative explanations associated with testing of an hypothesis" (Munn & Drever, 1990, p. 8). The questionnaires intent to collect information on organizational culture by constructing concrete questions on organizational practices and a message of organizational culture perceived by Generation Y.

3.3 Unit of analysis

The formulated research questions require the implication of mixed methods research that will be conducted by semi-structured interviews and questionnaires. With the purpose to simplify the research method comprehension, the structure of the methodology is further scrutinized. By following the research questions, the three key topics are determined. **Figure 10** illustrates the critical aspects of the research that will be discussed, outlining the most significant areas of interviews and questionnaires.



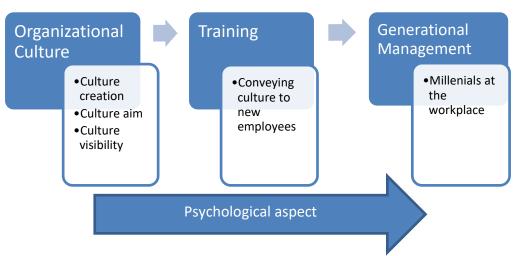


Figure 10: Key aspects of the research

The first leading section considers an organizational culture phenomenon. The main topic of discussion aims to deliberate the issue of how organizational culture is created, acknowledging the purpose of organizational culture development as such. Moreover, it contemplates the visibility of organizational culture. In other words, by which conscious and unconscious matters a culture is expressed. The implication of psychological aspects plays a crucial role in understanding organizational culture and its impact on organizational members by the mean of what has been created, aimed and visible.

The concern of conveying organizational culture will be elaborated as the second substantial of the research topic. The practice of sharing culture explains the concept of a stable system, and therefore, influences its members to act staunchly (Schain, 1984). The second key aspect intents to explore the importance of sharing organizational culture, and to gather information on how the organizations transmit their cultures. A psychological aspect considered aims to help in understanding a structure of a workshop for organizational culture transmission at each case study. Specifically, how new members are psychologically influenced through training to perceive the right message that organizational culture sends.

Generational Management is a third crucial aspect of the research, which focuses on Millennials as a dominant group in the workplace. The thesis aims to inquire into the correlation between the needs of young employees and the extent to which organizational culture practices respond to those requirements. This investigation is



particularly important for organizations to understand current and future labor in the market in order to know how to caught the talents' attention of new generations that are coming. A psychological aspect has to be recognized due to the organization need to understand the requirements of new generations and stipulate the policies accordingly.

3.4 Participants

The participants have been chosen as representatives of three case studies chosen by the author. The study contributors are people, who work in the leadership positions, and the employees at different positions, who belong to Generation Y. The interviews were conducted with 2 persons. Although the initial sample size was 45, the collected filled out questionnaires counts 11 representatives of Generation Y.

3.5 Selection criteria

The selected case studies are representatives of upscale hotels, categorized with 5 or 4 stars. The hotels have been chosen as of their distinct approaches under which they operate; namely: traditional, international and lifestyle brands. Despite of the literature, which explains that HRM deals with managing organizational culture, the research contributors in interviews are people selected according to the hotels' availability. However, the leading participant' positions make them competent to represent their corporate cultures. The questionnaire participants have been selected according to the age criteria, corresponding to the age range of Generation Y.

3.6 Construction of interviews and questionnaires

The interview construction is based on the semi-structured form of interviews, which allows the researcher to collect detailed information by asking additional questions during the interviews. The 14 open-ended questions were constructed chronically as of the key research aspects. Precisely, the interviews start with questions that aim to collect personal data, followed by questions on the general perception of organizational culture and hotel's practices. The in-person interview was recorded and transcribed, while the questions of the interview conducted via e-mail were sent to the respondent, and a filled-out form was submitted to the researcher.



The questionnaires consist of 15 questions that were constructed online to allow the participants to answer them in their spare time. The survey was conducted with the in-house employees of the chosen case studies. The questions contain a form of open and multiple choices answers, and Likert scale responses. The questionnaires start with basic questions on personal data, continuing to the issue of personal work tendencies, ending up with the perception of organizational culture of the hotel where they are working. The link of the online form of survey was sent per email to the hotels, which was further forwarded to other participants, who belong to Generation Y. When the questionnaires were filled out, they were submitted to the researcher platform. The language used in constructing the interview and survey questions contains the elementary lexis for the topic on organizational culture.

3.7 Reflection concerning the interviews

The interview questions were identical for all participants as the research aims to compare the perception of representatives and practices of the chosen case studies. The questions were placed in a chronical order, introducing the interviewees smoothly to the main topic. The opened-ended questions allow the responder and interviewer to rise additional issues during an interview regarding the organizational culture concern. Therefore, the questions were derived as such to cover four main themes:

- Personal data collection
- Organizational culture in everyday life
- Conveying organizational culture
- Generation Y in the workplace

Personal data collection

In the first part of the interview, the interviewees were asked to provide information on their personal and professional data. The table below shows the issues that were discussed in the introduction part and their purpose.



Questions discussed	The aim of the questions	
Personal data (name, gender, age)	Concluding the differences,	
	similarities and perceptions of the	
	generations and genders.	
Current position	Approving interviewees'	
	competences and responsibility.	
	Comparing the perceptions on	
	organizational culture according to	
	their different leading positions	
Number of years working in the	Interviewees' competences in terms	
hospitality industry	of experience and understanding	
	the hospitality industry in practice	
Number of years in the case study	Experts' familiarity with the case	
hotel	study	

Table 7: Questions analysis - Interviewees' personal data collection

Organizational culture

From the second part onwards, the units were developed according to the three key research aspects mentioned at the beginning of the methodology section, namely: organizational culture, training and Generational Management. The second part contains more specific questions that intent to find out the organizational culture orientation the hotels established.

•	What is organizational culture for you and what part does it play in your day to day life?
•	How would you define organizational culture in your company in one word?
•	What is the primary objective of your company's organizational culture?
•	Please explain your company's mission, values and the spirit you create within an organization.
•	Due to globalization, technological improvements, etc., many companies have adapted their organizational culture. Have you changed your organizational culture?

Table 8: Questions on organizational culture



The answers on organizational culture questions above aim to provide the researcher with general information on the companies' organizational culture and their daily practices. This could serve the author in realizing the strength of organizational culture by each case study and their orientations. By asking to define company's organizational culture in one word, the aim is to discover a word that explains most closely what defines organizational culture in the hotel. Since the external factors are inevitable when it comes to changing organizational practices, the question on organizational culture changes aims to respond to the issue of organizational flexibility to adapt to environmental changes.

•	In which ways do you express your organizational culture?
•	From your point of view, what has been done purposely and what unconsciously to show what this hotel, in fact, stands for?
	 How does this correlate with your organizational culture?

Table 9: Questions on organizational culture visibility

Two questions aim to investigate how the hotels express their organizational culture. Additionally, regardless of the theory, the objective is to understand the hotel representative's perception of organizational culture practices in everyday life within the organization. The purpose of the questions above are to conclude if the organizational culture politics of the case studies match with the secondary data provided in the literature review section. Moreover, the second questions aim to clarify the participants' understanding and awareness of organizational culture through visible and invisible maters.

- What does your organizational culture tend to indicate to employees, partners and guests?
- Do you think that your brand image influences people to develop a particular expression of your organizational culture? What would it be?

Table 10: Questions on organizational culture influences and image

In order to understand a message that the hotels send to their members through organizational culture, the questions intent to collect information on the hotels' engagement when it comes to sending the organizational culture message to inside



and outside members. Moreover, it is initiated to find out how the interviewees think they share the appropriate culture content on the values they stand for.

Conveying organizational culture

• How do you convey your company's organizational culture to new employees?

Table 11: Question on organizational culture communication

The topic on transmitting organizational culture strives to provide information on how the hotels teach organizational culture to new in-house members. In other words, the author aims to find out in which ways the hotels learn new employees the values and norms they promote in general. It is intended to realize if this practice can differ among different hospitality brands.

Generational Management

•	Do you convey your organizational culture in the same way to new employees regardless of the age differences? • Are there specific challenges when it comes to leading people from different generations?
•	Which generation is currently the most dominant in your company?
٠	To which extent does the culture adapt its policies to new generational needs?

Table 12: Questions on the company's experience in handling with the Generational Management science

The issue of Generational Management inclines to discover if the hotels management apply the knowledge of differences and similarities of the generations currently present in the workplace. Moreover, it will be concluded how the organizations attract new, young employees of the presently dominant generation and what they do to retain them. The core idea is to conclude if members of different generations are taught in the same manner to apply and spread over organizational values and norms.



3.8 Reflection concerning the questionnaires

The survey questions are delivered online to the study participants, who are the employees of the case studies. All questions are constructed in the same manner and forwarded to the study contributors. The questions have been developed as such to provide the study with a conclusion on the characteristics of Generation Y and the members' perception of organizational culture of the hotel where they work for. In other words, it will be found out if the company's organizational culture is perceived by the employees in the way that management team teaches them. Therefore, the summary of the three themes have been structured as follows:

- Personal data collection
- Generational work requirements
- Evaluation of the hotel's organizational culture

	Introd	uction
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Question	The purpose of the question	
Personal data (gender and age)	Concluding the differences, similarities and perceptions of the Generation Y and genders among the group	
Numbers of years in the hospitality industry	Participants' competences in terms of experience and understanding the hospitality industry in practice	
Numbers of years in the case study hotel	Participants' familiarity with the case study	
Highest degree	Participants' competences	

Table 13: Questions analysis - Participants' personal data collection



Generational work requirements

Question	The purpose of the question	
What is important to you when looking for a job?	Finding out what is the source for attracting Millennials	
To which extent was the brand image important to you when you chose the company where you are working presently?	Investigating which type of organization is attractive to Millennials to learn with	
To which extent is the organizational- culture fit important to you when choosing a company to work for?		

Table 14: Questions on the Generation Y's preferencesamong the business attributes

Evaluation of the hotel's organizational culture

Question	The purpose of the question	
Which of the following do you associate with the hotel that you are currently working for? Please limit your answer to 2 choices.	Employees' perception of the hotel's organizational culture	
What are your company's most exceptional values? Please limit your answer to 3 choices.	Employees' perception of the hotel's values. Finding out if the answers provided by interviewees match with employees' experience	
Did you familiarize yourself with the company's values before you officially started working in the hotel?	Millennials' perception on importance of organizational- culture fit	
Was organizational culture introduction a big part of your initial training?	Employees' evaluation of organizational culture training activities	



How does your company convey its organizational culture most effectively?	Employees' view on the organizational culture
	Activities through which the hotel influences employees' perception of organizational culture
Your company's organizational culture is visible to guests and employees to which extent	Employees evaluation of organizational culture visibility and strength

Table 15: Questions on the employees' view of the hotel's organizational culture

The first questions provide the set of answers that might associate the participant to the hotel that he/she is working for. The participants must choose two answers, which narrows down the core attributes by which a participant explains his/her employer. The second question has a purpose to indicate three the most exceptional values the hotel stands for to observe a wider picture of culture by each hotel and to match the participants' and interviewees' view. The provided options for answers have been selected according to the objective picture that three case studies promote publicly, as well as several values that organizations promote nowadays in the world. The next question aims to collect information if the participants were interested in finding out more on the company's values and policies, while the following issue aims to sought information on the employees' perception if the hotel has provided the message/training on organizational culture. The last two questions have a purpose to evaluate the employees' opinion on how the case studies express their organizational culture most effectively.



4 Evaluation and interpretation of research

Fourth chapter provides a summary of collected information through the examination of the study participants.

4.1 Research summary

Hotel	Interviews	Questionnaires
Sacher	In-person	8 participants
Hilton	x	2 participants
Ruby Maria	E-mail	1 participant

Table 16: The summary of the research conduction

The research summary (see **Table 16**) shows the methods of collecting primary data with the research participants. As could be seen, a lack of number of collected answers is identified, meaning that the interviews could not have been conducted with each case study and number of participants is unequal. Particularly, dissimilar ways of collecting information could lead to the misinterpretation or unrealistic promotions of culture by the participants. Moreover, an unequal number of participants decreases the summary relevance, as the results could lower the significance of comparing the unequal amount of results.

However, the table summary presents that the highest number of answers was received by the Sacher members, which leads one to the conclusion that the hotel is willing to share its culture, promote its values and collaborate with external partners. Due to the high occupancy, the Hilton's management team could not have provided answers, while the Ruby's management team has not considered a request for conducting a research. For this reason, the interview with the Ruby Hotel was conducted via email with the former hotel's member, who was in one of the leading positions. Considering the Hilton and Ruby's questionnaire participants, the lack of number of received answers can lead to the fact that the hotels' management team does not influence employees to share the culture. Moreover, since the participants belong to Generation Y, the reason for receiving a small number of answers could be



found in the generational need for work-life balance and the importance of their spare time; therefore, the probability to work on something that does not directly require a regular job obligation is quite low.

4.1.1	Interview	partners
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r			1
Questions	Sacher	Hilton Belgrade	Ruby
Name	Hani El Sharkawi	Social Media,	Nataya Gyoeri
		Website	
Gender	Male	Х	Female
Seniority	Gen X	Х	Gen Y
Position	Director of School	Marketing	A former
	of Excellence		Housekeeping
			Assistant
Years in the	25	х	3,5
hospitality			
industry			
Years in the	2,8	Х	3
current position			
	Earlier work in		
	the hotel – 3		
	years		
Location	Vienna, Austria	Belgrade, Serbia	Vienna, Austria

Table 17: Interview partners' personal data

When comparing information from **Table 17**, it could be seen that there is a high balance in the research, which means that there are two gender perceptions considered, as well as the marketing promotions of the organizational culture by one case study. Although the partners' leading positions vary from a greater to a lower extent, the balance is also identified in their distinct responsibilities, which differ from the high level to entry level positions. A difference in partners' seniority might be connected with their years of experience in the hospitality industry. However, the interview partners have a quite similar number of years spent in the case study hotels,



which approves their competitiveness to represent the organizational culture. Although the location of case studies is not equal, it might be assumed that Hilton, as an international chain, endorses its culture similarly regardless of the properties' location.

According to the interviewees' personal data, considering gender as well as Generational Management science, there was no difference in the perception of organizational culture. Rather, an evidential variance has been identified in the way of expressing themselves, considering the language used and the length of answers provided. These differences could be matched with the generational characteristics concerning the way of preferred communication. The Sacher interview partner belongs to Generation X, which prefers in-person communication. In contrast, the Ruby representative, who belongs to Generation Y, chose to answer the interview questions via email, which confirms that members of this group prefer online and more informal communication (Gurchiek, 2016). The seniority and experience could also be the reason for a different communication style.

4.2 Interpretation of the interviews

In this section, the outcomes of the interviews are interpreted and summarized. The interpretation is based on three parts, namely: answers on the interview questions, the summary of partners' answers, and the connection of these with the literature review.

What is organizational culture for you and what part does it play in your day to day life?

Sharkawi	I would say that any group of interacting people form a culture,
	wheatear they like it or not, wheatear it's consciously done or
	unconsciously happens. So, culture for me encompasses basically if
	we take the Iceberg model, things that you see and things that you
	don't see. So, what you would see is how people dress maybe in this
	organization, what dress code there is, the language they speak,
	wheatear is more formal, wheatear is less formal, the way people
	deal with each other; but also things that you don't see, basically
	certain traditions, the way of communicating with each other, norms,
	values and so on. I think you can positively influence it by defining
	those values that you want to live by, by creating traditions yourself,



	and that way basically you are influencing a culture to move into a certain direction. So, it's really in the focus of everything we do. It's very present.
Gyoeri	Organizational culture is everyday life within the company.
	The spirit that determines the atmosphere in the everyday work life.

The interviewees explain that organizational culture is highly relevant for their internal members and it is manifested through everyday activities. They point out that the people inside the organizations are the core values, and culture is made by the day-to-day interaction in various ways. Sharkawi says that organizational culture can be seen through visible and invisible matters, illustrating a culture through the leeberg model. He explains the importance of defining core drivers, which could influentially implement a culture. On the other side, Gyoery sees organizational culture through the feeling in daily happenings and performances within the hotel.

Due to the hotel's high work overload, Hilton, as a chain operating globally, have been examined through its web pages and a chain representative – Hilton Belgrade Hotel. After investigating the Hilton Belgrade Hotel, it could be said that the organization places its employees in the first position. This approves Social Media platforms, where pictures of hotel's members are posted during the work, training and events. With the smiles and the business-casual dress code, they provide an impression of friendliness and modernization. Thus, by promoting what the chain stands for, the organizational culture is seen publicly on various platforms.

The literature on organizational culture provided in the second chapter explains that corporate culture happens in everyday life within an organization (Hudrea, 2016). From the visible to invisible facts, a presence of a healthy organizational culture at the case studies is undoubtedly derived from the awareness to elevate the importance of interconnectedness. Although the Sacher representative mentions the visibility of organizational culture through a few objects, a complete understanding of hard facts that are a part of one corporate culture has not been provided. In contrast, the Ruby representative explains the hotel's organizational culture solely through the way of living in a daily work environment, which significantly contradicts to the theory. It



could be summarized that the hotels' corporate culture interpretations slightly correspond to the initial idea of organizational culture.

Sharkawi	I'm going to invent a word that we actually use internally, the word <i>trandition</i> , and trandition stands for creating trends, but keeping the tradition. So, that's a combination of heritage and tradition, but also setting new trends.
Gyoeri	Liberal

Sharkawi defines a corporate culture of Sacher by inventing a word "trandition", which explains that the hotel strives for adopting innovations; yet, the primary aim is to keep the elementary value - tradition. The representative of the Ruby group states that the company's organizational culture is rather liberal, what could be matched with the first question interpretation that organizational culture is the spirit in the work environment. Therefore, it can be seen that the case studies have different associations on their corporate culture, although they operate within the same industry. For example, while Sacher's attention is drawn to intercommunication and language used, Ruby rather sees its strength in less formal relations, making space for freedom and friendliness in everyday work life.

On the other hand, as Hilton operates worldwide, there is an explicit awareness of diversity, which shows the website navigator for choosing one of 23 languages, place and type of services. Based on the hotel's web page, one can see that people, location and packages diversities are present on a high level ("Hilton", 2019). Thus, it could be concluded that Hilton, as an international chain, promotes variety on the wide level, pointing out its uniqueness both for guests and employees.

As the question intents to find out the association on organizational culture from the representatives' point of view, the responses aim to discover by which word the hotels' organizational culture as a system created would be explained. Thus, it could be concluded that the case studies have different organizational culture, which is explained by the representatives' dissimilar associations on their corporate cultures.



This responds to the Schein's perception that organizational culture is an exceptional company's sign (Schein, 2004).

What is the primary objective of your company's organizational culture?

Sharkawi	The objective is really moving the hotel to the next century and
	making sure that we go with the time, to also create more
	flexibility and a bit of more agile and innovative approach in the
	hands of our employees. So, our organization has to remain agile and
	has to adopt and has to be ahead of others if we want to stay number
	one, and I think this is why we need that organizational culture,
	where things are easy, there are not bureaucratic, or people help
	each other to come up with new ideas, where is ok to try new things
	and stop them if they don't work, where we are much more flexible.
Gyoeri	Since Ruby is a very young and liberal company, which focuses on
	people's personalities rather than on corporate guidelines, there is a
	lot of room to grow and show your abilities, but most importantly,
	who you are as person and how you can incorporate your character
	into your work life, regardless of your style, background, and
	education.

Sharkawi argues that the main aim considers the openness for innovation in each company's focus, particularly with people inside, in order to remain a competitive advantage. By connecting it with the previous response, it can be seen that the hotel wants to achieve a market recognition by finding a balance between the acclimatization to changes in the world and retention of its traditional style. In contrast, Ruby, which stands for liberty, sees its success through the people's ability to influence a high workplace enthusiasm. It could be assumed that the primary objective of both hotels is based on the way to accomplish goals with the help of their human resources. When comparing, one can realize that although there is a difference in the policies and objectives of these two cultures, the core values rely on people.

Hilton, on the other hand, provides the impression that the primary aims are expansion and innovation. The statement found on the official website approves that the objective is to "remain the stylish, forward thinking global leader of hospitality" ("Hilton", 2019). Moreover, it is inevitable to mention that Hilton was chosen for the second-best company in the world to work for, which leads one to the conclusion that



the Hilton's corporate culture shows also the employee orientation ("Fortune", 2018). The representative of this international chain, the Hilton Belgrade Hotel, apart from adopting innovations, shows a high focus on the family corporate style to achieve favorable results ("Hilton Belgrade", 2019).

In summary, one can conclude that organizational cultures of the case studies are significantly influenced by the hotels' strategic objectives and philosophies. The theory explains that culture is an evolving paradigm, and as such, it requires adaptation (Schein, 2004). It could be realized that the Sacher Hotel is in the process of changing; thus, the objective of its organizational culture is to be flexible to change in terms of adapting qualities which could influence effective work and at the same time satisfy the company's members. However, the main focus in on sustaining a traditional spirit, as the elementary value, which shows the culture strength. Hilton and Ruby are quite innovative in terms of accustoming policies related to the latest trends in the world. Although Gyoeri says that Ruby Hotels see the primary objective in intercommunication and interconnectedness, the hotel's philosophy explained on the official website also indicates that organizational culture relies on the business purpose – luxury lean. This explains that there is less contact with guests, and reasonably more attention is drawn to employee communication in order to be efficient in terms of Time Management.

Please explain your company's mission, values and the spirit you create within an organization.

Sharkawi	Our mission is really to create unforgettable experiences for our guests through very individualized kind of service that is tailor made to their needs. We want to be not only the number one in Vienna, but one of top hotels around the world. In terms of our values, we've defined 5 values that we live by – excellence, passion, family innovation, using your resources widely. We have a very diverse team at the hotel, and I think that creates very open spirit, a spirit that people are very proud for working for Sacher – it's not about
	that people are very proud for working for Sacher – it's not about having a job, it's really about working for Sacher, and working for the family.
Gyoeri	Ruby's philosophy is "lean luxury", meaning a high quality product at low cost. By minimizing the outlets, that a conventional hotel has,



the cost of the overall operation is cut down immensely. There are six values that create the "Ruby spirit", as they call it: – joy, groove, courage, diversity, authenticity, community It was a very laid-back atmosphere, very high communication quality (meaning often and efficient), aware and respectful of peers, and most importantly, we had fun while working. The spirit you feel in the air.

When it comes to defining a mission, Sharkawi says that the ultimate goal is to be number one on the Viennese as well as international market. To remain on the first place, the hotel sees a possibility for the mission accomplishment by having and promoting the values of organizational culture. Furthermore, he points out the importance of passion for the industry, which affects providing high standard services. A family attitude and innovations are drivers for successful business operations. Moreover, there is an economic side, and Sharkawi explains that it is also important to know the flow of money and how are resources used over daily performances. The atmosphere indicates that the hotel members act as a family and this is what the hotel strives for. The Ruby Hotels rather see the goal in low-cost operations. Gyoeri states that the company's values are seen through joy, groove, and authenticity. The diversity in the workplace creates an encouraging environment, which provides a family and liberal atmosphere. It can be concluded that two hotels with different missions and values have also a similar goal, and this is to achieve settled aims by acting like a family. The diversity in the hotels' core values makes a difference in the way how the hotels achieve those goals.

While moving in the direction towards innovation, it leads to the conclusion that Hilton is significantly result oriented, with the focus on adopting changes to provide authentic customer service and experience. By examining Social Media platforms and the case study, it could be summarized that the primary values are innovation, expansion, sustainability, human resources and partners ("Hilton", 2019; "Hilton Belgrade", 2019; "Hilton Hotels Worldwide", 2019).

Each hotel is looking for innovation and people, which creates a meaning that the hotels are innovation driven. For example, a traditional hotel like Sacher sets experience and service excellence as an imperative. However, although the aim is to



sustain its traditional sign, tradition is not among the main values. On the other hand, a nonconventional hotel like Ruby sees the success in providing essential services for guests, and less strict and formal attitude with employees, whereas Hilton shares its values of innovation and diversity in the manner that corresponds to the international, worldwide known chain. The diversity of answers is the matter of the business objectives that is explained by the uniqueness of organizational culture phenomenon (Schein, 2004).

Due to globalization, technological improvements, etc., many companies have adapted their organizational culture. Have you changed your culture?

Sharkawi	As I said, the management changed, the management style changed,
	the focus somehow changed, but the spirit is a different one. There
	is a big push and energy to change, to look into new technologies.
	The organizational culture has changed in terms of decision-making
	process and the leadership style, going from a very hierarchical
	leadership style, where the decisions are made top down, to giving
	much more responsibility to the employees themselves and living
	that concepts of empowerment of employees being able to take
	decisions on their own rather than getting permission. It's less
	hierarchical, let's say flatter organization.
Gyoeri	Since the company is quite young, with 95% employees that are
	familiar with technology or are at least eager to learn, organizational
	culture adapted around it. It is moving forward along with all
	technical improvements within the company.

Sharkawi experiences the changes when comparing his earlier and current work in the hotel since he has become a part of the Sacher team again. He says that noticeable changes have happened in the back offices, since the mission was to adopt technological innovations in order to go with the time. Seeing that the hotel has a long history, there was also a change in the management style. On the Sacher official website, it is stated that at the very beginning, when the second owner, Ana Sacher, was managing a hotel, the story says she was strict, she evaluated discipline, and she considered herself a man in the house ("Sacher", 2019). Nowadays, the management style is rather focused on leadership, where everyone acts as a family and people have the freedom to indicate the changes. On the other hand, Ruby is relatively a new hotel



group that focuses on low-cost services, which indicates the application of technology and therefore, organizational policies that go around it.

Hilton, as an international chain which lasts around 100 years, has been progressing in a direction towards market orientation. Thus, it could be assumed that organizational culture has changed in terms of adopting technological improvements. Some of the Hilton's webpages provide a picture that, in terms of technology, the hotel has created applications for its customers, such as online check-in and e-learning programs for its employees ("Hilton", 2019). This indicates that Hilton has a strong awareness of current generational needs and with its market orientation, the hotel offers a range of possibilities both for customers and human resources to access different happenings online.

The literature indicates that a strong culture, especially one with a long history behind, is difficult to change. Nevertheless, the flexibility of organizational culture is seen through its ability to adapt to the changes (Schein, 2004). Sacher, as a conventional hotel, is in the process of changes in terms of technology; yet, keeping tradition as an elementary value. Therefore, it can be concluded that the extent of applying changes is limited, as the primary focus lies on tradition. On the other hand, Ruby and Hilton's organizational culture is to the great extent directed towards the market. Ruby is a new brand that started the operation that relies on technology and market needs. Although Hilton has a long presence in the marketplace, its deeds show that organizational culture is going immensely towards innovation and modernization by the time. Thus, it can be seen that each case study shows the flexibility to modifications; however, the level of culture modifications is still controlled by the organizational mission.

In which ways do you express your organizational culture?

Sharkawi	You can see it in how people act, the way you are welcomed when
	you come in to the hotel, you can see it in our uniforms and how
	elegant they are, you can see it in the way employees treat each
	other with respect. You can probably see it in the language we use
	when we talk to each other, how we communicate. So, it's rather
	formal than informal I would say, but still kind of helpful culture.
	You probably wouldn't see it, but behind the scenes for example, if



	we say one of our values is family, we are invited by the owning
	family on the 19 th of December for a Christmas party, they are
	inviting all the department heads for a small, very personal kind of
	celebration together. We obviously have an employee staff party as
	well at the beginning of the year to celebrate it together, so we
	have a lot of cultural celebrating successes together in different
	events. I think that the culture comes from the people. I believe
	that in two design hotels, or if you take us and the Imperial hotel,
	which is comparable in terms of its age and design, furniture and so
	on, but the organizational culture itself could be very different
	because we are family owned and there is a chain for example.
Gyoeri	The dress code of Ruby is like the company itself, very liberal. The
	interior of every house is very similar, yet unique. Although, every
	house has its own name and theme, the vintage furniture in open
	spaces are ordered at the same supplier, in order to assemble
	familiarity throughout the brand. Everybody is called by their first
	names, they make sure you have seen everybody in person once,
	new employees are introduced with a picture in the monthly
	newsletter, etc. There are yearly Executive trainings, where all the
	executives of all managing departments come together for a few
	days to get to know each other better and create an even smoother
	work place for everybody. Furthermore, Ruby works with an app
	called "Hotelkit", which is pretty much Facebook for the workplace.
	The easiest tool to reach out to properties and even single
	employees.

When summarizing the answers' interpretation, it could be concluded that Sharkawi sees the strength of the hotel's organizational culture in its human resources interconnectedness. Nevertheless, he claims that although they cooperate like a family, the communication is rather formal than informal. The usual practice in Austria is formal communication; thus, it allows one to conclude that the hotel sets the high standards, in which cultural tradition both of the hotel and the city, plays a crucial role in setting the policies. The organizational culture of Sacher is seen through what the company does for its family members; therefore, by providing benefits and organizing occasions for employees, the company, in fact, provides an impression that organizational culture power lies mainly on employees' satisfaction. Moreover, Sharkawi points out that being a traditional and privately own hotel certainly influence a culture distinguishment. Ruby Hotels express culture in different ways,



from the informal communication, through the furniture and hotel's style. As a lifestyle hotel with a liberal culture, it supports less formal communication and policies inside, which gives people liberty.

Hilton indeed sees its strengths in the process of moving towards market needs, which means that innovation is the part of the corporate strategy. "Leading hospitality brand", how the company calls itself, points out the name and the long history to place the chain as a number one ("Hilton", 2019). Thus, it seems like Hilton does not promote the element of recognition, but its market orientation and ability to adapt and create changes globally, which respond to customer needs. When examining the case study, the hotel highly promotes the mottos: "we are Hilton, we are hospitality" and "we are Hilton, we are a family" ("Hilton", 2019). Therefore, it could be concluded that the chain expresses its organizational culture in a direct way by targeting both customers and employees with its brand, which classifies them in the group of prestige.

As Schein (1984) and many other experts on organizational culture say, organizational culture is a matter of visible and invisible facts. In the very beginning, Sharkawi explains the organizational culture through the Iceberg model. The uniform and hotel style positively correlate with the business tradition, but attention is particularly drawn to the communication style, respect to each other and benefits the hotel's members have by being a part of the family. Nevertheless, the literature explains that organizational culture includes a general organizational identity, among which one counts style, symbol, brand image and alike (Nickson, 2007). Although Sharkawi admits that a few visible factors are the matter of organizational culture, from the hotel's website and hotel's outlook could be concluded that material objects and architecture unconsciously affect people's perception on the hotel's corporate culture. Red, green, gold and black colors are dominant. They absorb emotions, passion, harmony, traditional note, authority and power, happiness and classy style. A general impression a hotel provides with its renaissance style is superiority. On the other hand, Ruby matches a hotel's style and other visible facts with the hotel's philosophy. Thus, the business "luxury-lead" style significantly corresponds to the hotel's urban outlook and internal politics. A dominant color inside the hotels is white, which stands for energy, inspiration, and stimulation. As Hilton operates



internationally, it stands for the diversity, such as the people and cultural diversity. Dominant colors that Hilton uses are blue, black and beige, which indicate diversity, loyalty, progress, power, flexibility, and sophistication. The style of the hotels is identical. Furniture is modern and classy, which approves that the chain's organizational culture lies on modernization. The Hilton Belgrade Hotel is more appropriate to the business travelers; thus, the hotel outlook is quite standard but modern, suited in the inner center and promotes itself through Event Management.

From your point of view, what has been done purposely and what unconsciously to show what this hotel, in fact, stands for? How does this correlate with your organizational culture?

Explicitly talking about our values, our managers are really living the values and being role models, it's done intentionally. When you have
your values hanging in the cafeteria, when you give them to people in little cards on the first day of work,, when you are making
traditions like the monthly birthday party,, investing in training, for example, it says that we want to grow our talents, invest in our
people, giving them nice uniforms, taking care of their health,
offering them health checks, healthy food in cafeteria, all these things are things you do intentionally. It's about keeping that spirit
and that tradition of the hotel with every renovation, with every
investment. So, it's a family working together with an interior designer, looking at international trends around the world, at the
same time, you know, what are the needs of the clients nowadays,
but still keeping the tradition of the hotel, keeping it very Viennese and keeping that spirit.
There are a few trainings for new employees that will help to
understand the values and get to know the brand better. In terms of the unconsciousness I believe that employees of this company are
very much in charge to present the brand. It starts by knowing the
mission and values of the company, trying to bring the brand closer to unfamiliar clientele.

When it comes to establishing organizational culture, the Sacher's representative says that culture is rather purposely created than unconsciously. It is explained that the company's culture formed as such is more seen through what the management and the owner do for people. Regarding Ruby, Gyoeri describes that training on meeting people with the brand is part of cultural policies created purposely. Hilton, by its



market orientation, certainly consciously affects its members. The Hilton's mottos, such as: "we are Hilton, we are hospitality", "we are Hilton, we are a family" or "global leader in the hospitality" ("Hilton Belgrade", 2019), unconsciously influence people to think that being the member of this cohort classify them in the particular group.

The answers provided let one conclude that the interview partners have a strong awareness that organizational culture is everyday life within an organization. The Sacher's leading team sees the importance of role models as a significantly influential matter, which indicates that the hotel's policies are quite strict. Ruby instead focuses on learning employees to share to guests the values proposed by the company. Thus, the unconscious factor is how people inside the company show guests what the brand stands for. This leads to the conclusion that the hotel strives to provide space for freedom one receives to express the company's policies, which indeed is liberty as a work style. As the literature says, organizational culture is consisted of visible and invisible facts (Nickson, 2007). The psychological view allows one to generalize organizational culture through conscious and unconscious factors of which culture is created. Although the participants claim that their organizational culture practices are mainly purposely created, the spirit and "message" sent might be considered an unconscious matter as it occurs according to the shared organizational culture standard and business objectives.

What does your organizational culture tend to indicate to your employees, partners and guests?

Sharkawi	You will see it in a lot of appreciations that show to employees, who do really very well but also employees who have been here for a very long time. We are fair and a very reliable partner to suppliers and partners that we work with; they know they can count on us. I think the most important part is trust when working with partners. For guests, we are a lot of things, we are their home away from home, we are their family when they are away from their family.
Gyoeri	Employees - stand your ground, we have your back Partners - x Guests - we are who we are, and that is not everybody's darling



Sacher, with its long history, tends to show to its inner members that the hotel is employee oriented, guest oriented and a reliable partner. Answers provided influence the feeling of security. Gyoeri, as a former employee, confirms that the company shows care to employees. Yet, the company has a strong attitude about organizational practices and its culture, explaining that a hotel has a direct orientation and tends to attract people, whose personal characteristics match with a corporate culture of a hotel.

When considering Hilton, by pointing out a word *member*, such as Team Members and Hilton Honor Members, one can conclude that Hilton pays much attention to its inside and outside partners ("Hilton", 2019). As the chain has also the role of operator, there are dozens of partners that work under the brand operation. This certainly influences a feeling of trustworthiness.

As prevailing theory explains, organizational culture is seen through organization values, norms, policies and standards (Nickson, 2007; Schein, 2004). When examining the answers given, by being significantly focused on inside and outside members, it can be concluded that the case studies have a strong awareness of the members' value. It can further bring one to the point of experiencing a healthy culture. However, this analysis also indicates that the companies have different ways of expressing the culture to its members. Considering Sacher, the hotel has a direct action that shows to employees and guests the business objectives. In contrast, the Ruby's liberal culture also explains that a team is always employees support, while customers are hotel's members because they have travelling needs that match with the luxury-lean philosophy.

Do you think that your brand image influences people to develop a particular expression of your organizational culture? What would it be?

Sharkawi	People really still perceive Sacher as a very traditional kind of hotel.
	And sometimes they are surprised when come in and see the rooms,
	when see the employees running around with smartphones, with an
	app helping them communicate with each other. So, the brand image
	is still quite traditional, and what's happening is much more
	innovative than we really convey it to the outside world. Through the
	brand image we certainly create an expectation and a certain



	promise to our guests, that when they come here, they will find a certain atmosphere and we try to keep that brand promise of course.
Gyoeri	The contact to guests is down to earth, welcoming, but time efficient. I believe people imagine the brand to be hip, laid-back, and very similar to the 25hours Hotel, which the concept among other factors is leaned on.

When examining a general message that Sacher sends to the public, people tend to create a meaning that the tradition is the core value. This leads to the conclusion that the hotel relies on its brand history value and reasonably, a long history distinguishes this hotel in the market. However, inside happenings, which encompass technology and online application usage do not affect the core organizational culture spirit – tradition. As Sharkawi says, the brand image influences people to develop beliefs on what will be experienced. In contrast, Gyoeri states that the community sees the hotel as of its operation. When examining the hotel's philosophy, it distinguishes itself from the conventional hotels; thus, the meaning that people create about the hotel could be matched with the hotel's philosophy.

Hilton, on the other hand, through its Social Media platforms shows its strength in the diversity in terms of operating internationally and with a considerable number of members ("Hilton", 2019). By being a favorable place to work at and innovative, Hilton shows its employee and market orientation.

When considering the hotels' practices, one concludes that organizational culture impression significantly depends on the way the business operates and its brand image.

Sharkawi	Through training mainly, training courses, but also obviously it's					
	really important to live the culture and to have role models. It's about					
	iving it in the everyday life and communicating it in many different					
	occasions, through highlighting it at ceremonies, different evets that					
	we have and using it when we do training basically. On you first two					
	days you would have onboarding, which would give you an insight					
	into the hotel, who is who,, you will know the vision, mission,					
	values. You will be given a little card with the values on it, you will					

How do you convey your company's organizational culture to new employees?



	work in groups to define the values and what they mean to you. You
	will get some insights into the history, you will get taste our cake, you
	will get to go to the cake manufactory and have a look at this. You
	will get a tour of the hotel to know what to find where, how our
	rooms look like and so on. Then the next training you will get is called
	"Sacher Welt", the world of Sacher, where we will go a bit more in
	depth about grooming standards and why they are important,, the
	first impression that you give. You will go more into the history,,
	but also into innovation and what we do in terms of digitalization,
	and our project and looking into the future a little bit where Sacher
	is going. And you will get a tour with a tour guide around the city to
	get to know the surrounding of Sacher and be able to have small talk
	to guest and help them.
Gyoeri	Showing them that this is the place where you can speak your mind,
Gyoeri	
Gyoeri	Showing them that this is the place where you can speak your mind,
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From Sharkawi's assertation, it can be seen that conveying culture is very important for the hotel and its members. As a person that provides training for new members, he explains the importance of meeting people with the hotel's culture in order to share settled standards. Moreover, by explaining that being a role model is an imperative, it is concluded that the culture policies are strong and rely on strong beliefs and norms that need to be shared and followed. Creating events, through which the culture could be experienced, is of a great significance. From Gyoeri's point of view, training provided aims to show employees the company's values, but also to show employees the liberal style of hotel's policies, where there is space to express new ideas and contribute in daily operations. The training structure differs and there are always new techniques. Unlike Sacher, training is done by HR managers from the headquarter, who visit Ruby hotels in Vienna a few times per year, when welcome all



new members from each of three Ruby properties in Vienna. Prior the official work, new employees have a hotel tour led usually by Gyoeri, when the hotel politics is explained.

The pictures posted online by the employees indicate that Hilton provides in-group training, where people become familiar with the company's norms, values, and policies ("Hilton Belgrade", 2019).

A strong organizational culture lies on sharing and complying with proposed norms and values (Schein, 2004). Thus, one can realize that the hotels are aware of a need for transmitting organizational culture to new employees in order to achieve the standardization of policies. However, it can be seen that the structure of transmitting organizational culture highly differs among the brands. The two different approaches presented by the case studies representatives show that Sacher, as a brand with a long history, has a complex set of activities that tend to present detailly to new members the rooted values and principals under which the inner members function. In contrast, a Ruby's training structure is rather less formal and not yet completely standardized, which indicates that this young brand is still in the process of formatting the policies. Additionally, the Ruby's organizational culture is defined as liberty, which is manifested also in the flexibility and informality of transmitting the standards to new members.

Do you convey your organizational culture in the same way to new employees regardless of the age differences? Are there specific challenges when it comes to leading people from different generations?

Sharkawi	Yes, we do, because it's the same training for everybody, so we are						
	not tailoring the actual onboarding to different age groups. We do						
	that in some other trainings, for example, when we introduced a new						
	hotel software for employees, and there we have online learning						
	So, if possible, we try to adapt. We are looking into diversifying the						
	way we convey training to different generations in the future, so we						
	still haven't adventured much into e-learning,, which we want to						
	do in the future. I think that older generations are also adapting						
	because they have to, to newer ways of working and when you hire						
	a new employee, mostly they are younger generations the older						
	generations working in the hospitality industry. We have other						
	challenges If you hire people who have very low qualifications, for						



	example to wash dishes, or cleaners and so on, who really have an issue not because of their age, but much more because of their educational background and using applications and things like that.
Gyoeri	The only challenge that I have come across is that the older the people get the less their (work) life is depending on high tech - tools (e.g. Hotelkit). What might be time saving and convenient for people that grew up with constant access to the internet through technical devices, might be a reorganization as well as a struggle for the older generations to adapt to. I, for example, spent a lot of time explaining and "training" my direct manager on technical procedures. (She was Head of Housekeeping and was 42, but grew up with no access to any technology and internet).

Sharkawi explains that a training structure is the same, adding the possibilities to access certain programs online. By offering both e-learning and personal training, he says that Sacher is applying the latest trends to the certain extent and the future of hotel is oriented towards adopting more e-learning practices. However, both representatives describe the situation in the hotels by highlighting that the greatest challenge among generations could be found in the adaptability to the technology usage.

As of the publishing data of Hilton, it could be said that people are taught the company's standards in the same way regardless of the age group ("Hilton Belgrade", 2019). It has been found out that the chain provides e-learning, both to employees and Hilton school members, supporting even online modules ("Hilton", 2019). When considering certain practices that involve technology instruments, it is shown that a chain significantly follows the world changes and strives to adopt to the trends that are constantly appearing.

The summary indicates that the issue does not lie in the difficulty to train employees or to learn them to comply with norms and be dedicated; rather, the greatest problem arises when comprising different generational needs and the adaptation to trends that certainly come immensely with new generations.



Sharkawi	I would almost say that Generation Y is the most present. But if I look						
	at onboard trainings that I do, there are new employees who start,						
	they are definitely between 20 and 35.						
Gyoeri	The top of the hierarchy (head office) is dominated by Generation X,						
	however employees in the workforce (on the guest) are with a few						
	exceptions Millennials.						

Which generation is currently the most dominant in your company?

Both case studies confirm that the most dominant generation is Millennials. Gyoeri adds that the positions they take are in most cases operational; while on managerial positions is Gen X. At Hilton, the most present generation is Millennials. Nevertheless, as an international chain with a global operation, there is certainly a more hierarchical structure, and managerial positions might be run out by older generations ("Hilton Hotels Worldwide", 2019). The information given matches with the theory, which proves that Generation Y is the most dominant generation currently present in the business (Solnet & Hood, 2008).

To which extent does organizational culture adapt its policies to new generational needs?

Sharkawi	We need to meet in the middle somehow. We come from a very long tradition. Yes, things are changings. We have a certain organizational culture and to a certain extent everyone who will start working with us will have to adapt to that culture, which doesn't mean that with every new person who starts working here our culture also changes. We use different methods, different teachings styles, different trainings styles
Gyoeri	With only 5 years existence, there is not enough experience and structure that can define a set organizational culture within the brand. As the company is growing every day, also the organizational culture is evolving too. I believe this is a matter of how new employees are adapting to the organizational culture and how they can contribute their piece to the puzzle.

Sharkawi claims that regardless of generation, the standard is the same for all members, and they need to comply with. From his perspective, employees need to be learnt and a culture conveyed as the standards propose. Gyoeri explains that



organizational culture evolvement goes with the company growth. She points out that employees are those who adopt in terms of how they could make a holistic picture of the brand.

When summarizing the findings, although the representatives state that people adopt to the hotels' politics, their particular practices contradict their claims. The strong attitude of the Sacher representative explains that organizational culture has the strong standards based on a tradition. Although Sacher attempts to adopt to the innovation, the initial norms are still present to the high level. However, it could be seen that the hotel has started adopting e-learning and is planning to extend those in the future. The conventional hotel has shifted its orientation towards the market, following the latest trends in the world and adopting them to the certain extent. Ruby case, as a relatively young hotel group has a philosophy that has been created according to the modern travelling standards at the initial phase. Hilton, on the other hand, has been long time using the online techniques, being highly market oriented, which indicates that it follows trends and rapidly applies them. Lastly, the questions that arises is – if time brings new generations, and innovations come by the time, who is influencing changes?

4.3 Interpretation of the questionnaires

In this section, the summary of questionnaires collected are interpreted. It aims to illustrate the participants' perceptions of organizational culture by each hotel respectively.

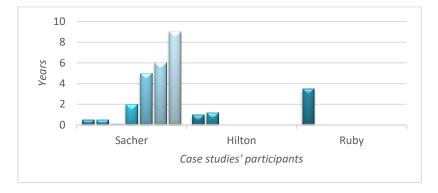
Personal information summary

Hotel	Sacher	Hilton	Ruby
Gender			
Male	3	1	x
Female	5	1	1

Table 18: Survey participants



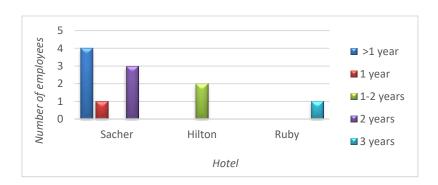
From **Table 18** demonstrations, it could be realised that female participants were dominant, which indicates to the gender imbalance in the research. This might also lead to the inference of gender characteristics and traits differences, which would be an additional discussion. The questionnaire participants indicate that the female participants have shown more dedication towards representing the companies' corporate culture as well as more responsible attitude to the hotel's request to fill out the survey. Additionally, the Sacher members answered in the greatest number, which shows the employees commitment to the company.



How long have you been working in the hospitality industry?

Graph 1: Participants' work experience in the hospitality industry

From **Graph 1**, one can see that among participants there are semi-skilled and skilled human resources, whose experience in the industry range from half-year to nine years. The fact indicates that the participants with less practice possess a modest experience in the industry, whereas these that have been longer time in the field might be more competent to define and realize organizational culture.

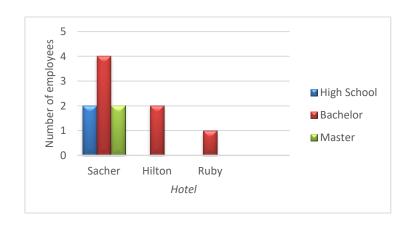


How long have you been working for this hotel?

Graph 2: Participants' work experience at the hotel



As illustrated in **Graph 2**, the participants' experience in the hotels is identical. The experience of the Sacher' study contributors varies from less than a year to 2 years, which increases a significance of results. Two survey members from Hilton have been between 1 and 2 years by the brand, since the hotel was opened. The answers were sent by the HR department, which could increase study reliability and confirm or disprove author's summary of interview interpretations based on the hotel's marketing promotions.

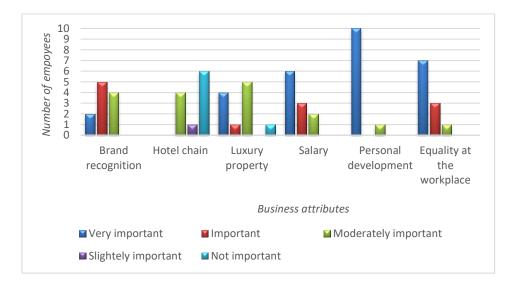


What is your highest degree?

Graph 3: Participants' highest educational degree

Considering the summary of all participants, **Graph 3** indicates that most of the members have finished Bachelor studies. However, the Sacher employees also hold Master and High School degree. The given interpretation leads to the understanding that, apart from experience, the participants possess certain knowledge of organizational culture, which makes them competent to discuss the topic. Additionally, since more participants have higher degree, the findings could be matched with the theory, which states that Generation Y places the education on the high level (Brown et al., 2015).





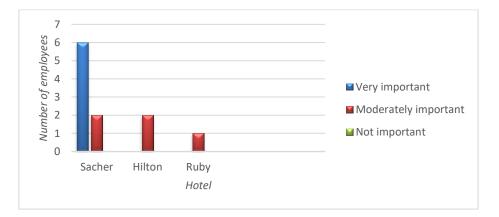
What of the following is important to you when looking for a job?

Graph 4: Participants' preferences in the business environment

Graph 4 illustrates a compress of answers on the participants' preferences among the business attributes. The total of 11 participants were questioned on their preferences when examining a driver that motivates one to choose a certain company. It could be concluded that the participants show a tendency to work by luxury brands, where they could work on personal development. They illustrate the importance of equality at the workplace as well as monetary compensation for their engagement. It might lead one to the presumption that the participants, as representatives of Millennials population, have chosen companies, well known hotels, where they could learn and develop. As mentioned earlier, the hierarchical structure in the hospitality industry is difficult to flatter; thus, employees have a chance to be frequently trained and work from ground up. The salary is also evaluated as an important issue that plays a crucial factor in choosing an employer. The findings found a significant match with the theory provided.



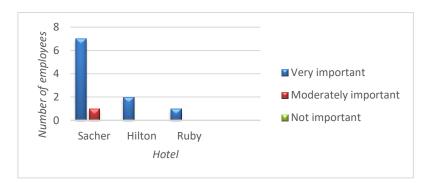
To which extent was the brand image important to you when you chose the company where are you working presently?



Graph 5: Participants' brand image importance

Matching it with the outcomes of previous examination, **Graph 5** shows the significance of brand image by the participants. Surprisingly, only the participants from Sacher evaluate the brand image as very important, although a Hilton's image is also well known worldwide. According to the provided facts, it could be summarized that a brand image is not a crucial motivator for applicants; rather, Millennials are more oriented towards personal benefits that might acquire from a firm, which corresponds to the provided theories.





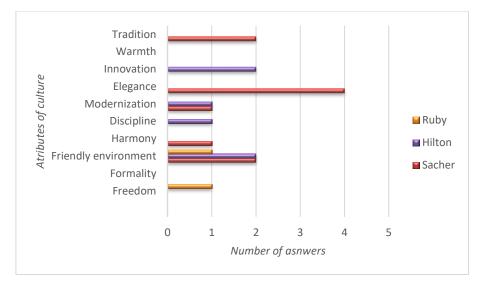
Graph 6: Participants' importance of organizational-culture fit

Going along the main research, **Graph 6** reveals that the participants consider an organizational-culture fit very important. The study results support the theory that Millennials look for the companies that have a healthy culture that can correspond to



their required benefits (Maxwell et al., 2010). The findings also lead to the deduction that certain personalities find a fit with certain organizational culture characteristics, which make them further satisfied. The high correlation of organizational culture-fit has been identified by the Sacher participants, which confirms Sharkawi's claims that the employees are proud to be a part of the hotel's team.

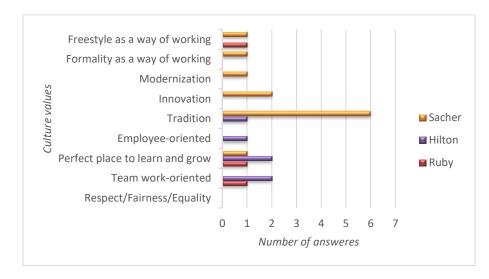
Which of the following do you associate with the hotel that you are currently working for? Please limit your answer to 2 choices.



Graph 7: Participants' association on the hotel they work for

Based on the information from **Graph 7**, it could be seen that the Sacher employees' associations on the hotel are tradition, elegance and friendly environment, which are the most chosen attributes. Modernization and harmony are also connotations of organizational culture at Sacher, but chosen less than the previous attributes. At Hilton, the participants' point of view exemplifies innovation, friendly environment, modernization and discipline as the key associators of Hilton's organizational culture. The Ruby representative explains that friendly environment and freedom are crucial aspects of the in-house environment. In summary, when comparing the results with the interviews analysis, it is proven that the responses highly match with the employees' perspective of the companies' culture, as well as Hilton's marketing promotions with the given interpretation.





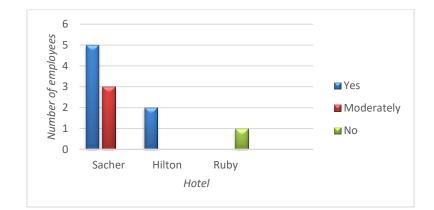
What are your company's most exceptional values? Please limit your answer to 3 choices.

Graph 8: Case studies' exceptional values from the employees' perspective

As illustrated in Graph 8, the employees' perception of the core values at Sacher are tradition and innovation, and less chosen are modernization and perfect place to learn and grow. Interestingly, there is an equal number of employees, who voted for freestyle and formality as a way of working. Although a contrast in working style is identified, the understanding might be found in participants diverse positions, which allow different work practices. However, the option "perfect place to learn and grow" is chosen only once, which rejects the fact of employees' importance to work for a company where they could gain personal development benefits. This assumption excludes frequent training for the same position. An interesting fact has been found among the Sacher participants. When examining Sharkawi's saying that culture can be influenced by defined values, a team purposely promotes innovation and family instead of tradition. However, it could be seen that the employees are moderately experiencing those new values promoted by the management team. The findings particularly say that modernization is present, but tradition is the key driver. Regarding the Hilton's corporate culture, it was defined by the Human Resources Department as a team work and employee-oriented, perfect place for personal development and tradition, which is surely an important value for the brand that lasts over 100 years. A significant correlation is found between the answers provided and information collected from the hotel's marketing activities. Lastly, the Ruby's culture is rather laidback. However, it is considered a perfect place for personal



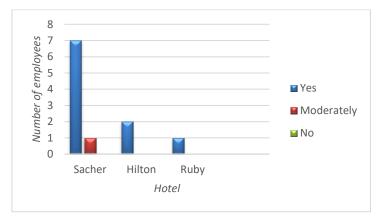
improvements within a team-work environment, that corresponds to the interview interpretation.



Did you familiarize yourself with the company's values before you officially started working in the hotel?

Graph 9: Participants' familiarization with the organizational culture prior the official work

The findings indicate that most of the study contributors considered important to acquire certain information on organizational culture values and practices before they have formally been involved in task execution. This explains that Millennials attention is drawn to company's policies that could match their expectations.



Was organizational culture introduction a big part of your initial training?

Graph 10: Participants' evaluation of organizational culture training

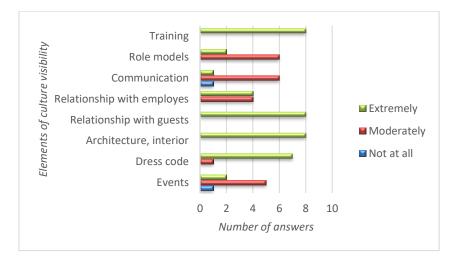
Graph 10 illustrates the participants' evaluation of training quality through which organizational culture was presented by each hotel respectively. A great number of participants claim that an organizational culture introduction was a big part of initial



training. The findings resemble to the interview partners' answers as well as marketing propagandas of Hilton.

How does your company convey its organizational culture most effectively?

The following three graphs present collected information from the survey participants, who were given the challenge to evaluate the elements of culture visibility by expressing the extent of each element prominence. Each graph shows a separated employees' evaluation according to the hotel where they are employed.

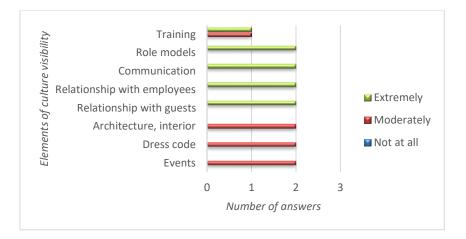


Graph 11: Employees' perception of culture visibility at Sacher

The Sacher participants claim that the extreme visibility of the given culture symbols and internal practices are seen through dress code, architecture and interior, training and relationship with guests. Slightly less, but still moderately visible, are approached supervisors as role models, events and communication. The relationship with employees is evaluated equally by extreme and moderate visibility, which, however, indicates that managers relationship with employees is based on the fairness, equality and discipline, although those values are not chosen by participants in one of the graphs on culture values examination. Two options, namely events and communication, have a diverse set of interpretation. One can identify that a few participants note that mentioned elements are not visible at all, which disapproves the interview partner remark that the communication and events are, in fact, ways how one can see the hotel's values. However, such claims were chosen twice, which, in contrast to the quantity of dissimilar views, could not highly affect the final conclusion. Additionally, after the author's examination of individual results, it is seen

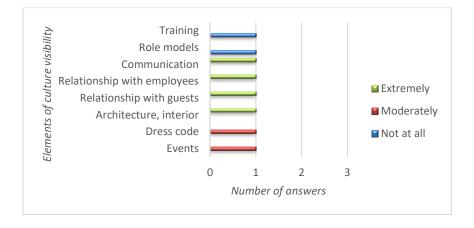


the both negative answers are given by the participant, who has been employed at Sacher only half-year, which further indicates that the employee has not yet experienced all values and benefits the hotel promotes.



Graph 12: Employees' perception of culture visibility at Hilton

The Hilton's participants evaluate extremely culture visibility through role models, communication, and relationship with guests and employees, while training is assessed by both extreme and moderate evaluation. The options such as events, dress code, architecture and interior are evaluated by the moderate visibility. There could be found a slight match between survey answers and marketing propagandas, since the brand significantly advertises its mission and practices, rather than physical objects.

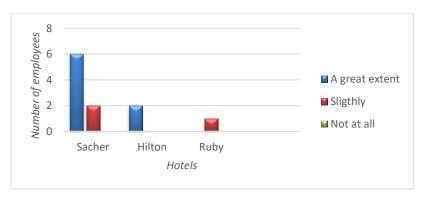


Graph 13: Employees' perception of culture visibility at Ruby

At Ruby, the participant marks communication, relationship with guests and employees, as well as architecture and interior as extreme indicators of the company's



organizational culture. Moderately visible are events and dress code, while role models and training are marked negatively. In this case, the interview partner claim of training importance is rejected. The match also was not found with the previous evaluation on the quality of training on organizational culture, as the participant now explains that training is not the organizational practice. However, when considering a fact that Ruby provides in-group training by external partners from the headquarter, new employees are very often shortly introduced to the hotel's organizational culture, which might then cause the negative evaluation of training quality.



To which extent is your company's organizational culture visible to guests and employees?

Graph 14: Employees' evaluation of culture visibility to employees and guests

The summary indicates that 75% of Sacher contributors agree that culture is visible to a great extent, while remaining 25% claims that culture is slightly visible. On the other hand, Hilton's participants say that the hotel's corrporate culture is significantly evidental, whereas the Ruby's member explains that culture is slightly noticable. However, each interpretation highly match with the previous charts, from which results confirm the given statistics.

4.4 Summary of the research findings

This section aims to provide a summary of the case studies' business type and their organizational cultures. An understanding of the case studies' policies will assist in justifying a final conclusion.



	Sacher	Hilton	Ruby
Hotel type	5* luxury hotel Traditional brand	4* upper upscale brand International brand	4* upscale hotel Lifestyle brand
Organizational culture strength	Very strong, difficult to change	Strong, shows adaptability to the environment	Moderate, in the process of stabilization; oriented towards environmental changes
Type of organizational culture	- Hierarchy culture - Clan culture	- Adhocracy culture - Market culture	- Clan culture -Adhocracy culture
Culture visibility from the interview partner's view	- Communication - Relationship among members - Dress code	- Diversity - Innovation	- Freedom - Lean-luxury style & outlook
Culture visibility from the survey participants' view	 Architecture Dress code Relationship among members Personal development through training 	- Communication - Relationship among members	 Communication Relationship among members Inside and outside hotel's outlook Dress code

Table 19: The summary of research findings

Table 17 allows a reader to understand a difference among the hotel brands and their policies. Additionally, one can see that apart from operating with a diverse philosophies and orientation, the organizational cultures are similarly expressed. However, the interview partners and the survey participants do not completely agree to the viewpoint of organizational culture, meaning that employees are more aware of visible facts as well as company's internal practices, which represent corporate culture in general.



5 Conclusion

The main aim of the thesis was to investigate the psychological aspects of organizational culture on Millennials in the hotel industry. The focal issues were culture visibility and methods of culture transmission. In other words, it was examined how hotels express corporate culture and how it could be conveyed to new members. Furthermore, the research attention was drawn to Generational Management, particularly Millennials, whose work preferences were approached. Lastly, the study aimed to provide an understanding of the correlation between organizational culture extent of adjustments and different generation work requirements.

The following summary results are developed according to the research questions:

- Organizations send a message of their organizational culture to the public through visible and invisible facts, showing its politics, values and norms. Establishments consciously or unconsciously direct organizational culture message to society by their exceptional outlook, colors chosen for an interior, logos, dress code, and eventually brand image, as well as internal communication among the members. Despite one's experience and professionalism, it is seen that organizations are not entirely aware of the effect of organizational culture through the hard artifacts as well as internal politics.
- Organizations tend to extend their existence in the competitive marketplace, transmitting a culture to new followers. Establishments consider transmitting core values a crucial component that carries forward a business. However, the ways of conveying culture differ and organizations should invent a suitable structure that can adequately present companies core values to new employees. As seen through the primary research, the company's engagement in organizational culture training could correlate with the extent of culture strength. Therefore, well-structured training programs that cover the main business and its organizational culture objectives should correspond to training practices and convey culture straightforwardly to new members.
- One of the external influencers that affect culture changes is a generational replacement. Particularly, a currently dominant generation Millennials, was



approached as a cohort with its own characteristics. It is concluded that by the time, and along the generational replacement, whose work preferences have changed, there is a need that organizations adjust their policies to a greater or lower extent in order to achieve a win-win situation.

- Followed by the previous point, it was seen that organizations are becoming aware of the importance of transmitting a culture. Regarding the way a culture is transmitted, it could be concluded that organizations consider special teaching techniques, such as experiencing company's values and learning to be teamwork-oriented, which influence future members to perform and behave as norms propose.
- The comparison of generations work requirements from Baby Boomers to the future Generation Z, appoints that the greatest differences appear in firstly general characteristics, as well as work orientation, career goals, communication and work expectations. The currently dominant generation Millennials, gives importance to a company's healthy culture. Moreover, Millennials seek for additional benefits related to the opportunities for personal development as well as adequate monetary compensation for their engagement.
- It is justified that diverse hotel brands could have dissimilar organizational culture, which significantly depends on the main aim of hotel's operation and organizational culture orientation.

The findings consent the acceptance of the hypothesis, which states that there is a strong causal relationship between a generation replacement and organizational culture adjustments accordingly. Due to the organizations' exposure to external changes, they are enforced to modify internal practices to a certain degree in order to survive in the competitive environment. Therefore, corporate culture policies require a continuous adjustment, which might serve in the labor market to attract and retain talents as well as customers. However, the extent of changes surely depends on culture strength and its main values.

According to the primary and secondary research, a few recommendations could be settled. It was seen that hospitality organizational culture is highly affected by the industry characteristics. The hotel industry includes both service and product



facilities, which quality is evaluated by customers at the end. A management team needs to be attentive to the issue of culture transmission as employees are indeed those who transfer organizational culture directly to customers. Additionally, it has been realized that hotels should be more aware of training structure significance, since the implication of training outcomes manifests through deeds with customers and colleagues. Moreover, as the results have shown the unconscious matter of organizational culture as important psychological effect on humans' brain, hotels should be more observant to the details that influence one to create a meaning of organizational culture, and finally, experience.

A little attention is drawn on how companies could convey a culture effectively; thus, the topic requires further investigation of a comprehensive training structure and learning methods that might influence effectual perceive of company's culture core values. The lack of information was identified in the literature on Generational Management in the hospitality industry as the studies on the generations presence in the work environment and their characteristics are generalized to all industries. Moreover, the research should also be conducted with external members to receive a full comprehension of how customers experience organizational culture.



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Appendices

Appendix 1: Interview with Hani El Sharkawi

1. Could you please introduce yourself, your position, how long you have been working in the hospitality industry and in this hotel?

My name is Hani El Sharkawi. My position is Director of the Sacher School of Excellence, so I'm in charge of quality, assurance and training for the entire Sacher group, which consists of the hotel in Vienna, the hotel in Salzburg, our two cafes in Graz and Innsbruck and the cake manufactory for the original Sacher Torte. I've been working in the hospitality industry since 1994. Until today with a 7-year break in between when I was working at MODUL University. At the Sacher I already worked from 2002 to 2005, and I returned back to Sacher on March 1st 2017, so almost 3 years ago to basically build up our internal training academy.

2. What is organizational culture for you and what part does it play in your day to day life?

I would say that any group of interacting people form a culture, wheatear they like it or not, wheatear it's consciously done or unconsciously happens, but there is definitely a culture, because there are common values, there are some traditions that are established over time, there is a history that people share, there is the way of dealing with each other, there is the way of dealing with conflict and so on, which is for me a culture in general, wheatear it is a national culture, a subculture, an organizational culture and so on. So, culture for me encompasses basically if we take the Iceberg model, things that you see and things that you don't see, so, what you would see is how people dress maybe in this organization, what dress code there is, the language they speak, wheatear is more formal, wheatear is less formal, the way people deal with each other; but also things that you don't see, basically certain traditions, the way of communicating with each other, norms, values and so on. So, if you don't do anything, there is still an organizational culture there. I think you can positively influence it by defining those values that you want to live by, by creating traditions yourself, and that way basically you are influencing a culture to move into a certain direction. We pay a lot of attention to this issue; and this is why we actively defined the values we want to leave by, that's why we have a vision, a mission, that's



why we have onboarding days in the beginning for our employees to tell them about our organizational culture, what's important to us, how we communicate, how we live together, how we work together, how we treat our guests, how we treat our colleagues and so on. So, it's really in the focus of everything we do. It's very present.

3. How would you define organizational culture in your company in one word?

We are in the middle of a change process, and I think that culture never stops. Culture keeps evolving over time. I think right now change is our biggest motto. In one word? That's really tough. I'm going to invent a word that we actually use internally, the word *trandition*, and trandition stands for creating trends, but keeping the tradition. So, that's a combination of heritage and tradition, but also setting new trends.

4. What is the primary objective of your company's organizational culture?

The objective is really moving the hotel to the next century and making sure that we go with the time. We are still attractive as an employer for young employees, who have different expectations, then employees, who've been here for a very long time, to also create more flexibility and a bit of more agile and innovative approach in the hands of our employees. The competition doesn't sleep, there are constantly new hotels opening up, and as a family owned hotel you have to have your hardware in order and comparable to many top hotels around the world that our guests stay at as well, because that's how they are comparing us with, not necessarily with other hotels in Vienna, and at the same time also make sure we don't get into a mindset when people say – oh it's always done in that and that way.

Back then, when we introduced computers, the employees didn't really like the idea. Now, the world is changing so much faster. The big buzzword is digitalization. From creating an internal communication app that we are using now, to so many things that are happening in the background, we need to be flexible and we need to basically adapt to the change and change is happening so much faster than it ever was before. So, our organization has to remain agile and has to adopt and has to be ahead of others if we want to stay number one and I think this is why we need that organizational culture, where things are easy, there are not bureaucratic or people



talk to each other or people help each other to come up with new ideas, where is ok to try new things and stop them if they don't work, where we are much more flexible.

5. Please explain your company's mission, values and the spirit you create within an organization.

Our mission is really to create unforgettable experiences for our guests through very individualized kind of service that is tailor made to their needs. We want to be not only the number one in Vienna, but one of top hotels around the world. So, basically, it's really creating unique experiences for every guest.

In terms of our values, we've defined 5 values that we live by. Excellence is one of them, this is one of the reasons the Sacher School of Excellence is called Sacher School of Excellence. We don't want to be doing ok or well; we want to be excellent in how we do things. Passion is another one, we want people who are passionate about the industry, about guests about the hotel itself and it is long tradition, and when you do something with passion then you do it really well. Family is one of our values as well, because we are family owned, because we see ourselves as one big family, family values and tradition are important to us, helping each other, trusting each other, living like a big family and we invite our guests to be part of that big Sacher family. Then we have innovation, which, as I said, is really important to us as well, just staying up to speed with all the trends or whatever is happening out there and adopting fast to it, and questioning things that we do, if they are really still valid, the way we are doing them or we need to do them differently. So, it goes hand in hand with flexibility somehow. And last, but not least, it's about using your resources wisely, whether it is the human resources or the hardware of the hotel, it's about turning off the light when you are not in the room, it's about turning off your computer when you go home, it's about not putting too much food on your plate at the cafeteria and throwing out half of it, it's about being wise about purchasing, and not spending too much money, it's just about making sure the hotel remains profitable as a business for next generation. We have a very diverse team at the hotel. Diverse in terms of age, gender, nationality, years of service, so there are many, many, many different people working here. Some of them have been working for 45 years, some just started last week, younger people, older people, 13 different nationalities, it's quite a mix, and I think that creates very open spirit, a spirit that people are very proud for working for Sacher – it's not about



having a job, it's really about working for Sacher, and working for the family. And we do have that family spirit of taking care of each other, and that's driving for excellence.

6. Due to globalization, technological improvements, etc., many companies have adapted their organizational culture. Have you changed your culture?

a. Was that feeling the same when you came back?

After leaving the Sacher and working for other hotels, and while I was working at MODUL University I had to do a lot with various hotels and whenever I walked into Sacher it was a very special feeling just because of this atmosphere, first of all; having people, obviously I had worked with, who recognized me and they were still there, but also the whole spirit, which you can just feel in the air somehow.

No, not the same one, it's a different one. As I said, the management changed, the management style changed, the focus somehow changed, but the spirit is a different one. There is a big push and energy to change, to look into new technologies. A lot of happening behind the scenes, that guest might not necessarily notice, because obviously we keep that décor classic and when we renovate the rooms, they are not super modern, there are just still classic in style and so on. But behind the scenes, there is a big push for innovation and for trying out new things and the all Sacher School of Excellence is new.

The organizational culture has changed in terms of decision-making process and the leadership style, going from a very hierarchical leadership style, where the decisions are made top down, to giving much more responsibility to the employees themselves and living that concepts of empowerment of employees being able to take decisions on their own rather than getting permission. It's less hierarchical, let's say flatter organization. Ana Sacher had a quote "the man in the house, that's me". She was a mother figure rather than a father figure, but still it's very patriarchal way of living and managing. So, the boss says what has to do and employees question what to do, what needs to be done. That doesn't work anymore nowadays, so basically that has radically changed in terms of giving people platforms to come up with their own ideas, giving them a possibility of making their own decisions, making their own mistakes and doing whatever that makes guest happy and so on, and not waiting to get ok from the top.



7. In which ways do you express your organizational culture?

You can see it in how people act, the way you are welcomed when you come in to the hotel, you can see it in our uniforms and how elegant they are, you can see it in the way employees treat each other with respect. You can probably see it in the language we use when we talk to each other, how we communicate. Employees use "Du" when they are talking to each other, most department heads as well. But if you going cross hierarchy people use "Sie". So, it's rather formal than informal I would say, but still kind of helpful culture. I wouldn't compare it to an organizational culture of a very young start up, where everyone is using "Du" and it's very informal in terms of communication. You probably wouldn't see it, but behind the scenes for example if we say one of our values is family, we are invited by the owning family on the 19th of December for a Christmas party, they are inviting all the department heads for a small, very personal kind of celebration together. We obviously have an employee staff party as well at the beginning of the year to celebrate it together, so we have a lot of cultural celebrating successes together in different events. I think that the culture comes from the people. I believe that in two design hotels, or if you take us and the Imperial hotel, which is comparable in terms of its age and design, furniture and so on, but the organizational culture itself could be very different because we are family owned and there is a chain for example.

8. From your point of view, what has been done purposely and what unconsciously to show what this hotel, in fact, stands for? How does this correlate with your organizational culture?

Explicitly talking about our values, our managers are really living the values and being role models, it's done intentionally. When you have your values hanging in the cafeteria, when you give them to people in little cards on the first day of work, I think these are done intentionally to basically highlight the organizational culture. When you are making traditions like the monthly birthday party, monthly excellence of work party, investing in training, for example, it says that we want to grow our talents, invest in our people, giving them nice uniforms, taking care of their health, offering them health checks, healthy food in cafeteria, all these things are things you do intentionally. It's about keeping that spirit and that tradition of the hotel with every renovation, with every investment. Our goal is definitely to be number one, and the



owners do everything to reach that goal. In a family owned business, the owners are very involved in choosing the right colors, in choosing which painting goes where and so on, but obviously there are professionals, so we do have an interior designer. So, it's a family working together with an interior designer, looking at international trends around the world, at the same time, you know, what are the needs of the clients nowadays, but still keeping the tradition of the hotel, keeping it very Viennese and keeping that spirit. But it's always connected to the people working there. You might have a preference, and probably people who come to Sacher find Sofitel cold, and people who go to Sofitel find Sacher to stuffy and too red and too heavy and so on. That's pure question of personal taste. When it comes to organizational culture, it's much more HR people related and the working culture between employees.

9. Creating organizational culture often aims to show who we actually are. What does your organizational culture tend to indicate to employees, partners and guests?

You will see it in a lot of appreciations that show to employees who do really very well but also employees who have been here for a very long time. So, if you have an anniversary, we threw a party for you, if you have a great result, we give you quality insurance checks, you get a certificate and present if you are voted to be the employee of the month, you receive excellence award and so on.

We are fair and a very reliable partner to suppliers and partners that we work with; they know they can count on us. I think the most important part is trust when working with partners.

For guests, we are a lot of things, we are their home away from home, we are their family when they are away from their family. People who come to the Sacher seek the exceptional, seek something very elegant, something they don't have home, something unique. Sometimes it's a dream and people really put away money for 20 years. People combine Sacher with Vienna, so when they are coming to Vienna, then there is no another place to stay than Sacher, because it's most Viennese.

10. Do you think that your brand image influences people to develop a particular expression of your organizational culture? What would it be?

People really still perceive Sacher as a very traditional kind of hotel. And sometimes they are surprised when come in and see the rooms, when see the employees running



around with smartphones, with an app helping them communicate with each other. So, the brand image is still quite traditional, and what's happening is much more innovative than we really convey it to the outside world. Through the brand image we certainly create an expectation and a certain promise to our guests that when they come here, they will find a certain atmosphere and we try to keep that brand promise, of course. From a marketing perspective that's very important because if you convey a totally different brand image, people would be very disappointed when they come and stay with you and don't find what they are looking for. I think people do expect this elegance, unique, old-world, traditional hotel with marriable and silver and Christal chandeliers and great service basically and this is what we try give them.

11. How do you convey your company's organizational culture to new employees?

Through training mainly, training courses, but also obviously it's really important to live the culture and to have role models. It's about living it in the everyday life and communicating it in many different occasions, through highlighting it at ceremonies, different evets that we have and using it, when we do training basically. If we do leadership training, we are looking at our values and how we lead employees through those values. If we do onboarding with new employees, we do what passion means to you, what innovation means to you, we work in groups and we try to find out what is meant by these words. On you first two days you would have onboarding, which would give you an insight into the hotel, who is who, the department heads would come and introduce themselves, you will know the vision, mission, values. You will be given a little card with the values on it, you will work in groups to define the values and what they mean to you. You will get some insights into the history, you will get taste our cake, you will get to go to the cake manufactory and have a look at this. You will get a tour of the hotel to know what to find where, how our rooms look like and so on. Everybody who starts working here gets onboarding from top to bottom. Everybody gets onboarding two days. Then the next training you will get is called "Sacher Welt", the world of Sacher, where we will go a bit more in depth about grooming standards and why they are important, so the way you look and appearance, the first impression that you give. You will go more into the history, into the cake and why it is so important to us, but also into innovation and what we do in terms of digitalization, and our project and looking into the future a little bit where Sacher is going. And you will get a tour with a tour guide around the city to get to



know the surrounding of Sacher and be able to have small talk to guest and help them. And then, we would at later date look at what they do well, where they need to improve their competencies and then send them to one of 50 different trainings, so it's really tailor made to you needs as an employee. The onboarding lasts two days, the Sacher world is one day, and other training sessions go from one hour to two days, three days. In your first year of employment, you will have two onboarding days and the Sacher Welt day, then you will have an appraisal interview with your department head. They will talk to you about your performance in the last year. They will define goals with you that you need to reach in the next year and they will discuss with you which trainings will help you reach those goals.

12. Do you convey your organizational culture in the same way to new employees regardless of the age differences? Are there specific challenges when it comes to leading people from different generations?

Yes, we do, because it's the same training for everybody, so we are not tailoring the actual onboarding to different age groups. We do that in some other trainings, for example, when we introduced a new hotel software for employees, and there we have online learning, we have a video that you can watch, we offer one to one training, we offer a help desk, but we also have a one-and-a-half-hour training session when people can come and listen and watch. Some people would say – I prefer e-learning; others would be - I want actually someone to show me and sit next to me, and I prefer to go to the training. So, if possible, we try to adapt. We are looking into diversifying the way we convey training to different generations in the future, so we still haven't adventured much into e-learning, into offering online modules and things like that, which we want to do in the future. I truly believe that the history of the hotel for example, in the onboarding doesn't have to be conveyed by a person standing in the front and telling about the history, you can watch a video, you can learn it online. Moving in the right direction, but there yet. So, for example, up to few months ago, every new employee got a big thick fat folder, information folder about the hotel on the first day when they signed their contract, with all the information. Now its all online available through an app or through your desktop. So, this is one step towards younger generation that don't want ton of paper. They can still have the print out if they want. I think that older generations are also adapting because they have to, to newer ways of working and when you hire a new employee, mostly they are younger



generations the older generations working in the hospitality industry. We have other challenges to be really honest with you. If you hire people who have very low qualifications, for example to wash dishes, or cleaners and so on, who really have an issue not because of their age, but much more because of their educational background and using applications and things like that. And there is much more issue training, room attendance to actually use an application to charge a minibar to guest room or check the status of room and so on.

13. Which generation is currently the most dominant in your company?

I would almost say that Generation Y is the most present. You have a lot of young people work in the service, at the front desk, at the telephone operator and so on, it's mainly young people. Then I would say followed by Generation X and very few Baby Boomers left, who will retire soon. But if I look at onboard trainings that I do, there are new employees who start, they are definitely between 20 and 35.

14. To which extent does organizational culture adapt its policies to new generational needs?

We need to meet in the middle somehow. I don't think that everything we do at the Sacher is tailor made to the needs of Generation Y, that would be lying. We come from a very long tradition. Yes, things are changings. We have a certain organizational culture and to a certain extent everyone who will start working with us will have to adapt to that culture, which doesn't mean that with every new person who starts working here our culture also changes. They can influence a culture and they can bring in new ideas and new ways of doing things, we are open to that. Are we 100% flexible and giving constant feedback and working with technology and so on, to fit the needs of Generations Y 100%? Probably not. I will give you an example with grooming standards. We have quite strict grooming standards to fit the hotel, its ambience, the expectations of our guests and so on. If I look at Generation Y, a lot of them are running around with tattoos and piercings and so on. So, if you have a visible tattoo or piercing you are going to have to cover that if you want to work for Sacher. So that's a way we are not adopting to Generation Y, and still have a more conservative view on certain things. Formal, maybe even traditional to a certain extent, but we realized that we need to change and we are changing. Certain things take more time, certain things take less time, changing a culture takes long time and we are in the middle of



that process. With ever staff member that comes to us, they influence a culture and it changes with time. But I will give you another example, we introduced Project Management to the Sacher, so a lot of things that we do run in the form of the project, where one person takes the responsibility of being a project manager and then they put together a team from different departments and from both hotels, different hierarchies, who work together with a goal to implement a project in the certain period of time.

We use different methods, different teachings styles, different trainings styles, so some people learn by listening, others have to do it themselves, some want to watch something, others want to write it down, so we are using videos, we are using role plates, we are using lectures, we are using group work, we are using all kinds of different methods. But obviously you have to set a standard and we have our standards written down and we tell the employees here are the standards, that's what we expect from you and we have a performance appraisal. We have a grooming video, we have little cards that hang in your locker, where you see what is expected from you, when you are given the uniforms it's explained to you again. In the Sacher Welt, we actually have a lego game, where one group gets instructions to put together a lego house or whatever, the other group doesn't get the instruction and then obviously the one with the instructions are done faster and they get their house together and others don't. And then what's the point of the whole game is that we are giving you grooming instructions, so that you know exactly what we expect from you. So yes, we don't convey the message in one way, you have to use many different ways to make it clear to everyone. And important is giving feedback when they do well and when they are not doing so well.



Appendix 2: Interview with Nataya Gyoeri

- 1. Could you please introduce yourself, your name, position, how long you have been working in the hospitality industry and in this hotel?
- Name: Nataya Györi
- Position: Assistant Housekeeper
- Number of years working in the hotel industry: 3 ½ years
- Number of years working at this hotel: 3 years

2. What is organisational culture for you and what part does it play in your day to day life?

Organizational culture is everyday life within the company. The spirit that determines the atmosphere in the everyday work life.

3. How would you define OC in your company in one word?

Liberal

4. What is the primary objective of your company's organizational culture?

Since Ruby is a very young and liberal company, which focuses on people's personalities rather than on corporate guidelines, there is a lot of room to grow and show your abilities, but most importantly, who you are as person and how you can incorporate your character into your work life, regardless of your style, background, and education.

5. Please explain your company's mission, values and the spirit you create within an organization.

Ruby's philosophy is "lean luxury", meaning a high quality product at low cost. By minimizing the outlets, that a conventional hotel has, the cost of the overall operation is cut down immensely. Ruby does not have a reception, both check in and check out process have been automated and done via tablet. No restaurant, spa, fitness, laundry, etc. However, the high quality bedding, stylish rooms, great locations, leading to the final product, make up for it, as everything necessary is provided without being over the top.



There are six values that create the "Ruby spirit", as they call it: Joy: having fun with what you are doing Groove: being in the "groove", spreading positive vibes Courage: courage to take opportunities, think outside of the box, make mistakes, try new things, share opinions Diversity: respectful speaking and listening environment, trying to see other perspectives, openness for new Authenticity: be honest with yourself and self portrait Community: working together as a team, no segregation between head office employees and hotel employees; also means family

I believe that the individuals in the hotel create their own spirit within their workplace. Every single one brings their own character and approaches to work together as one unique team. It was a very laid-back atmosphere, very high communication quality (meaning often and efficient), aware and respectful of peers. And most importantly, we had fun while working.

6. Due to globalization, technological improvements, etc., many companies have adapted their organizational culture. Have you changed your organizational culture?

Since the company is quite young, with 95% employees that are familiar with technology or are at least eager to learn, the OC adapted around it. It is moving forward along with all technical improvements within the company.

7. In which ways do you express your organizational culture?

The dress code of Ruby is like the company itself, very liberal. Nevertheless, the preferred clothing colour of employees that work "front of the house" is black. However, grey, dark blue and other dark colours will do too. "Back of the house" employees (housekeeping, engineering, management) may wear what they feel like. The interior of every house is very similar, yet unique. Although, every house has its own name and theme, the vintage furniture in open spaces are ordered at the same supplier, in order to assemble familiarity throughout the brand.



Michael Struck, the CEO and founder of the company, sees Ruby as a family, and you can experience this feeling throughout. Everybody is called by their first names, they make sure you have seen everybody in person once, new employees are introduced with a picture in the monthly newsletter, etc. There are yearly Executive trainings, where all the executives of all managing departments come together for a few days to get to know each other better and create an even smoother work place for everybody.

As mentioned earlier, there are monthly newsletters, called "Ruby Secrets", that are sent to every property to keep employees involved and give them insight into what is happening in other properties, status quo of Ruby's development and new projects, new cocktail menus, etc. Furthermore, Ruby works with an app called "Hotelkit", which is pretty much Facebook for the workplace. The easiest tool to reach out to properties and even single employees. Within our hotel we used Whatsapp to reach out to everyone in case there is something urgent (e.g. Sunday afternoon, before late-shift comes in: "No more mint for cocktails, can somebody please buy some on the way?"), or to share a funny story about your work day, etc.

8. From your point of view, what has been done purposely and what unconsciously to show what this hotel, in fact, stands for? How does this correlate with your organizational structure?

There are a few trainings for new employees that will help to understand the values and get to know the brand better. In terms of the unconsciousness I believe that employees of this company are very much in charge to present the brand. It starts by knowing the mission and values of the company, trying to bring the brand closer to unfamiliar clientele.

9. Creating organizational culture often aims to show who we actually are. What does your organizational culture tend to indicate to employees, partners and guests?

Employees - Stand your ground, we have your back (for example, when guests complain about the absence of scrambled eggs and bacon at breakfast). Guests - We are who we are, and that is not everybody's darling.



10. Do you think that your brand image influences people to develop a particular expression of your organizational culture? What would it be?

The contact to guests is down to earth, welcoming, but time efficient. I believe people imagine the brand to be hip, laid-back, and very similar to the 25hours Hotel, which the concept among other factors is leaned on.

11. How do you convey your company's organizational culture to new employees?

Showing them that this is the place where you can speak your mind, be yourself and contribute to the bigger picture. At the Ruby hotels, there is only a few job positions: either you are in management (Housekeeping or F&B) or a host (direct guest contact). Whenever we had a new host starting, they wouldn't get to know the company spirit and the values right away, since these training are held by the HRM, who is located in Munich (headquarter of Ruby). However, to make new employees feel welcome in our house, mostly me or somebody else that knows the house very well, took them on a tour and showed them some rooms, explained the concept a little bit, basically give them a short insight to what they signed up for. For the actual introduction training, where organizational culture is explained and the values are discussed, somebody from the HR would specifically come to Vienna and have a presentation for all new employees that have not had this training yet. So, all new employees from all three outlets – 3 hotels in Vienna – would come together and participate in this training. And since the company is so young, new trainings were added over the course of time.

12. Do you convey your organizational culture in the same way to new employees regardless of the age differences? Are there specific challenges when it comes to leading people from different generations?

As the company is very young, most employees are in the range of Gen Y, who are looking for something different than the conventional hotel with high hierarchies. The only challenge that I have come across is that the older the people get the less their (work) life is depending on high tech - tools (e.g. Hotelkit). What might be time saving and convenient for people that grew up with constant access to the internet through technical devices, might be a reorganization as well as a struggle for the older



generations to adapt to. I, for example, spent a lot of time explaining and "training" my direct manager on technical procedures. (She was Head of Housekeeping and was 42, but grew up with no access to any technology and internet).

13. Which generation is currently the most dominant in your company?

The top of the hierarchy (head office) is dominated by Generation X, however employees in the workforce (on the guest) are with a few exceptions Millennials.

14. To which extent does organizational culture adapt its policies to new generational needs?

With only 5 years existence there is not enough experience and structure that can define a set organizational culture within the brand. As the company is growing every day, also the organizational culture is evolving too. I believe this is a matter of how new employees are adapting to the OC and how they can contribute their piece to the puzzle.



Appendix 3: Employee questionnaire

- 1. How old are you?
- 2. What gender are you?
- 3. How long have you been working in the hotel industry?
- 4. How long have you been working for this hotel?

6. What is your highest degree?

- High School
- □ Fachhochschule
- □ Bachelor Degree
- Master Degree
- 🗆 PhD

7. What of the following is important to you when looking for a job?

	Very important	Important	Moderately important	Slightly important	Not important
Brand recognition					
Hotel chain					
Luxury property					
Salary					
Personal development					
Equality at the workplace					

8. To which extent was the brand image important to you when you chose the company where you are working presently?

- □ Very important
- □ Moderately important
- Not important



9. To which extent is the organizational-culture fit important to you when choosing a company to work for?

- Very important
- □ Moderately important
- Not important

10. Which of the following do you associate with the hotel that you are currently working for? Please limit your answer to 2 choices.

- Modernization
- □ Freedom
- □ Warmth
- □ Innovation
- □ Tradition
- □ Discipline
- Elegance
- □ Friendly environment
- □ Formality
- □ Harmony

12. What are your company's most exceptional values? Please limit your answer to 3 choices.

- □ Respect/Fairness/Equality
- □ Teamwork-oriented
- □ The perfect place to learn and grow
- □ Employee-oriented (employees' satisfaction)
- □ Tradition
- Modernization
- Innovation
- □ Formality as a way of working
- □ Freestyle as a way of working

13. Did you familiarize yourself with the company's values before you officially started working in the hotel?

- Yes
- □ Moderately
- □ No



14. Was organizational culture introduction a big part of your initial training?

- □ Yes
- Moderately
- 🗆 No

15. How does your company convey its organizational culture most effectively?

	Extremely	Moderately	Not at all
Events	\bigcirc	0	0
Dress code	0	0	0
The visible facts: architecture, interior	\circ	0	\circ
Relationship with guests	0	0	0
Relationship with employees	\bigcirc	0	\circ
Communication	0	0	0
The supervisors as role models	\bigcirc	0	\circ
Training	0	0	0

15. Your company's organizational culture is visible to guests and employees to:

- A great extent
- □ Slightly
- Not at all