# Institutionalization In Hotel Management And An Applied Study On Cappadocia's 4 And 5 Star Hotels

Mustafa Caliskan, Hayrullah Cetin Nevsehir University, Nevsehir, Turkey

#### 1.INTRODUCTION

In the simplest terms, institutionalization means that the specific rules are to be valid in all the relevant issues. In other words, certain rules are dominated in all of the social processes such as from the one's individual life to the family life and to the institutions and organizations, societies, and inter-communal relations.

Institutionalization is not just a question of top management. A general management philosophy covering the entire of the enterprise is a corporate culture. The decision or personal behavior of salesman working at the endpoint of organization is an indication of the level of institutionalization of the company. Recently, it is seen that many enterprises enter into the process of institutionalization so that they have more stable and more planned growth path.

The most important element of the tourism sector is the hotel enterprise. Revealing that hotel enterprises give importance to which points to institutionalization and determining the viewpoint of them on the institutionalization constitute the basic question of the study.

In the study, primarily by considering the institutional framework; institutionalization term, principles, the importance of institutionalization in terms of hotel enterprises and the concept

of institutionalization in terms of employees are discussed. Then, a survey for the hotels the Cappadocia has been practiced.

**Keywords:** Institutionalization, Institutionalization in Tourism.

Purpose Of The Study, the purpose of this study is to determine the level of institutionalization of the hotel enterprises operating in the tourism sector - one of the main sectors of the economy- and to make an assessment of perception about institutionalization of those working in the hotel enterprise.

Due to that, the study aims to show the emphasis on the issue of institutionalization of the hotel enterprise offering accommodation services in tourism sector, it can be defined as setting out the current situation (descriptive).

Overview Of The Research, the overview of the research consists of 4 and 5 stars hotel enterprises in Cappadocia. For the study, fourteen hotels have been reached. Three hotels haven't participated in the study. A questionnaire consisting of 375 questions were distributed eleven hotels participating in the study. 175 questionnaires have been taken back within 10 days. 141 of them have been evaluated. 34 questionnaires haven't been suitable for further evaluation.

### 1.1. Literature Rewiev

## 1.2. The Notion Importance and Principles of Institutionalization

Institutionalization is a process of composing literal norms and currencies for the aim of accruing of generally wanted to be reached targets, being carried out the system of coordination and control, making an organization attuned to internal and external environment. (Baran, 2000: 6-7)In other words, it is something that definite rules dominate in all of the social processes from individual life of a person to his/her domesticity, agency and institute, communities and inter-societal relations. (Findikci,2005:82) In the simplest term, it means that definite rules relating to every kind of issue are valid.

Expressing it as a process, institutionalization can be defined as a series of a complement of activities that have a work environment composed which is accepted by everybody and based on the rules derived from the involvement of staff members working both at the top and at the bottom level for firms' reaching their pre-determined aims. (Ak, 2010: 37) Institutionalization emerges by starting to be implemented similarly by the followers of actions which are became a pattern by various actors. As long as the actions became a pattern show similarity, a corporate identity is formed. (Berger and Luckmann, 1976,72). Institutionalization of a firm reflects the resistance against this firm's illiberality culture. (Selznick, 1996: 271)

In Turkey, institutionalization is perceived as administrative efforts aimed at turning into organizations which are estranged from selfhood while determining the responsibilities, conducting the business and prioritize persistence. (Yildirim, 2011:190). Chief aim of institutionalization is that the firms become independent of individuals (boss, administrator, core personnel, etc.) and their fulfilment method depending on their own talents.

Institutionalization means that a firm is able to become a system. Corporate Governance is a system where firms are controlled, leaded in an economical and social system, and firms' administration and organizational structure are arranged. (Korkmaz and others, 2012:5) Corporate Governance could be carried out when a corporation management is subjected to a set of principles determined in accordance with legislations and market laws after moving exactly away current conflicts of interest. That is, carrying out corporate governance is possible by acting according to these principles. In Turkey, Capital Markets Board of Turkey determined the framework of institution management through the criteria specified by OECD. According to Corporate Governance Association, main principles of corporate governance having universal acceptance and validity are fairness, accountability, transparency and liability. (www.tkyd.org/tr)

## 2.Importance of Institutionalization in Hotel Management

Institutionalization capability of private sector enterprises operating in an area plays a fundamental role in effectuation of development objective of the area. So long as enterprises are institutionalizing, they develop a certain character and distinctive capabilities. Institutionalization of enterprises increases their capacity, makes them grown and lived long standing. Institutionalization is essential for fulfilment of enterprise objective systematically, creating an original identity, developing stable administration policies, and especially legitimating of enterprise asset. Enterprises should review, harmonize their structuring persistently according to requirement of the present and, if it needs, start the right changing. Apart from the changing, enterprise creating its own identity lies behind being able to success the institutionalization. Institutionalized enterprises providing with the economic value to their areas is increasing.

In addition to supplying with principally the accommodation requirement of their clients, hotel operations are facilities involving in auxiliary and supplementary units for catering and entertainment, etc. requirements. The importance of institutionalization activity in hotels is increasing gradually because of the reasons such as customer expectations, conditions of competitions, development of technology and the obligation of hardening between customer orientation and cost-orientation. Even though the economy of Cappadocia Region is predominantly based on agricultural sector, the agricultural sector is a subject of national economy from the point of the region. Cappadocia is known as a tourism region in international community. Cappadocia is in line for growing in tourism with its uncommon geographical features. The institutionalization level of the hotels, especially four and five-star, operating in this region will raise their contributions to regional economy.

## 2.1.Institutionalization From The View Of Labour Force Of Enterprise

Nowadays in work life qualities of serving or property that is understood as institution policy, are concepts like quality in workers' manufacture who work in enterprise and quality in their relation (professionalism) and generally making investment in society for people, for customer and reputation. Corporate mentality, institutional action, motivation, communication, determining method of management and relation between management and workers are very important indicators of institutionalization. These assets are heightening the importance of corporate governance and institutional constituent on workers more and more. (www.isletmeportali.com).

In an institutional constitute development and sustainability is being possible with the action of constituted work, not with the format of work. Also efficiency of institutionalization is important for enterprise from the view of human resource, which is very important capital for enterprise. In this regard institutional administrative mentality and action have an important and efficient result on workers. Managers should try to ascertain their company's priorities together with workers' participate and they should try to be understood and accepted all these priorities by all workers. Otherwise the workers' aim and association's aim will be differed. So, desired output and desired participation cannot be achieved. (Korkmaz and others, 2012:5).

It is certain that institutionalized company is preferred by the workers qualified and with high performance. Workers' education and expressing their ideas freely can be possible in institutionalized governance enterprise. An administrative mentality in which workers are able to defence their idea freely can make workers take part in decision making process more active. One of the important factor in workers' motivation, more important than money, is the environment that they can improve themselves. So, enterprises which can apply the institutional management in the proper sense can have more qualified human resource.

#### 3.Problem statement

The research attemps to make an assessment as to what extent have institutionalization and the attached importance reached in hotel enterprises providing service in the field of tourism, one of the main sectors of economy.

Purpose Of The Study, the purpose of this study is to determine the level of institutionalization of the hotel enterprises operating in the tourism sector - one of the main sectors of the economy- and to make an assessment of perception about institutionalization of those working in the hotel enterprise.

Due to that, the study aims to show the emphasis on the issue of institutionalization of the hotel enterprise offering accommodation services in tourism sector, it can be defined as a description, setting out the current situation.

## 4. Research Methodology

Firstly, domestic and foreign literature related to the institutionalization has been inquired. After examining the literature, a questionnaire has been prepared to gather information in the light of the information obtained. In this way, a questionnaire has been prepared for those working in hotel enterprises. With the aim to learning what those working hotel enterprises think about the institutionalization and determining the effects of institutionalization in the hotel enterprises on the workers, such a questionnaire has been prepared. The questionnaire prepared for the hotel enterprises consists of two chapters. The first chapter consists of six closed-ended questions in order to determine of the demographic characteristics of people working in hotel enterprise and reveal a relationship with the hotel enterprise. The second chapter consists of twenty questions in order to determine the level of institutionalization approach in the enterprise of those working in the hotel enterprise and the behavior of entrepreneurs in the process of institutionalization. Those working in the hotel enterprise have been kindly asked to answer as "yes" or "no" with the twenty questions in the second chapter.

## 4.1.Findings

The reliability test of the study has been made and it is concluded that reliability of the survey is 85%. In the evaluation of questionnaires, status determination has been made using SPSS 17 statistical package program. When we beware of the briefs to the analysis of questionnaire;

According to the survey results, in the first question it is seen that the opinions of the employees weren't asked. In the second question, employees expressed that there is an enterprise constitution.

In the third question, in-hotel permissions were seen as arranged without conforming to the rules. When it is evaluated with the second question, a contradiction emerges. It is understood that enterprise constitution doesn't run in practice.

According to the results,in the forth question the enterprises get consulting service from outside. In the fifth question, employees are aware of the conflict between the family members. When we evaluate this question with the working hours, it is viewed that the more working hours increase, the more employees become aware of the conflict between the family members.

In the sixth question, employees expressed that decisions are taken by only one of the family members.

In the seventh question, in terms of the findings, it is understood that the founder of the hotel made an effort for development of employees.

In the eightth question, 75 percent of the employees stated that they know the person who will take the place of the founder of the hotel in the event of quitting of him.

In the ninth question, 84.4 percent of the employees know the in charge in the hotel. 145

In the tenth question, It is seen that the employees solve their problem by getting information from just one person.

In the eleventh question, according to 74.5 percent of the employees, anyone doesn't interfere in scope of authority and responsibility of each other.

In the twelveth quesiton, according to 75 percent of the employees, it was expressed that the administrators who are not family members bear so called responsibility and authority.

In the thirteenth question, in as much as the results, 79.4 percent of the employees expressed that suggestions and opinions are discussed by conducted a meeting in their working sections.

In the fourteenth question, most of the employees find the quality of provided service high.

In the fifteenth question, 71.2 percent of the employees know that sales volume of the hotel accrued in proportion to the previous year.

In the sixteenth question, 76.6 percent of them know the new service project of the hotel.

In the seventeenth question, 83 percent of the employees expressed that they are in accordance with the environment of the hotel that they work.

In the nineteenth question, most of the employees said that the hotel that they work took part in a social responsibility project.

In the last question, 75.2 percent of them stated that the result related to the hotel was shared by everybody.

## 4.1.1.Summary of Findings

4 Stars hotels in Cappadocia Region are more institutionalized than 5 stars hotel in that region. It is understood that, when 5 stars hotels got the fifth star, they gave up institutionalization process. 4 stars hotels are keeping on institutionalization process.

The Most Important Limitation Of The Study is that the study cannot do with managers and business owners. Because, they rejected to do it. So, it became difficult to collect owner and manager opinions to our research.

# **5.CONCLUSION**

Tourism sector consists of many components. But the most important component is hotel management. Hotel managements should give up traditional management styles. In every respect, hotel managements should implement modern management styles for tourism sector and economic system. This will lead to better results. One of this management styles is intuitionalism. Intuitionalism is very important concept as without it or by neglecting it, managements may lose their rivalry position.

Hotels participated to the questionnaire though believe in intuitionalism, it is observed that they still have deficiencies. During questionnaire period, hotel founder and managers didn't

accept our invitations to take the survey so this indicated that hotel managements should implement severe institutionalization practices (precautions). In this respect, managers and owners should attend the conferences and should observe the successful applications in other institutions. Employees should constantly be involved in in-service programs, so it helps to the employees, attending decision period, finally they can easily make some decisions.

In conclusion owners, managers and employees should cooperate and should be in communication all the time. This is an important step towards intuitionalism. Criteria about distribution of work, authority and responsibilities, employing procedures, appointment, and promotion should be by the institution rules and be independent of individual factors.

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