

Working with Dual Labour Unions in Hotels and Ensuring Uninterrupted Services to Patrons

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This case is meant to be used as a class discussion topic rather than to illustrate an effective or ineffective situation handling by management. This case was compiled by general experience.

This case is based on a real time scenario at a five star hotel located at Kolkata, (Known as Calcutta then), West Bengal. Though, being one of the finest hotels and being a part of a luxury group of hotels, the major stigma attached with the property was the regular disruption in services caused by multiple unions. Since the city had both followers of Marxists and Congress in good numbers the political resolve tended to favour the unions who ruled the market by sheer numbers and protests. Strikes were a very common event and the city was used to having an extra holiday on a monthly basis for strikes that was not even related to their work or industry. West Bengal and Kerala were the two major states in India that were under the rule of the Left front. The unions flourished under the leftist governments and took the lead in keeping things under their control. Most organizations just worked with the unions in a cohesive fashion and this led to reduced lowered productivity and output but peace of operations. This mode of operations suited the people very much who were themselves quite comfortable with a minimal workload and prone to more of gossip-monging and chatting for long periods during work hours.

According to a study on the significant contribution of labour unions towards ensuring better facilities and privileges as well as fair

compensation for the employees the major question raised was whether such unions were seeking more privileges for their members and not for the entire community (Baral, 2018).

Trade unions and the management have always existed under a strained and tense relationship as claimed by a study on the trade unions in Scotland. The researchers mention that being a low wage and insecure job arena, the union lead to a decreased confidence in the ability of the managers and hence were not looked at in a favourable manner by the managers (Aslan, 1993).

Another study on Labour Management and Employee Relations in the hospitality sector has identified that labour unions were becoming more proactive in organizing hospitality workers which manifested into various strikes and protests, picketing and complaints (Helen LaVan, 2013).

As per an article in the Economic Times the Left is finally out of Bengal, leaving behind a riddle: how could one party, the CPM, rule a state for 34 years, while presiding over its overall decline? In that time, industry fled the state, farm growth tapered off, and Bengal's poor became worse off than poor folks in most other states. Healthcare and education were ruined, graft mushroomed and political violence became

endemic. The party cadre was to be found everywhere and they were the basis of various unions. In big cities, opposition parties joined hands to form unions if just to counter the leftist unions. This led to multiple unions in the same organization and collectively ensured that productivity and growth was never allowed to increase in a big way.

In a study conducted by “Tourism Concern”, an independent campaigning organization based at London in association with IUF on working conditions and labour rights of hotel employees in selected destinations of African countries found that staff was working in unfavourable conditions especially in all inclusive hotels and hence there was need to form unions to fight for the rights of employees. They also noted significant improvement since a research report on the same was published by the company earlier in 2004 (Concern, 2013).

The hotel located at the pristine Esplanade location of Kolkata had a lot to offer customers. Being one of the leading properties of an elite group the standards expected were high. The 24 hour coffee shop was one of the most happening destinations of the city where you could always see the cream of the city grabbing some time for food of their busy schedules.

The employees were of the firm belief that reaching the place of work was enough to be paid their salaries. They would look for every opportunity to get overtime for any work that went beyond their normal hours of work. Many even kept work on at a slow pace to ensure there was ample work left for getting overtime. Many employers just negotiated a fixed amount of overtime for employees irrespective of actual work just to ensure peaceful operations.

The coffee shop operated for 24 hours a day, 7 days a week and 365 days a year. There

could always be seen some hustle at the coffee shop except in the wee hours of the morning from 3am to 5am. The coffee shop would serve a buffet menu for breakfast, lunch and would serve a la carte dishes for dinner. At any time snacks and few select dishes would be available. The menus for breakfast and lunch were pre-planned and changed after each month.

Rajesh Das, a young Hotel Management graduate with lots of ambition and enthusiasm had recently joined the coffee shop as a Restaurant Manager. Having completed a Diploma in Hotel Management from IHM, he had a couple of years experience to back him. This was his first assignment with the hotel and he was keen to prove himself to the management. He went into his task with great ardour and spent long hours at work to get an understanding of the way the operations were carried out. He personally made himself available for all the three shifts on occasion to look into the operations of each shift and note the work done by all staff that was part of the coffee shop team. He came to know the various practices that was prevalent for the operations and also got acquainted with all staff members. His boss the Food and Beverage Manager spoke to him about the different staff members and advised him on how he should handle them. He also warned him regarding the union representatives of the coffee shop and asked him to keep them in good humour. Both the representatives were long serving staff and had enough clout to get a manager dismissed or hold up the operations till their demands were addressed. All other staff would quietly stand and watch any confrontation knowing clearly the outcome. Many would use the opportunity to take a break from work and engage in other gossip and disruptive activities.

As days progressed, Rajesh would carefully plan the activities for forthcoming days,

seemingly taking suggestions from the union representatives, but using his intellect to guide him and thus managed to operate for a few months without any untoward incidents. This brought him in the good books of his superiors and the management. His open approach and attitude towards his work and employees was seen as a positive sign that spoke of better days to come. Rajesh, being young and not much experienced did not comprehend that people who stood by him would simply switch over to the other side for seemingly silly considerations. He was also not aware that the union heads were testing him out and actually waiting for an opportunity to see his mettle.

As luck would have it the crisis day came when it was least expected. Rajesh had come to work early in the morning only to find that a crisis was awaiting him. He came in to find that the breakfast menu was not executable as there was no power the entire night and the backup support had not been given to his kitchen for some reason that he was not aware of. (He later found that the line was having a fault and there were not enough staff at night to check). As there were no union representative available at that early hour, Rajesh decided to make required changes in the breakfast menu for the buffet as well as the staff breakfast. He replaced all items like Idlis/dosas/Uttappam and chutneys that needed use of grinder with dishes like poori, poha, paratha etc that could be cooked on the gas operated hot plate.

The operations had commenced smoothly and guests were having their breakfast. All seemed to go well when suddenly all hell broke loose. Staff breakfast had also been changed and one of the union representatives walked into Rajesh's cabin and demanded by pounding the table as to who instructed to have a

change in menu without approval by any of the union members. Rajesh, stunned by the sudden and violent approach, initially tried to play things down and tried to explain the situation. But the union representative, who was in his late fifties and close to retirement, was in no mood to listen. He seemed determined to make a issue of the situation and get a few brownie points for himself and his union for future bargaining. Voices were raised and caused a disturbance. Many staff and few guests also looked concerned at the heated exchange taking place behind the scene; the noise was loud enough to carry out.

Rajesh tried his best to keep the situation under control, but being young and inexperienced he was also getting angry at the rude behaviour. As the union representative was not ready to accept any explanations and was making lot of noise, Rajesh lost his control and shouted back asking him to get out and not enter his office again without permission.

The union member was not shocked by the response. He just smiled in a sly fashion and asked Rajesh to get ready to face the consequences. He promised to return back with the leaders of the union to ensure that proper justice was delivered. The smile spoke more than his words.

As soon as he left some of the older staff of the department came quietly to Rajesh and asked him to get off from the restaurant and go and report to HR department before the union heads come with a big group and cause further trouble. They apprised Rajesh that union members when in a group could resort to violence without any provocation or need. It was an excuse for them to do some break down and intimidation just to keep their image and fear in mind of employees.

Rajesh, who by now was composed and back to his normal, was thinking quickly and a plan started to form in his mind as to how he could

get the better of the situation. He made a quick call to his boss and HR apprising them of a possible issue that might require their intervention. However, he requested them to approach only if he gave a call. Rajesh had a clear idea of what he wanted to achieve. If all went well, he would be rid of the union issues for a long period of time by when he could actually even get rid of the unwanted members. It would earn him the loyalty of the staff as well as respect of the management if he could actually put off the union in such a situation and come out with an upper hand. However, all might not go as expected or planned and hence he kept one staff member poised near to the phone to make a call at a signal from him.

As many thoughts were erupting in his mind, Rajesh could feel a cold shiver run down his spine. Out of the corner of his eye he caught sight of his staff looking at him in apprehension. Rajesh immediately forced himself to calm down and he laid down a series of instructions for his staff to follow. Many did not comprehend the purpose of the instructions but Rajesh was in no mood to explain. He just asked them to follow his instructions without question and failing. As he had just about completed his arrangements he could hear a loud noise of approaching trouble. Many members of the union led by their leaders and the union representative were fast approaching Rajesh's office and seemed in a good mood to have a showdown.

"Tourism Concern".

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