

Knowledge Management at the Hotel Enterprises of the Republic of Kazakhstan

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Abstract: At the given stage of development of the hospitality industry in the Republic of Kazakhstan, knowledge management is a relatively new concept. This study examined the attitude of hotel enterprises staff in selected cities across the country to the fact of the effectiveness of knowledge management concept usage.

Key words: Republic of Kazakhstan • Knowledge • Management • Hotel industry

INTRODUCTION

The concept of hotel enterprises knowledge management is linked with the classical theory of competitive advantages, the use of which allows realizing the companies' effectiveness. At the moment, the participants of the hospitality industry in Kazakhstan often prioritize areas of management in the traditional way. On this basis, taking into account the intangible assets and competencies, which in turn are a source of competitive advantage, the models of effective behavior of the hotel enterprise in the market can be researched and developed.

For a start, it should be noted that the hospitality industry, first of all, is the branch of business, which implements the service of various types and kinds of visitors, tourists and people and is based on the principle of hospitality. Consequently, the hospitality industry is a business form of services market, implying the welcome and servicing, complex coverage of employees in order to meet the needs and desires of visitors and tourists [1].

We should consider the fact that the hospitality combines three concepts: services, manufacturing and trade and service activities. The quality of hotel management services is based on such instruments as: methods, adopted for the creation of high-quality materials in the manufacturing process, the technology of high-quality services creation that takes into account the specifics of hotel services, reflecting the demands of guests and clients and may be based on marketing relationship with them.

Thus, the hotel enterprise in its operations may use methods of analysis and diagnosis of the current knowledge management, while taking into account the influence of the environment on it.

Literature Review: Alvin Toffler listed the following characteristics that distinguish knowledge from other traditional resources [2]:

- Domination - knowledge leads among other resources and has a strategic importance for the functioning of any enterprise;
- Inexhaustibility - the value of the knowledge base is not reduced during its handover, that is, its use as a source of better decision-making does not lead to full recovery;
- Simultaneity –knowledge can be used at the same time by few people in a few places, there is no exclusivity, having knowledge only in cases of patents, role models, etc.;
- Nonlinearity - vast amount of knowledge does not guarantee competitive advantage of enterprise over the others with limited resource of knowledge; the problem of knowledge influence on the competitiveness is a very blurred and requires further in-depth study.

Gilbert Probst says that the most important is to determine the necessary knowledge to implement the business strategy of the company, to understand what is in fact a source of income, to identify a knowledge that

brings value to clients and at the same time can not be repeated by other enterprises [3]. First step is to answer the questions:

- What knowledge is crucial?
- What type of knowledge creates the incremental value?
- What knowledge is needed for the effective implementation of the company overall strategy?

In his concept "Six steps towards to quality" for the hotel and restaurant business, W. Martin first decided to find out what are the expectations of visitors in relation to the quality of the procedures and the quality of interpersonal relationships [4].

Understanding the guests needs is also studied by Parasuraman, Berry and Zeithaml in the "Gaps model» [5]. According to them, the initial gap refers to the discrepancies between expectations of clients (guests) and the perception of hotel business expectations. This means that errors in a single step (no matter how effective will be others) will result in a low quality hotel services.

MATERIALS AND METHODS

The basis of the analytical part for knowledge resources' relationship was the method of correspondence group questionnaire survey in selected hotel enterprises at the largest cities of the Republic of Kazakhstan: Astana, Almaty, Karaganda, Shymkent. Questions of the hotel enterprises employees' survey generally provide a description and the percentage of awareness regarding the expectations of clients, knowledge base of the employees, experience in this field, etc.

Drawing up questionnaires for the analysis was based on a 5 point Likert scale, according to which, 1- strongly disagree, 2- disagree, 3 – do not know, 4- agree, 5 – strongly agree. The majority of interviewed representatives are Reservations manager, Customer service manager, Development manager, Accountant, Sales manager, Administrator and Secretary at the reception.

Questionnaires were examined in the period from January 2013 to July 2013, via e-send to personal or business address of the respondents.

The hotel industry is relatively young in Kazakhstan, thus increasing interest in the market belongs to the business hotels of the middle class. In each of the cities

studied, 3 hotels were selected (10 managers in each) through internet resources, as well as through personal contact with authors.

Based on the results of the survey, 120 interviewed managers of mid-level (10 managers in 3 hotel enterprises in each city), we can distinguish six main groups of factors, that in varying degrees affect the knowledge management at the hotel enterprises:

- Increase the level of knowledge,
- Experience,
- Improving the level of work,
- Exchange of knowledge,
- Interpretation of errors,
- Technology.

According to the authors, each of these factors (to a lesser or greater extent) mutually affects the effectiveness of knowledge management. Thus, the following results:

The majority of respondents in Astana city believes their knowledge sufficient for great performance of their official duties, as well as positively considers further study in this area (35.1 %). Also there is high rate of approval, that experience has much importance in the hotel enterprise (58.6 %). It should be noted that in most cases, staff does not categorically reject the influence of factors; excluding that index 19.6 % of knowledge level increase is large enough. Factor of errors interpretation was reacted negatively by the vast majority of respondents and 80 % disagree with the actions of the authorities. Staff of the hotel enterprises in Astana city basically agrees with the exchange of knowledge with their colleagues, but at the same time, 22.2% reject it. It should be noted that employees do not admit a technology, applied by the hotel enterprises management (42.8 %).

In Almaty city, with a progressive development of hotel services market, the opinion of increasing the staff knowledge level is shared – 31% agree with the statement, 18.2% has no opinion, 20.2 % do not agree and almost 9% strongly disagree (Table 2).

Among the interviewed representatives of the hotel enterprises, 45.3% consider experience as an important source of knowledge, 24.1% insufficiently aware of the ongoing actions and proposals of other departments, do not take part in the improvement of the work system, do not consider their skills well enough to perform their duties. The lowest percentage of complete agreement – 3.3% - factor of errors interpretation, 53.3% of

Table 1: Factors, influencing knowledge management in hotel enterprises in Astana city, (%)

Factor / Scale	1	2	3	4	5
Increase the level of knowledge	14.8	35.1	6.5	23.8	19.6
Experience	8.6	58.6	20	6.6	6
Improving the level of work	3.3	41.6	25	30	0
Exchange of knowledge	14	31.1	29.6	22.2	2.9
Interpretation of errors	3.3	10	6.6	80	0
Technology	37.1	42.8	14.2	5.7	0

Compiled by the author

Table 2: Factors, influencing knowledge management in hotel enterprises in Almaty city, (%)

Factor / Scale	1	2	3	4	5
Increase the level of knowledge	21.6	31	18.2	20.2	8.7
Experience	8	45.3	13.3	29.3	4
Improving the level of work	8.3	35	25.8	24.1	6.6
Exchange of knowledge	7.2	32.5	26.4	27.2	6.5
Interpretation of errors	3.3	10	23.3	53.3	10
Technology	5.5	24.4	15.5	37.7	16.6

Compiled by the author

Table 3: Factors, influencing knowledge management in hotel enterprises in Shymkent city, (%)

Factor / Scale	1	2	3	4	5
Increase the level of knowledge	17.3	32.6	19.3	22.6	8
Experience	16	29.3	34.6	14.6	5.3
Improving the level of work	7.5	25.8	30.8	29.1	6.6
Exchange of knowledge	12.9	32.2	34.4	17.7	2.6
Interpretation of errors	13.3	16.6	10	60	0
Technology	10	30	17.7	34.4	7.7

Compiled by the author

Table 4: Factors, influencing knowledge management in hotel enterprises in Karaganda city, (%)

Factor / Scale	1	2	3	4	5
Increase the level of knowledge	15.9	23.1	25.3	33.3	2.1
Experience	12	46.6	12	24.6	4.6
Improving the level of work	8.3	35.8	22.5	23.3	10
Exchange of knowledge	4.5	40	19.1	30	6.2
Interpretation of errors	0	26.6	23.3	36.6	13.3
Technology	7.7	26.6	21.1	30	14.4

Compiled by the author

respondents did not agree this statement. Regarding technology of the Almaty hotel enterprises – 37.7% disagree and 24.4% agree.

In Shymkent city the majority of respondents negatively assessed the factors of experience and technology (Table 3).

Managers of middle level of the hotel industry agreed to increase their knowledge – 32.6%, identically appreciated the factor of work level improving – 25.8% and errors interpretation – 16.6%.

Table 5: Information about the respondents

Experience, %	Education, %
Up to 2 years	23.3
2-5	24.2
6-10	15.8
11-15	14.2
16-20	10
More than 20 years	11.7
The number of training programs, in which you have participated in the last 3 years, %	Knowledge of foreign languages (Elementary level), %
None	45
1-2	22.5
3-4	19.2
5-6	9.2
7-8	4.2
9 and more	0

Compiled by the author

It is worth mentioning the same results of votes for the exchange of knowledge and have no opinion – 32.2% and 34.4%. None of the respondents replied categorically on the errors interpretation factor, but 60% disagreed with the fact that the authorities react to them properly. In most cases of factors assessment that influences the knowledge management in Karaganda hotel enterprises, opinions have been divided (Table 4).

Regarding knowledge level increase – 15.9% strongly agree; 23.1% agree, 25.3% do not know, 33.3% disagree and 2.4% strongly disagree. Regarding work experience factor – 46.6% agree, 24.6% and 4.6% evaluated negatively. 35.8% of managers agree to improve work level, 23.3% disagree with it. Similar results regarding factors of knowledge exchange - 40% agree, 30% unwilling to assist colleagues.

Similarly, as in Astana, Shymkent and Almaty, Karaganda hotel business staff do not agree with the reaction of the authorities to errors - 36.6% and 13.3% are categorical. According to workers, the priorities of technology are also placed incorrectly - 30% do not agree with their current use in the hotels management.

The study also provides information about the respondents:

Results of Table 5 allow to draw conclusions that the majority of respondents possess experience of 2-5 years, have the higher education, possess one foreign language and for the last three years didn't participate in any training program.

However it should be noted that in the education column, respondents noted existence of secondary vocational education (college, technical school), that is 26,7%. The fact also is disputable that in Kazakhstan a

state language is Kazakh, however the vast majority uses Russian, therefore, the respondent who speaks the Kazakh and Russian languages often notes the column "2 languages".

RESULTS

It should be noted that the used analysis method does not show the psychological factors of the hotel enterprises managers' assessment. In most cases, the respondents do not protrude into the details of the question and answer without hesitation, often choose a ranking of "2" and "4", more rarely- "3" and very rarely completely agree, or vice versa. The results of this analysis are not accurate from a statistical point of view and due to the small amount of sample. The value of the results of the factors' mutual influence are close to zero ($K = 0.6$, $K = 0.7$, $K = 0$), due to jumps in the assessment of factors. For example, in the case of technology assessment in Astana and Karaganda, we note that the estimate in Astana at first increases and then decreases sharply. In contrast, in Karaganda there is first a growing of polled votes and then a decline. A similar situation exists in almost all cases of the samples correlation,

so you should see a graphical representation of the extreme points (strongly agree and strongly disagree) of the survey results (Figure 1).

As you can see from Figure 1, there is a tendency to reduce the percentage of knowledge level increasing among the respondents, so most of them respond favorably to this factor.

Assessment of "work experience" factor is shown at the Figure 2.

In this example, there is such a tendency to reduce the respondents' answers to the questions, related to the experience effect on the current performance of duties, as well as in the desire to increase the knowledge level. Thus, it must be concluded that the majority of managers expressed a desire to increase the level of knowledge and the fact of experience influence on the quality of official duties performance.

Assessment of "use and presence of technology in the hotel business" factor is shown at the Figure 3.

Among the respondents, in Astana city there is no such people who strongly disagree with the use of technology in hotel business, on the contrary more than 30% of these managers strongly agree with the presence of technological processes in the hotel enterprises.

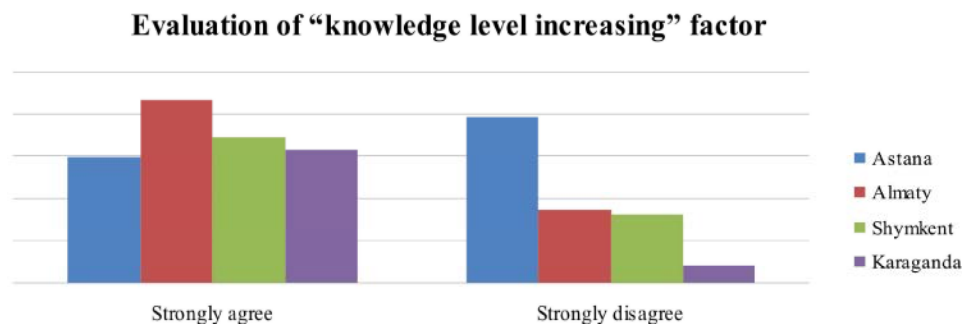


Fig. 1: Evaluation of "knowledge level increasing" factor (Compiled by the author)

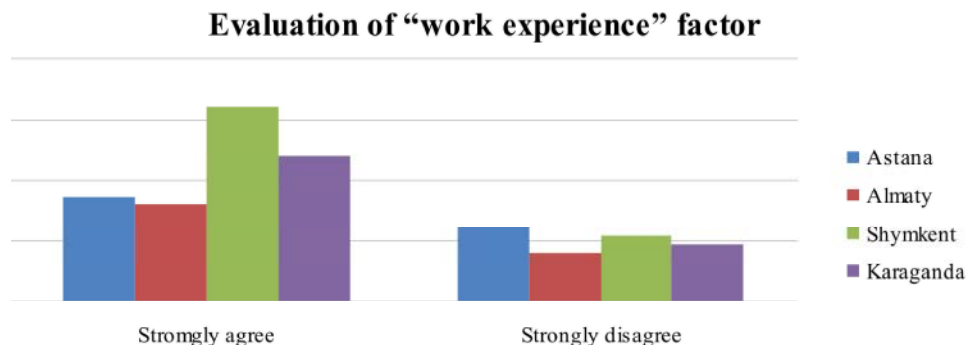


Fig. 2: Evaluation of "work experience" factor (Compiled by the author)

Evaluation of "technology" factor

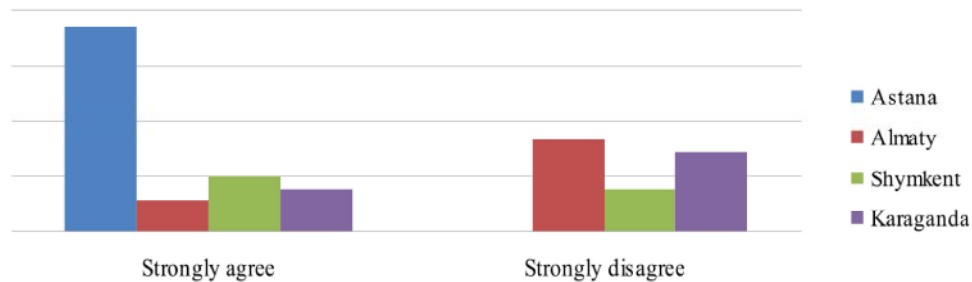


Fig. 3: Evaluation of "technology" factor (Compiled by the author)

CONCLUSIONS

Percentages in Almaty, Karaganda and Shymkent remain at the same level. The results of survey analysis led to the following conclusions:

- The basic condition for effective competition is the success on resources market. The study showed that representatives of the hotel business should strive to attract workers, primarily with high-availability to continuous improvement and preservation of knowledge, to create conditions to improve their knowledge processes and knowledge exchange. On the other hand, the employment of persons with high levels of commitment can lead to risk of strategy personalization;
- The result of the survey showed that most managers tend to change jobs, if more favorable terms are offered by other hotel companies; the decisive factor in this case is psychological;
- The instability of the hotel sphere level development, as well as the level of specialized personnel' training in the cities studied is often the source of their high flow. Personalization strategy on the one hand is supported by some hotel companies that are willing to finance regional and international training, improvement of job descriptions, staff work, awareness and interaction between departments within the company, etc.
- An important aspect is the satisfaction of employees; that is a mental attitude is the source of the advantages of skills and knowledge using, employee loyalty enhancing. The study confirmed the validity of the formation of the interrelation between the number of trainees and oriented staff of intellectual work;
- The studied hotel enterprises have (in terms of the organizational conditions) simple structures, in which the transfer and exchange of knowledge exclude significant obstacles. Experience shows that employees of multi-level companies with complex organizational structure more often express reluctance to share knowledge and skills;
- During the survey process, a low level of technological processes use is revealed and this is because the interviewed workers themselves often can not spell out the possible advanced work technologies; moreover, part of managers lacks information regarding programs used and technical equipment of other departments.

From the above it follows that the foundation of hotel business knowledge - is the sum of individual skills, understanding, competence of employees, multiplied by the knowledge, gathered in the communication channels and company database. The transformation of workers' knowledge to the high-quality service, the use of intellectual resources and codified knowledge requires the implementation, arrangement of conditions and motivating work environment for full and purposeful use of knowledge. This process includes a variety of communication channels, the adjusted technical infrastructure that enables quick and easy access to the databases, mutual trust of subordinates and management, lack of excessive competition in the team, which reduces the willingness to share knowledge.

From the point of view of achieving sustainable competitive advantage, the main criterion is not amount of resources, but the method of their use and development. Sustainable development of non-price benefits is often clear configuration of resources, timely methods of their coordination and better performance, compared to

competing hotel companies. Information resources and knowledge of guests needs as well as assess of services quality can improve the performance of other resources, with the ability to focus on higher-value areas.

Nowadays the problem of sustainable economic development of tourism in Kazakhstan is closely related to the search of optimal paths for maximal use of its potential and the growth of number of companies, engaged in the provision of tourist services, including the services of accommodation. Forecasting of the subjects' growth by 2015 has showed that the average annual growth of these factors is expected to reach 15%, with an increase in traveling also for 15% and the annual growth of tourism services on more than 30 million KZT [6]. Further growth of the tourist industry indicators enhances the effectiveness of hotel management in the Republic of Kazakhstan, strengthening the position of hotel enterprises development, improving the system of state regulation for the hotel business, formation of the hotel services market and the further adoption of measures to support the Republic of Kazakhstan entry into 50 the most competitive tourist attractive countries in the world community.

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