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Empowerment: "Lip service" or "guest service"

Earle Lindel Bowman

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EMPOWERMENT: "LIP SERVICE" or "GUEST SERVICE"

by

Earle Lindel Bowman Jr.

A project submitted to the faculty of the School of Food, Hotel and Travel Management at Rochester Institute of Technology in partial fulfillment of the requirements for the degree of Master of Science

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Date  Department Chairperson’s Signature 

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cc: Departmental Student Record File - Original Student
The purpose of this study was to ascertain indications of hotel operators' understanding and application of empowerment. While there was a large amount of literature available on empowerment, there were few writings specific to the hotel industry. Little, if any, research exists on empowerment usage in the hospitality industry. Also, the term empowerment is poorly defined.

The study additionally sought information on which job positions were affected and the completeness of implementation of empowerment programs.

The pilot study used a deep probe technique to develop information from operating heads of full service hotels. It found preliminary indications that the concepts of empowerment were known, were applied, and affected primarily front office personnel.
ACKNOWLEDGEMENTS

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The decision to return to the college classroom after forty years absence was intimidating. The special project was a major inhibitor. All of the faculty fully "walked the talk" of being customer (student) driven. All treated the graduate students as colleagues. Such approaches certainly raised my comfort level substantially. But what made the difference for me was the friendship, vast knowledge, and pedagogical skills of Dick Marecki, all of which he provided in abundance whenever I needed them. Also, I must pay
tribute to his vision, leadership, and willingness to take a risk. Without these attributes, there would be no Executive Leader Masters Program in Hospitality/Travel.

Leaving the most important acknowledgements to the last, there is my family. The constant encouragement and interest of my three children Stacie, Susan, and Lindy, was deeply valued. The mainstay was, of course, my wife, Fran. She literally created the physical space to work. She provided the mental space to concentrate and think. She put up with late meals, short temperedness, and distracted conversations. Her good counsel and unremitting support were continuous. She was great, and the project wouldn't have been completed without her.
**ABSTRACT**

**ACKNOWLEDGEMENT**

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CHAPTER 1

INTRODUCTION

Today, with the industry in financial downturn, it is searching for ways to maintain or improve guest satisfaction while reducing overhead. This is often referred to as flattening the organization. Empowerment has been offered by many authors as a concept of methodology which can potentially address both of these business goals. Even without the exigencies of the present financial situation, the use of the empowerment concept appears to have great value in that it addresses two of the most central concerns of management: the customer and the bottom line.

Examination of the literature on Organizational Change, Industrial Management, Employee Participation, Work Groups, Customer Service, Sales Management, Supervisors of Employees, Power, Organizational Behavior and Organizational Effectiveness indicate that much has been published. A review of the ABI CD ROM listing at the Library of Congress using Empowerment as a key word revealed in excess of 250 articles. A survey of the above publications indicated the majority were not directly related to the hotel industry.

With such authors as Kanter, Lawler, Albrecht and Hart espousing its value, articles in The Cornell Quarterly and Lodging and Hospitality proclaiming its worth,
and Hampton Inns using the concept system-wide to validate a service guarantee, further study is indicated.

**Problem Statement**

While intuitively, the elements of empowerment have great appeal by espousing trust, openness, truth and responsibility-- has it become just a "buzz word" in America? Have some forms of empowerment been accepted by hotel management? How and what jobs have been changed?

**Background**

In 1954, Drucker stated that there was "only one valid definition of business purpose: to create a customer." In 1977, Levitt amplified by writing "there can be no effective strategy that is not marketing oriented, that does not, in the end, follow this unyielding prescript. The purpose of a business is to create and keep a customer." In 1973, when Disney World opened, a number of practices which subsequently have been defined as service strategies were put into effect. Some of these were: rigid employee selection, intensive training for everyone before ever responding to a customer, and detailed procedures regarding job content. This strategy also represented one of the earliest and best known service system implementations in the United States. Since then, Albrecht, Zemke, Sasser, Heskett, and Hart have propounded a number of concepts which bring together the elements of people, strategy, and systems focusing on the customer.
In 1983, Kanter discusses empowerment as an important and necessary element in accomplishing change in an organization. In 1985, Albrecht and Zemke place great emphasis on people as the important component of service delivery to the customer. In 1987, Albrecht published the service pyramid idea demonstrating with an illustration that "everyone should be serving someone." This lead to the concept of empowerment to better serve the external and internal customers and respond more effectively and rapidly to their needs. Also, concurrently during the early 1980's, organizations were beginning to change to become more cost effective, more creative, and more quality oriented following the precepts of Demming and the whole TQM movement. A major element of this approach has been the application of participative management of which 'empowerment' is the core element. Thus, empowerment has been brought to the fore by both service and productivity practices. This pilot study investigates much of the current theory in the forms of empowerment that have been accepted by hotel management. If it has been accepted, what steps have to be taken in job change? Hotel management can analyze their own operations. This study, in a limited way, provides some basis for comparisons with other industries. It also provides information for a future study.

**Purpose**

The purpose of this pilot study is to ascertain limited and preliminary indications if hotel management believes in empowerment; and, if so, what position
changes have occurred. The findings provide a basis for future studies on: 'if' or 'how to apply empowerment in the future'.

**Significance of the Study**

The lodging business is extremely competitive. The survival of numerous hotel operators is questionable. Therefore, any concept which can contribute to a competitive advantage and which is not easily duplicatable has true value. Additionally, empowerment reduced turnover through job enrichment and lowers company costs by eliminating layers of management. This pilot study provides a starting basis for the development of a strategy for enhanced guest satisfaction and operational profitability. Since there are so many other industries involved in implementing empowerment, the results indicate the need for an industry-wide effort in this direction.

**Hypothesis**

It is expected that the pilot study will indicate two or three findings which can be summarized as:

1. Management believes in empowerment
2. Few, if any, jobs are changed substantially
3. Jobs that have changed will be those primarily in the Front Office.
While there are other variants on acceptance of empowerment by management and how positions have been altered, the three classifications listed above will reasonably represent the findings.

**Definition of Terms**

**Empowerment:** To authorize actions and decisions by a position relating to guest needs and requests which had previously had to be made by next level(s) above.

**Contract:** something synthesized for simple elements, especially a concept.

**Service:** works or actions performed for others, especially guests of a hotel

**Strategy:** the plan that expresses the major goals and conduct for the overall company. The "big picture".

**Ideological Assumptions**

This researcher believes empowerment is a valuable concept and further believes that jobs are not begin significantly changed. While there is cross checks in the data analysis, careful wording of the questions was necessary.
Procedural Assumptions

It was assumed that the managers have accurately represented their real beliefs about empowerment and the changes "if any" have occurred. The study is designed to cross check responses.

Scope and Limitations

With the highly competitive climate that exists in the lodging industry today and the large number of service complaints that exist, one must speculate that if such a concept of empowerment was universally utilized, would the industry not have a better reputation and more productive employees (which of course would reduce costs)?

Since this is a pilot study, the scope and number of participants are limited which leads to the conclusions being at best, tentative.
There is a broad general and varied use of the concept of empowerment within the political and business environments. President Clinton (1993) used it during a pre-inauguration address (1993 January 19) and in his State of the Union message to the Congress (1993 February 17). In discussing organizational change, Kanter (1983) and "the need for a renaissance" uses the empowerment concept. As a "prescription" to survive and prosper in "a world turned upside down", Peters (1987) presents the necessity to empower people to achieve these goals. Plunkett and Fournier (1991) expresses the belief that empowerment is a fundamental "building block" in achieving participative management. Writing about ways to train employees for service recovery Hart, Heskett, and Sasser (1990) state the organization "must empower them". Finally, a search of UMI/DATA COURIER-ABI INFORM (ABI) revealed that among some 800 management and administrative national and international journals, there were 258 articles using the word empowerment covering the period from January 1988, to March, 1992. In the next six-month period, from April, 1992, to September, 1992, the references to empowerment increased to 385. Thus, in an additional 127 articles used the word empowerment, at an average rate of approximately 21 articles per month. These statistics present an indication that the frequency of usage is not diminishing and is probably on the increase. In
addition, the literature reveals that empowerment is a multi-faceted concept and used somewhat differently depending on the context.

Webster's Unabridged Dictionary (1979) defines empowerment as "to give power or authority to; to authorize". Conger and Kanungo (1988) view empowerment as a process which is twofold. The first is motivational which is based on the "expectancy theory" in which the individual will produce acceptable efforts and achieve the required results. The second component is behavioral. Managers use "an enabling process" to positively affect the managers' group into being initiators and demonstrating persistence in striving for high goals and overcoming difficulties. Clay (1991) also views empowerment as a process, as it relates to self-management, ideology, which trainers should use to create an environment when working with managers to unlearn the traditional manager's role of the past. Yet Byham (1991) states that empowerment is a value and is not a program. He postulates it will take an extended period of time to accomplish this in an organization. Further, writing on the subject (Byham; 1992) adds that empowerment engenders the development of a whole new attitude on the part of the employee. In one of few articles directly relating to hotels, Sternberg (1992) views empowerment as method for increasing employee performance, but which requires an attitude of trust and respect. There is no consensus in the literature except one: numerous authors, practitioners, researchers, and professionals seem to agree on empowerment concept having value in the many different ways it is used.
From the hotelier's viewpoint, empowerment can be seen as a business strategy which focuses upon the customer. Of course, concentrating on the customer is not new. Drucker (1954) stated that the only valid definition of business purpose is to create a customer. It was during this period that American business was moving from a selling philosophy to a marketing philosophy. But, these precepts were being developed for a manufacturing environment, not a service business. Levitt (1975) adds to this statement by believing that in addition to "creating a customer" is also required to "retain a customer". Both authors are very firm in this belief. (If these precepts are accurate and followed, it would appear there is a clear implication that occasions will and do occur which require a long-term viewpoint. Stated another way is that short-term profits may have to be foregone. For example, reducing services that a customer expects during a recessional period.) Levitt (1976) goes on to develop further observations relating to the service sector, its rising share of the Gross National Product, and how marketing strategy needs to shift to accommodate these changes. A particularly important distinction is developed between "tangible goods or products" and "intangible goods" or services in that the marketing applications may be very different. This same realization that the business strategies for manufacturing companies doesn't work for service companies was made by Albrecht (1988) very strongly when he makes the statement that the manufacturing model has failed as it relates to the manner in which service organizations should be operated. Yet, the constant theme of a central focus on the customer still continues. What has radically changed are the strategies and systems required to effectively
operate the business. To achieve outstanding success in conducting the operations of service concerns Heskett, Sasser and Hart (1990) have proposed viewpoints which evaluate the customer service and whether the value of this service can provide the potential for leveraging profit. These viewpoints differ sharply with conventional management approaches in that high price doesn't necessarily mean high cost or lower prices doesn't necessitate lower margins. This type of thinking represents a strong contrast to the beliefs in effect when Drucker (1954) postulated his concept about the primacy of the customer.

For the hotel industry, it is perhaps more appropriate to change the word customer to guest and during the remainder of this thesis this terminology will be used when hotels are involved.

With the overbuilding of hotel rooms in the United States during the last few years, the need to be able to differentiate one hotel from another as a marketing requirement for success has become increasingly urgent. To assist in accomplishing this differentiation the guest experience of service have been rigorously subjected to analysis. Albrecht and Zemke (1985) move the customer focus from being a marketing strategy to a broader perspective to positioning it as the central business strategy which guides the development of all of the other functional strategies. These would include marketing and sales, financial, human resources, operating, and controlling.
It appears to be a very logical step (seemingly almost inevitable) from concentration on the customer to investigating the instant of interaction between the customer and the company representative (be they president or room clerk), Carlzon (1987) named this happening "the moment of truth". This appellation has become widespread and does capture the essence and importance of the transaction. Often these interchanges with guests raise issues which require the solving of a situation or correcting a complaint such as "I didn't get my turndown service last night" or "I'm dissatisfied with the cleanliness of my room". These are but two of an infinite number of examples which occur daily. All of the recent literature (Carlzon 1987, Albrecht 1985, Hart 1987, Sassor 1991, Heskett 1990) assume that the quicker the customer or guest issue can be responded to, the greater the satisfaction of the guest. Therefore, it is postulated that if job descriptions are changed to authorize broader limits of discretion, guest satisfaction will increase. This theory has become one aspect of empowerment as applied in service industries. In fact, Brymer (1991) recommends "employee empowerment" as a strategy and goes on to state it is "the best way to ensure your guest's satisfaction". Brymer (1991) further states that any organization embarking to an employee empowerment program should establish in advance goals which are "specific, measurable, and attainable for a predetermined date" and an example is given relating to "a fifty percent (50%) improvement in guest satisfaction as measured by corporate standards" in one year. A strategy that has the potential for increasing guest satisfaction perceptibly should be looked at closely,
particularly if it has the potential of increasing or maintaining sales through repeat or new business.

"Creating Breakthrough Services" or "Service Breakthroughs" is explored by Heskett, Sasser, Hart (1990) as an approach for creating "results that often exceed reasonable expectations". They reinforce Carlzon's (1987) emphasis on "moments of truth" in that central to outstanding service delivery is what they term as the service encounter which they believe is "at the heart of every service is the service encounter. It is the point in time at which especially marketing, operations, and resource management are brought to bear on the process of creating and delivering at service that meets customers' needs, perceived risks, and expectations." (This statement also reflects remarkable congruency with Albrecht (1988). Heskett, Sasser, Hart (1990) continue on writing that "empowering, teaching, and supporting service personnel are particularly important in situations where there is little time to refer decisions to higher authority, where direct supervision is difficult, and where the first-line service personnel are the company in the eyes of the customer." The hotel business fits this model with great exactness with the positions of doorman, bellperson, guest service attendant, guest room attendant, and maintenance person. Again, the theme is presented which includes using empowerment as part of a strategy to achieve superior guest satisfaction and the concomitant superior financial results.
The need for a changed and improved approach to increased productivity in the United States has been subject for much discussion by writers knowledgeable in these areas. One of the early practitioners to link empowerment as a valuable tool for change was Kanter (1983). At that point in time, the concept had been developed to investigate how entrepreneurial managers go about gathering "enough information, support, and resources to proceed with an innovation" and not to empower the front line employee. Kanter goes on to discuss the use of participative teams to bring into being new ideas and adds that "masters of change are also masters of use of participation".

For Plunkett and Fournier (1991) "empowerment is a means to achieve participative management" and "empowerment and involvement become the building blocks for a participative management philosophy" which demands that organizational decision making be made in such a way that input and responsibility are extended to the lowest level appropriate to the decision being made." Of major importance as an additional tool is the use of teams which relates to Kanter's earlier concept.

In "Empowered Teams" -- creating, self-directed work groups that improve quality, productivity, and participation -- Wellings, Byham, Wilsen (1991) discuss what may be today the forefront of the use of empowerment. The authors state that based on their research, using Edward Lawler (cited in Wellings, Byham, Wilson 1992) as a source, that approximately two percent (2%) of the working population in America
is organized into teams which in this instance are "self directed". The range of "self-directedness" is very broad and at its simplest approaches the function of a traditional team. The increased levels of "self-directedness" are directly proportional to the increased levels of empowerment. Included in their book is a survey of current self-directed team practices. The writer interviewed Richard Wellins to determine if hotel companies were included in the 1,034 replies received by the authors. Unfortunately, they were not. Also, my research was unable to locate any literature or actual usage in the hotel industry of self-directed teams. The present conditions seem to match well the circumstances outlined by Barker (1992) to determine if a paradigm shift is occurring in the United States to the use of teams and/or self-managed teams. While the writer has extensive first-hand knowledge of the hotel industry extending over 35 years, he is unaware of any operation making any extensive use of teams and definitely not self-managed teams. Often, Executive Operating Committees (EOC) contain a number of the elements of a team but may, or may not, be using the concepts of participative management. While the term team is often used by hotel managers to describe the total operation or a department of the operation, it is usually a generic usage and almost certainly would not meet the criteria for teams established by Plunkett and Fournier (1991) or Wellins, Byham, and Wilson (1991).

As indicated earlier in this review, the need for change in America during the late 1970s and early 1980s (Levitt, 1975, and Kanter, 1983) was being stressed and
in 1987 Peters outlined a prescription or plan to meet these challenges. This plan specifically included empowerment as a vital process which additionally included the necessity to reduce the organization structure, reconceptualize the middle manager's job, and revamp procedures and denigrating working conditions.

In 1988, Greyson and O'Dell sounded an urgent warning with a judgment that "the industry glory of America is departing" and continues on to provide facts regarding productivity, standard of living, debt, profits, and savings all of which show a crucial need for improvement.

Discussing the service worker, Drucker (1991) believes that it is a time for a "productivity revolution". In the manufacturing model it is possible to substitute capital for labor, but that is primarily not true in the service industries. Drucker (1991) indicates that the underlying condition to achieve a "productivity revolution goal" will require that management must "form a partnership" with the service workers.

The continuing financial condition specifically relating to the hotel industry was illustrated by Fox (1992) that in June, 1992, it was estimated between 60-65% of the hotels in the United States were not performing on their mortgages. Therefore, the hotel industry needs to devote its efforts to developing any tool,
concept, or process, such as empowerment which appears to have the potential to positively impact guest satisfaction and the profit line.

Garwood (1991) presents the belief that business can no longer delay applying empowerment to their organization since it offers a way to eliminate unneeded costs, and react rapidly to changing market opportunities. Also, empowerment is a technique to improve quality. Blanchard (1991) continues this theme of empowerment as a cost cutting tool and provides some guidelines. Blanchard (1991) indicates that those jobs whose purpose is to find something wrong (inspectors) or those positions that impede or disempower people should be primary candidates for reduction. As another way to lower costs, Horgan (1992) outlines hotel firms using empowerment to reduce labor turnover costs. Eisman (1991) also found that empowerment could be used to reduce turnover based upon the experiences at Guest Quarters Suite Hotels. Additionally, in Sternburg's (1992) writing, states that productivity can be improved and cites several examples of savings that occurred when employees are empowered to recommend changes and put them into effect. Further profit enhancement was found by Boraban (1992) when the Hyatt at Fisherman's Wharf used empowerment as a marketing strategy. Thus it would appear that empowerment has the potential to reduce costs, improve profits, and increase sales.
A relatively new concept for increasing profitability is the development of a system to convert dissatisfied customers into loyal and happy ones. Recognizing that in the service encounter with the customer errors do occur, companies should develop measures to counteract a damaged customer relationship. Hart, Heskett, and Sasser (1990) have developed the phrase "service recovery" and they believe that businesses must make all employees aware of this focus. This would be accomplished through training which empowered the employee with the incentives, responsibilities, and authority to attend to the customer's needs. Inherent in this concept is a recognition that zero defects is not an achievable goal due to uncontrollable variants. Also, there is a tendency of many companies to underestimate both the long term potential profitability of a customer and the total costs of error adjustment. The authors strongly emphasize the necessity for employee empowerment as a main component of a service recovery system which concentrates on the customer's needs and allows and mandates that the employee should respond to it.

How does a company embark on an employee empowerment approach? Certainly, the vision, the values, the purpose, and the goals must be very carefully thought through. The costs and the benefits must be analyzed and evaluated and a broad time line for implementation developed. The possibility may well exist that for either philosophical or financial reasons that a company will choose not to go forward. The more traditional a company is in its culture, the greater the difficulty
will be the change to an empowerment approach. The plan to change should envision a long term commitment and not be a management response based on the present popularity of the empowerment concept.

While the vision and values are essential for initiating an employee empowerment option, there are a number of other common elements in most empowerment approaches which are significant factors. Perhaps the primary necessity is a commitment from the very highest level of management and this commitment needs to be based on a clear understanding of such elements of cost, organizational resistance, and the timeframe to implement. The broader the organizational usage of empowerment concepts, the greater the degree of commitment is necessary. As Brymer (1991) indicates that conditions of success would require a top level commitment, shared vision of key management, and the establishment of finite goals.

Equally important here are conditions which enhance the experience of empowerment as well as conditions that create a feeling of powerlessness. Some negative conditions are major changes in the organization, authoritarian management styles, management approaches emphasizing failure, inappropriate reward practices, and position designs which are unclear or unenriched. Conversely, conditions which value self-determination, cooperation over competition, open communication, high expectations, and realistic goals are considered positive. Conger and Kanungo (1988)
develop all of the above in greater detail. Brymer (1991) also places emphasis on the negative aspects of reprimands or criticism of actions when the employee believes himself to be acting in an empowered manner. Tracy (1990) writing in this same context states that the employee should feel that he has "permission to fail". Sternberg (1992) also supports this view.

The creation of trust is one of primary necessities for the successful implementation of an empowerment philosophy and, to a certain extent, is related to reducing or eliminating the fear of criticism or reprimand. Apparently, the need for establishing a climate of trust can hardly be overemphasized. Considering the major company reorganizations and layoffs that have occurred and continue to occur in the United States, it would seem that creating a culture which embodies trust will be difficult for many businesses. Since the hotel business has been particularly hard hit financially over the last three years, it would appear the hotel industry will have a particularly difficult struggle to achieve an atmosphere of trust. This subject has been addresses by Carr (1991), Tracy (1990), and Sternberg (1992). Apart from the requirements of trust, and permission to fail, Tracy (1990) adds the need for respect. With these organizational contexts present, Tracy (1990) indicates that defining responsibilities, assigning authority, setting standards of excellence, providing training, giving knowledge and information, and providing performance feedback will provide the framework for empowering employees.
Another context which empowerment plays an important part is Total Quality Management (TQM). Considering the broad acceptance of the value of TQM by general industry and segments of the hotel industry, the use of empowerment in the TQM approach only adds to its value of the empowerment philosophy. Walton (1991) indicates the founder of TQM, Dr. W. Edwards Deming, uses empowerment as a basic concept in his methodology.

The kinds of organizational environment which give rise to the successful use of empowerment for employees also is the same environment in which participative management exists. Again, this management style has caused much discussion and has enjoyed substantial implementation within the industry. Plunkett and Fournier (1991) also indicate it is their belief that by 1995 that entities which have not adopted increased usage of empowerment and involvement will be among the minority. (Based upon the writer's experience and knowledge of the hotel industry, many hotels will be the exception which will continue the past trends of the hotel business of being a distant follower rather than being a leader in management applications.)

Much of the published material is devoted to how organizations can empower the individual providing the tacit implications that without substantial organizational sanctions and participation that individual empowerment either can't or won't occur. Block (1987) is a strong advocate of individual empowerment and also believes it is a necessity in today's economic environment. He further believes that to wait for the
organization to promulgate the concept of empowerment may be to anticipate a time that will never come. Block (1987) also states that all empowerment begins with a very powerful vision and that for the individual to begin to create his own future that he will probably have to start by acting autonomously. He is very much aware of the risks that are perceived to be involved but suggests that they are perhaps substantially less than they are believed to be or exist to some extent anyway. The basic thought is that organizational politics usually works against people taking responsibility and that a positive way to be political can be evolved.

Manz (1992) postulates that the core of an empowerment effort should be employee self-leadership which can be developed by behavioral methodology, consideration of natural rewards, and support thought techniques. He also indicates that empowerment requires the individual to act autonomously and that these are skills which are rarely taught.

The literature review covered to this point has indicated potential or purported benefits from the use of an empowerment philosophy such as improved guest service, greater repeat business, leaner organizations, and lower turnover. Yet, great care needs to be taken with the design and implementation of an empowerment approach or the organization can be negatively impacted. Conger and Kanungo (1988) have expressed concern that empowerment might cause overconfidence which could result in misjudgments. Kiely (1992) highlights the fact that employees in
companies that received or sought the Malcolm Baldrige quality award were uneasy with the additional responsibilities they were given. Further warning signals are communicated by Brown (1992) when she found that a study by Carnegie Mellon University had tentatively indicated that programs with employee involvement elements were less effective in improving productivity than union efforts. Brown (1992) also points out that there is a tendency for upper level managers to use only those parts of the program with which they are comfortable. Kaplan (1991) believes that higher level managers may be reluctant to empower subordinates because their egos are not strong enough to handle a transfer of control.

Much mention is made in the literature about the belief that guest satisfaction will be improved when an empowerment option is introduced. Yet, King (1991) in her study found "only slight support for the theory that empowerment of the employees improves guest satisfaction". In an interview with Dr. King, she indicated that the twelve hotels included in her study already had achieved what she classified as a high guest satisfaction rating and that the range between the top and bottom hotel was relatively narrow. Therefore, the possibility existed that the impact of an empowerment policy would be harder to measure in hotels who already had an above average guest satisfaction rating. (The study did not attempt to measure if there was a relationship between empowerment options and increased repeat business.)
Because the writer has a strong belief in the value of an empowerment philosophy which include participation, there also had to be a rigorous requirement to seek out research which would validate these beliefs. (Value is defined as contributing positively over the long term to the productivity, therefore profitability, of the organization.) The results of the search have been reviewed in this chapter with one exception which follows. Whyte (1990) has concluded that after numerous analyses and cases that it is not possible to support a generalization concerning the relationship between productivity and participation. He also believes that people in many organizations have already accepted that participation has positive value when properly used. Thus, one task of the researcher is to understand "what processes of organizational learning enable people to apply the lessons derived from one situation to other cases".

Thus, as Whyte (1990) has indicated that while it is at best difficult to measure the effectiveness of participation which include empowerment both the popularity of the empowerment concept and its possible value warrant further research. Since there is a paucity of research relating to the aspects of empowerment in the hotel industry, additional investigations which will provide further insight into the theories, assumptions, and speculations contained in this chapter should be undertaken.
CHAPTER III

METHODOLOGY

With the dearth of research in the hotel industry relating to empowerment, a pilot study may assist in documenting the need for additional research on operating management's knowledge of, understanding of, and application of empowerment. The methodology used in this study comprises of: (1) selection of the sample and (2) instrumentation: design, testing, and finalization of questionnaire.

Due to the almost complete lack of research of empowerment in the hotel industry, and even the broader term of hospitality industry, the research survey of the study has no previously established pathways to follow. Since the hotel industry is a 24-hour a day, seven day a week industry, the use and application of empowerment has features of uniqueness. These are in uses and applications of empowerment generally and its interfacing of the employee and the guest (customer) in particular. There is a possibility that this research into hotel management's understanding, application, and use of empowerment may be the initial empirical study.

The Sample

Since food and beverage operations represent a significant demand on operating management's efforts and a substantial percentage of hotel employment, only those hotels having some form of food and beverage operations were included
in the sample. The quality levels ranged two star to five star properties; the number of rooms per property varied from 186 to 1912; the market segments varied from major group/convention orientations to individual travelers only; all properties were major urban with the exception of one resort conference center.

It was felt that by selecting very professional and experienced general managers or senior operating executives (at least five years as a General Manager) that this group would be most knowledgeable, have the most understanding, and have applied empowerment. Therefore, if significant negative findings resulted from this group, research encompassing a substantially wider sample might not be warranted.

Eleven properties were selected using the 1992/1993 Membership Roster, Buyer's Guide and Legislative Directory of the New York State Hospitality and Tourism Association. Since all the hotels in the Membership Roster, September 1992, Officers, Directors, Membership, of the Hotel Association of New York City, Inc., are also State Association members, the remaining ten properties were further screened using this roster. One resort conference center was chosen which was located in Westchester County.

The operating head of each of the properties (General Manager and higher) agreed to participate and was sent the survey via facsimile machine.
The Research Instrument

The instrumentation was developed to achieve the following objectives relating to empowerment:

1. awareness
2. range of choice of definitions
3. applicability to property operation
4. degree of applicability
5. departments and/or positions involved

A list of questions was initially developed and tested on a knowledgeable person in the hotel industry (support position to Vice President of Operations). This resulted in the first revision which was then retested on a General Manager (GM). (This GM was purposefully omitted from the eleven selected participants to preclude bias or skewing of the results.) Again, the results were revised and tested on an Assistant to the Vice President and GM of an operation. This resulted in the final instrument consisting of a survey (Appendix A) of ten questions. The questionnaire was limited to two pages in the belief that the number and completeness of the responses would be higher than with a questionnaire of greater length.
The functions of the questions are:

1. General awareness
2. If awareness exists, choice of a definition, of which one does not describe actions of empowerment
3. If awareness does not exist, choice of a definition from above
   Cessation of survey if non-empowerment definition chosen
4. Choice of definition applying to property operated
5. Choice of definition to implement in property operated
6. Degree of implementation, if any
7. If no implementation, choice of time ranges to begin.
   Cessation of survey if no implementation yet
8. With implementation, positions affected
9. Methodology used to implement
10. Choice of time ranges to implement

These questions were designed to provide some analysis of empowerment in the hotel industry relating to management's general awareness, degree of implementation, and positions affected. The scope and size of study were limited due to the investigation being exploratory in character. There has been little, if any, research conducted on this subject in the hotel industry. Information resulting from this study, perhaps, will give direction, insight, and provide guidelines for further research in this area.
CHAPTER IV
THE SAMPLE

The survey instrument of the pilot study was sent by facsimile to eleven properties which had agreed to participate. Ten properties, or 91%, responded. Of the responding properties, 100% had food and beverage operations of some type. 30% of the properties were owned and operated by national chains, 40% were wholly owned and operated by small or regional chains, and 30% of the operations were owned and operated by independent organizations (no franchises). 100% of the respondents were the operating heads of the properties and 40% of them also had multi-property responsibilities. The properties also indicated their latest rating from the American Automobile Association. (The rating system uses diamonds and ranges from one as the lowest to five as the highest.) 50% of the properties were four diamond, 30% of the properties were three diamond, and 20% were unrated.

Summary of Participants

All of the respondents indicated that they heard of empowerment as it relates to the hotel business. Respondents were presented with a choice of definitions of empowerment or to write in their own. 50% of the people who replied chose the definition that whenever an employee encounters a guest problem, the employee is given greater authority to solve the problem than they had in the past to solve the problem before taking it to someone else (often the supervisor). 20% selected a
definition which included the preceding but added to the definition that a major effort is made to restructure operations and position descriptions such that any problems or needs of customers can be solved at the lowest possible level. Another 20% chose a definition which added to the preceding that employees must participate in the input and decision making process relating to operational and position description changes. No selections were made of a definition which was a description of a practice or procedure which would be characterized as having no of little empowerment. No write in occurred; and, only 10% did not make a selection. (This respondent incorrectly answered another question but indicated a selection of two definitions both of which would be characterized as containing empowerment.)

Respondents were now asked if any of the definitions previously given applied to their operation. All answered affirmatively.

Next the respondents were requested to choose which definition should apply to their operation. Half chose "greater decision making authority is given to the employee to solve the problem before taking it to someone else (often the supervisor)". Another 20% added "believe a major effort is made to restructure operations and position descriptions such that any problems or needs of customers can be solved at the lowest possible level". 10% chose a combination of these last two definitions. The remaining 20% chose the definition that added "employees must participate in the input and decision making process relating to operational and
position description changes". Interestingly, 20% of the respondents chose a different definition to apply to their operation than the one chosen as a general definition of empowerment. 10% chose a definition with greater empowerment and 10% with less empowerment.

The respondents indicated if they had actually put into effect empowerment in their property and if it was in effect to choose the appropriate percent range of completion. All had begun to put empowerment into effect; 40% were between 1-25%; 30% indicated 26-50%; 10% from 51-75%; 10% from 76-99%; and, 10% were 100% completed.

At this point, 10% of the respondents did not complete the remainder of the survey. Respondents now selected various classifications of positions which would be affected.

The replies are summarized below:

a. Everyone 11%
b. Guest contact people only 33%
c. Department heads 78%
d. Front office 67%
e. Housekeeping 11%
f. Maintenance 22%
g. Waitstaff  
   0%

h. All food and beverage  
   0%

i. Accounting  
   22%

j. Sales  
   33%

k. Other  
   11%

Of the methods of effecting empowerment, 89% of the respondents were "doing it in house" and 11% were using consultants.

The last question asked the respondents to choose a length of time to complete the empowerment program. The selections were as follows:

a. 0 - 3 months  
   0%

b. 3 - 6 months  
   33%

c. 6 - 12 months  
   45%

d. 12 - 24 months  
   11%

e. Other  
   11%

The "Other" response could be summarized as "ongoing".
CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

One of the previously stated purposes of this pilot study was to ascertain limited and preliminary indications if hotel management believes in empowerment. Considering the size and selectivity of the sample, there are indications that hotel management does believe in empowerment. All of the respondents were aware of the concept as it applied to the industry and on the cross check question 100% of them chose a definition that indicated they understood at least a minimal degree of empowerment. Perhaps even more importantly, 100% of the respondents stated that empowerment applied to their operation and 100% indicated they already had begun applying empowerment to their operation. These responses appear to be completely congruent with first hypothesis which anticipated that management believed in empowerment.

First Hypothesis: Management Believes in Empowerment (Figure 1)
Current Status of Empowerment Implementation

Extent of Implementation

- 1% to 25%: 4 hotels
- 26% to 50%: 3 hotels
- 51% to 75%: 1 hotel
- 76% to 99%: 1 hotel
- 100% Completed: 1 hotel

Number of Hotels
The second hypothesis postulated that few if any jobs are changed substantially when applying some form of empowerment. The analysis reveals that 50% of the respondents anticipate a major change in the job structure and position descriptions. This finding provides a positive indication that more than a "few if any positions will change" and therefore the second hypothesis is probably not correct.

The above information reveals that one-half of the sample indicated major position changes. In relating the balance of these replies to the positions that would be affected, 20% did not respond to this question. Of those respondents who answered the questions, the results are below (Figure 2):

a. Guest contact people only 75%
b. Department heads 75%
c. Front office 50%
d. Housekeeping 25%
e. Maintenance 25%
f. Six other categories 0%

The preceding information directly addresses another stated purpose of the study which was to attempt to determine what position changes occurred if management believed in empowerment.

While it is important for management, especially department heads, to be thoroughly acquainted with the concepts of empowerment, particularly in those hotels expecting major job or position changes, the focus of empowerment in terms of frequency or customer or guest contact is the non-management employee. (The
Positions Currently Affected

FUNCTIONAL UNITS

- Everyone: 11%
- Guest Contact: 33%
- Dept. Heads: 67%
- Front Office: 78%
- Housekeeping: 11%
- Maintenance: 22%
- Wait Staff: 0%
- All F&B: 0%
- Accounting: 22%
- Sales: 33%
- Other: 11%
function of the department head in this environment is to support, facilitate, and train the employees.) Therefore, when the positions anticipating major change are analyzed, eliminating the Department Head category, the two largest are: guest contact people only (75%) and front office (50%). There is obviously an overlap in positions between the two categories. With this background, it seems fair to say that the majority of jobs or positions anticipating major change are in the front office classifications.

If this premise is accepted, there is a limited indication of agreement with the third hypothesis that the jobs changed will be primarily in the front office.

11% of the sample selected everyone to be involved in an empowerment program and, appropriately, no other position categories were selected. Of the balance, of the sample, 89%, no one selected either the categories of All Food & Beverage, Waitstaff, or wrote in a category in the food and beverage function. Considering the high degree of guest contact and the potentially large number of guest issues that could arise, this omission seems to be significant. It's importance is additionally increased when the proportionally large number of staff in the food and beverage operation are compared to the total employee population of the hotel.

Again, if the 11% of the replies selecting the everyone category are eliminated, only an additional 11% chose the Housekeeping area. This department
is also large and has direct responsibility for an extensive number of guest related services.

Depending on the type of the hotel, the Housekeeping and Food & Beverage departments normally are the two largest groupings of employees and often represent 60-70% or larger of the total employee population and many of their responsibilities relate directly to the quality of the guest experience. Yet, these departments are given minimal exposure or training in empowerment concepts.

With 11% of the sample having completed an empowerment training and another 78% stating they will have completed an empowerment program within the next year, this means that a vast majority of participants (89%) state they will have some form of an empowerment program fully implemented within the next twelve months. These statistics provide a limited indication of the possibility that a potentially significant number of hotel managers are presently using empowerment concepts, in varying degrees, and believe in the value in some form of empowerment application.

Recommendations

This was probably the initial study into this area and provides only very tentative conclusions. There does appear to be justification to expand the size of the
study both geographically and to additional market segments: one and two star operations, suburban and highway, and limited service and budget.

A study into the rationale for the low inclusion of any segments of the Food & Beverage and Housekeeping operations seems warranted considering the significant numbers of employees and their guest contact potential.

Since 89% of the respondents indicated that they were implementing their empowerment programs in house (not using consultants) the techniques or methodologies being used could be investigated with objective of developing a generic set of procedures for general usage in the hotel and/or hospitality industry.

There are limited and early indications that some form of empowerment in being used in some degree as indicated by a 100% response. A study which attempts to measure the value of empowerment concepts is strongly needed. One basis for measurement might be a guest satisfaction index, another might be the change in repeat business, and a third could be shifts in the rate of employee turnover.

Other industries have applied the empowerment practices to the concept of the internal customer. Since the respondents tended to focus upon positions with high guest contact, it would appear that there was a possibility that the respondents
either were unaware and/or placed little value on this concept. A study into this area might indicate a need for additional education in the hotel industry.
REFERENCES AND BIBLIOGRAPHY


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APPENDIX A

Questionnaire
The information requested below has no right, wrong, or preferred response; just "tell it like it is". Please read this entire survey before starting.

1. Have you heard about "empowerment" as it relates to the hotel business?
   a. Yes  
   b. No  

2. If you answered "No" to question 1, please read but DO NOT ANSWER this question. Which, if any, definition below most closely fits your understanding of empowerment? (Please circle the letter.)
   a. Whenever an employee encounters a guest problem, they should try to solve it and, if they cannot, they should immediately report it to someone else (often the supervisor).
   b. Same as "a" but greater decision making authority is given to the employee to solve the problem before taking it to someone else (often the supervisor).
   c. Same as "a" but believe a major effort is made to restructure operations and position descriptions such that any problems or needs of customers can be solved at the lowest possible level.
   d. Same as "a" but employees must participate in the input and decision making process relating to operational and position description changes.
   e. Other________________________________________________________

3. If you answered question 2 please omit this question and go directly to question 4. While you may not have heard of empowerment, do any of the statements in question 2 describe your beliefs?
   a. Yes  
   b. No  

   If yes, which description?
   a.  
   b.  
   c.  
   d.  
   Other________________________________________________________

If your definition selection in questions 2 or 3 was selection "a", then you have completed the information needed and should stop here.
If your definition selection was "b" to "e", please continue.

4. In selecting "b", "c", "d", or "e", you have indicated some knowledge of some aspects of empowerment. Are one of these definitions applicable to your operation?
   a. Yes  
   b. No  

   If you have answered "No", please stop now.
5. Which selection should be applied to your operation?
   b. _____  c. _____  d. _____  e. _____

6. Considering the large amount of pressure which currently exists to cut costs and to accomplish tasks immediately, the opportunity to put into effect you selection in question 5 may not have occurred. Please indicate the current status of your property:
   a. Not begun
   b. If started, choose percentage of implementation and skip to question 8.
      1% - 25% _____
      26% - 50% _____
      51% - 75% _____
      76% - 99% _____
      100% _____

7. If you answered "a. Not begun" in question 6, what is your estimate when you will begin?
   a. 0 - 3 months
   b. 3 - 6 months
   c. 6 - 12 months
   d. After 12 months

This completes your section of the survey. Please do not continue.

8. Since you have begun putting your selection in question 5 into effect, which positions are are currently effected?
   a. Everyone
   b. Guest contact people only
   c. Department Heads
   d. Front Office
   e. Housekeeping
   f. Maintenance
   g. Wait Staff
   h. All Food & Beverage
   i. Accounting
   j. Sales
   k. Other

9. The methods of putting the selections into effect are:
   a. Using consultants
   b. Being done in house
   c. Consultants and in house
   d. Other

10. Indicate the estimated length of time to put into effect
    a. 0 - 3 months
    b. 3 - 6 months
    c. 6 - 12 months
    d. 12 - 24 months
    e. Other _____ months

Thank you very much for your time and cooperation.