

Managing people

Within the hospitality industry virtually everybody works in groups of interdependent individuals. A key feature of much of the industry is the fact that most work people are very dependent, in an immediate sense, upon the work of colleagues. It is this working of interdependent individuals, brought together as groups, which determines the success or failure of many enterprises. The success of the group in turn is dependent upon the ability of some individuals, the managers or leaders, to lead such groups to achieve desired results.

What makes a person a successful manager or leader of others has, no doubt, been a subject of discussion since the time people began to live in organized societies. At one extreme are leaders who are in positions of power and leadership as a direct result of their personalities. This is referred to by some as 'charismatic' leadership. At the other extreme are managers who rely on strict procedures and peer support in their approach to management. This is often referred to as 'bureaucratic' management. As mentioned in Chapter 2, there are other approaches too. Figure 20.1 identifies some of the more common approaches.

With such a variety of different approaches it is not surprising that people are constantly asking which of these is the most likely to be successful, and it is not surprising either that there is no clearcut answer. What may be successful in one situation may well prove a failure in another set of circumstances. For example, the type of leadership or management needed on the flight deck of an aircraft coming in to land will be very different from that needed in leading a team of architects designing a new building. Likewise the management skills needed to manage a fast food outlet will be very different from those needed to manage a small directors' dining room. Figure 20.2 illustrates some of the many factors that interact in any group/leadership situation.

Charismatic, Paternalistic, Bureaucratic	(Weber)
Theory X ——— Theory Y	(Douglas McGregor)
Exploitive authoritative, benevolent authoritative, consultative, participative group	(Rensis Likert)
Autocratic processes, consultative processes, group processes	(Vroom)
Relationship motivated – task motivated	(Fiedler)
Concern for people – concern for production	(Mouton and Blake)
Sociotechnical system	(Trist et al)

Note: All of these are described in more detail in *Writers on Organizations*, edited by Pugh and Hickson; details in the reading list to this chapter.

Figure 20.1 Some of the more commonly described approaches to management

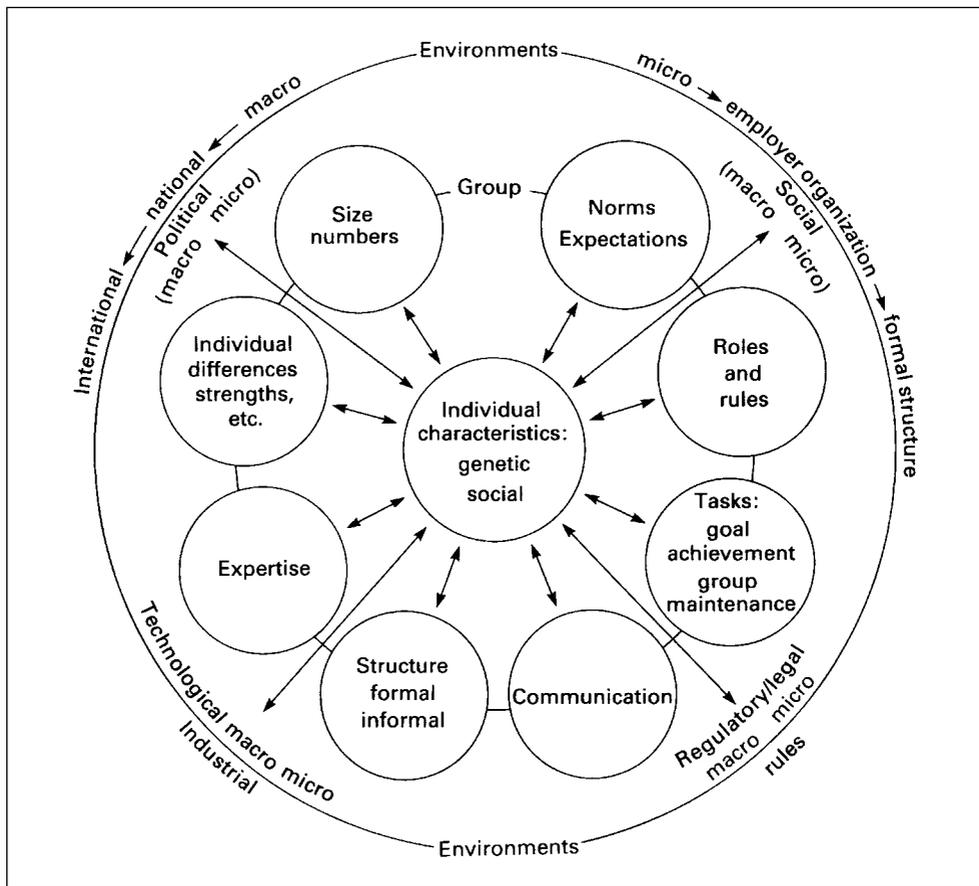


Figure 20.2 Leadership interactions

Individuals and leadership

Considerable research has been carried out to identify which traits contribute to an individual being a leader or a follower. One example is the work of the armed services, which subjects applicants for officer status to a series of tests lasting several days. The works of J. Munroe Fraser (five-point plan for interviewing) and the National Institute of Industrial Psychology (seven-point plan), discussed in Chapter 5, set out to evaluate both genetic and social or cultural factors, some of which may contribute to leadership abilities.

In looking at these different approaches it is apparent that a range of different characteristics are evaluated when individual potential is being considered. But in spite of there being a range of different methods of assessing leadership skills, many employers continue to devise their own methods of identifying and measuring management potential and performance (see Chapters 7 and 9). If, in fact, a single set of personality traits did make for successful management or leadership, it is probable that by now some agreement would have been reached, as is more the case with single and maybe simpler personality traits such as 'intelligence'. It would appear therefore that successful management or leadership may not be the result of a simple set of characteristics but is more likely to be dependent upon a whole range of interacting elements.

In looking at the many different contexts in which leadership functions, including business, government, the military, the church, etc., it is not surprising that many different types of approaches to leadership may be necessary. It is also not surprising that attempts to measure and to identify leadership characteristics have been so difficult and largely fruitless. Some of the key elements in Figure 20.2 are discussed more fully here.

The above division between genetic and cultural personality traits is illustrative only. There are conflicting opinions about many of the above traits, e.g. introversion and extroversion may be as much culturally influenced as genetically determined.

The individual

At the individual level there are two main aspects that have to be considered – each consisting of many different elements. First, there are innate characteristics such as intelligence, height and gender. Secondly, there are culturally acquired characteristics such as beliefs, attitudes and values. These are illustrated in more detail in Figure 20.3.

Genetic characteristics

What is inherited genetically may contribute to leadership in a number of different ways. Relevant characteristics include intelligence, gender, height, physical build and even the ability to be persuaded. For example, some research has shown that successful managers generally tend to have above average intelligence and to be above average height. Also males generally are more likely to hold senior management positions than females even when females make up the majority of the workforce. Whilst the reason for this may be more cultural than genetic, a person's sex (which is genetically determined) plays a significant part in determining whether a person will be more or less acceptable as a leader or manager.

Genetically determined characteristics	Culturally determined characteristics
Physical characteristics Gender, race, size, build, motor skills	Values, beliefs, attitudes, expectations, language, accent, behaviour, manners, perception of role, self-image, attitudes to work
Psychological characteristics Intelligence Introvert–extrovert Stable–unstable Creative	

Figure 20.3 Some individual characteristics

It may also be that male aggression or assertiveness contributes to male success in leadership in cultures where competitiveness is a key element in organization culture. Cattell (1957) identifies one factor, factor E, which is concerned with assertiveness, which, to some extent, may also be genetically influenced.

Cultural characteristics

Apart from the inherited characteristics, a society through socialization equips people with a whole range of beliefs, values, attitudes, prejudices and related behaviour patterns. For example, an individual's attitudes towards conformity, punctuality, honesty, work, the opposite sex, minorities, superiors and subordinates are all part of the individual's make-up and stem from the social context in which the individual has developed. For example, certain schools and types of schools build specific career expectations into their pupils, as do most higher education courses.

Groups

In any discussion on management or leadership it is essential to consider the nature of who or what is being managed. In most cases managers manage a range of resources including finance, equipment, buildings, land and a number of individuals, usually organized in a group or groups. Groups are the basic building blocks of society. Groups come in all shapes and sizes and have many different purposes and there are many different definitions of groups. For the purpose of this book, however, a group is defined as two or more people interacting together in order to achieve a common goal or goals.

Such a definition can include as few as two people working together and it can include an organization of many thousands of employees. For the purpose of this book the definition includes both the small group and the larger group, sometimes referred to as an organization, although some differences between groups and the organizations will be looked at later. The reason for this definition is that management, even that of large organizations, function through groups. Most chief executives of large organizations do not manage the organization, they manage a group of senior managers who in turn manage other groups.

Types of groups

The two most commonly distinguished groups are primary groups and secondary groups (Figure 20.4). There is another group called the reference group.

	Socioeconomic	Affiliative
Primary groups	A family	A group of friends
Secondary groups		
Formal	A Trading Company A District Council Trade Union	A sports club A professional body A charity
Informal	A neighbourhood protest group	A group of fellow workers

Figure 20.4 Some examples of groups

Primary groups . . .

Primary groups, of which the family is the best example, have few, if any, clearly written rules. The individual members are kept together through feelings for one another. Friendship groups are another example of a primary group. Objectives of primary groups generally are concerned with relationships between the members.

Secondary groups . . .

Most other groups are formed for social and economic reasons, e.g. profit, fund-raising, education and employment. In general they are more formal than primary groups. As a consequence they have clearly articulated rules and procedures. Typical examples may include schools, employers, sports clubs and professional associations.

Primary groups, such as friendship groups, may form as a result of membership of secondary groups, such as attending the same school or college or working under the same employer. In some cases primary groups will devolve into secondary groups.

Reference groups . . .

A reference group (rather like a role model) is a real or imagined group that has attributes attractive to an individual who may aspire to becoming a member of such a group. Supervisors, for example, may aspire to becoming a member of the management group. The concept of the reference group can be used in a very manipulative fashion. Advertisers, for example, will suggest that the use of certain products will admit users to their reference group. Individuals may have several reference groups. Apart from the many different definitions, there are also many different features of groups which can be isolated for discussion, such as: why do groups form? how do they form? what effect does group membership have on the individuals making up the group? In order that a number of individuals may be described as a 'group' a

number of elements have to be present to a greater or lesser extent. For the purpose of this book, only certain key issues will be discussed.

Features of groups

Shared goals

Ideally all members of a group share common goals. In work organizations the primary goals are likely to be task-orientated, with the making of profits and/or the provision of services as fundamental. The group is created or develops because it is likely to be more efficient than the individuals working independently. In non-work organizations, such as clubs, the goals are likely to be of a personal affiliation/fulfilment nature. In some situations, however, shared goals may hardly be present. In the work situation, for example, the sharing of goals can sometimes be minimal. Some trade unionists certainly do not share the same goals as their employers. Etzioni (1980: see Chapter 2) writes that some managers have a coercive attitude to their workforce and that the work people in such a situation are likely to have an alienative attitude to the management. In such a situation the only shared goal is likely to be to exploit one another to the full. At the other extreme, Etzioni identifies managers with a 'normative' attitude to their workforce, who in turn have a 'moral' attitude to their work. In such cases there is a sharing of common values.

Common values or norms

Ideally, members of a group should hold similar values. Employee selection and induction is largely concerned with identifying and developing individuals who share or will share the same values as the employer. To what extent, however, work people share values with their employers may be very questionable, particularly as a considerable proportion of the total workforce may be peripheral, i.e. drawn from the secondary labour market (see Chapters 1 and 2).

This question of the members of an organization needing to share common goals or values, and all that follows from this, constantly recurs as a major preoccupation of organizations. People with common interests and values alone do not make a group. The readers of a national newspaper, whilst probably sharing many interests and values, can hardly be described as a group. Cooks working thousands of miles apart for the same fast food chain can hardly be described as members of the same group. For a group to exist, there needs to be a common purpose, activity and a relational interdependence.

Communication between members

In order that individuals can work together to achieve their common goals, there will be a need for communication between some of, if not all, the members.

Group size – larger or smaller

Group size is a key feature affecting management. The smaller the group, the easier it is generally to coordinate its activities, and as membership increases so do the problems of coordination and control. Larger groups potentially, of course, can perform more work and have more skills available.

In employing organizations, because each member incurs costs, there is strong pressure to keep groups to a minimum size whilst aiming to have the number of individuals and skills necessary for the tasks to be performed. In other cases, such as trade unions, the pressure will be the reverse, to increase membership size because this increases economic and political power.

Group structure – formal versus informal

Because some individuals in a group will need to communicate – the leaders to exercise control – and because the individuals are interdependent, a structure will be developed. This may be very apparent and formal or it may be very loose, informal and changing.

Whilst larger organizations will set up formal structures that they believe will be most efficient from a task achievement, group maintenance and control point of view, other forces, informal ones, will be at work within the organization.

So, in any consideration of groups the two faces – the ‘formal’, as laid down by senior managers, and the ‘informal’, as determined by the emotional needs and the practical working circumstances – have to be considered.

Group development

A newly formed group of individuals are also subject to a process of development, as the members become acquainted, begin to formulate agreed approaches and develop norms and other shared values across the group. This process can also be difficult and lead to conflict and argument between members. Tuckman (1965) famously described the process as a series of stages, from ‘forming’ (finding out about each other and the task faced by the group), ‘storming’ (internal conflict and resistance), ‘norming’ (developing relationships and norms agreed across the members), ‘performing’ (effective teamwork phase), and perhaps ‘adjourning’ (group disperses, members change). The strength of the cohesiveness and association which can develop must not be underestimated by managers as a type of group culture forms. The power of a strong and effective group is considerable, and in HRM terms is a key factor in influencing reaction to change in the workplace. Another example of management recognition of the importance of groups is where some companies, including hospitality firms, are now involving the work group in the confirmation of appointment of a new colleague.

Group orientations

Groups, in the main, consist of both leaders and those being led, and each develops their own orientations or attitudes to work as well as towards those who work or organize their work. Etzioni (1980: see Chapter 2) describes both managers’ attitudes to their workforce and the workers’ corresponding attitudes to work:

Managers’ power	Worker involvement
Coercive	Alienative
Utilitarian	Calculative
Normative	Moral

McGregor (1960: see also Chapter 2) describes theory-X managers who tend to expect the worst from their workers and theory-Y managers who expect the best. Schein (1965: cited in Pugh and Hickson, 1997) goes further than McGregor and suggests four main assumptions that managers make of their work people:

- *rational-economic* – workers motivated by money
- *social* – workers motivated by work-group relationships
- *self-actualization* – workers motivated by a need to fulfil their potential
- *complex* – other models are too simple; workers are motivated differently at different stages of life.

From these models of attitudes to workers and to work it is apparent that attitudes may be dynamic in the sense that managers can create policies, working environments and styles of supervision that shape the nature of the workers' own attitudes to work and the employer. Furthermore, one of the problems of attitudes (not just to work) is that they may persist long after the reasons that created them have ceased to exist, a phenomenon at the basis of much prejudice.

Communications

Groups exist because communication is possible between individuals. The communication process has important effects on group behaviour and leadership because if information itself is seen as a valuable asset, it is possible to use that asset as a means of exercising control. If, for example, groups are structured as illustrated in Figure 20.5 A, B or C, one person can easily monopolize information (whereas in D all have access to everyone in the group). The person can choose to pass it on or not. There are two consequences of such a situation. First, the person with the information can automatically acquire the role of leader or secondly, a person with certain personality traits, recognizing the power of the position, will move into the focal position.

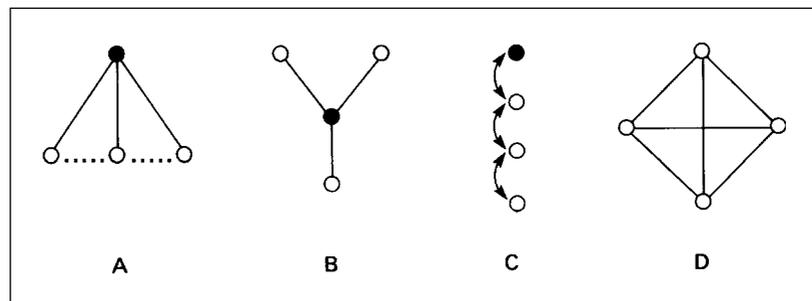


Figure 20.5 Different channels of communication

Communication is a complex subject and much has been written on it. In essence, however, the process consists of information to be transmitted, a transmitter of the information, a means of transmission and a receiver of the information, followed sometimes by feedback that demonstrates whether the process has worked or not. Obstacles to transmission arise, however, including language or cultural differences

and attitudinal or emotional states. Such problems are common in the hospitality industry where managers, employees and customers often come from many different cultural backgrounds and may have very different perceptions. For the customer an undercooked steak may be a disappointment whilst the member of staff might be thinking that the customer is lucky to be able to afford a steak in the first place. Other problems may arise through lack of visual feedback (e.g. a telephone conversation), poor organization structure and timescale problems (e.g. communicating across time zones) (Figure 20.6).

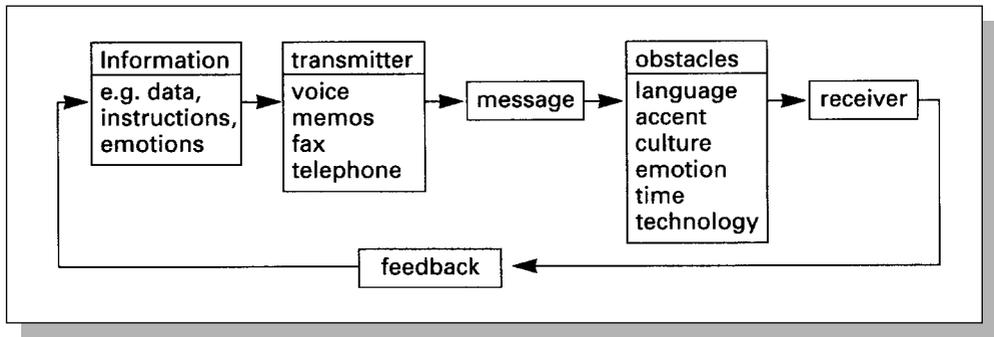


Figure 20.6 The communication process simplified

The hospitality industry depends largely on fast, accurate and reliable information, and many obstacles to such information exist. Managers therefore have to develop ways and means of ensuring that their communications are effective.

Group management

Where large groups of people have to be managed, as is the case with large enterprises, it is most likely that management will be, to a greater or lesser extent, of a bureaucratic nature. The word 'bureaucratic' is not meant in a pejorative sense but describes a particular approach to management, first described by Max Weber (1947). Procedures will be formalized. Decision-making is more likely to be a shared responsibility. Treatment of individuals will be based on clearly defined rules (as has been described in many chapters of this book). The key features of a bureaucratic approach to management include

- vertical authority structure
- maximum specialization
- close definition of duties, privileges and boundaries
- decisions based on expert judgement, technical competence and disciplined compliance with directives of superiors
- impersonal administration of staff
- employment consisting of a lifelong career.

The problem with Weber's view of bureaucracy is that it tends to imply that organizations are rational entities or systems, independent of the people who are

the organization. Another view, that of Silverman, is that to understand organizations, it is necessary to view them from an 'action frame of reference', that is, as the product of the actions of the people who are the organization, pursuing their own objectives. This perspective, when contrasted with Weber's, indicates that organizations are not the rational system that many would like to believe they are, but are the results of the decisions of the leaders of the organization, pursuing their own ends.

Increasingly, however, some organizations are attempting to move away from the traditional hierarchical model so that creativity and innovation are released, rather than stifled by heavy bureaucracy.

Technology

Within an economy many different technologies are used to create goods and services. Different technologies create different organization structures and situations for managers. Joan Woodward (1965), in examining manufacturing industries, identified nine technologies grouped into three broad categories: unit and small batch, large batch and mass production, and process production. Each of these creates different management needs and structures.

Though not all hospitality operations fit into these categories, the industry does have many different market sectors with different technologies, ranging from the small, low volume (unit or small batch), top price restaurant through to high volume (large batch), low price fast food outlets and flight catering (mass production). Each of these creates different situations for management.

The nature of the task

In addition to the individuals and groups being managed, the nature of the task also has to be considered. In some situations, e.g. the reception/cash desk of an hotel at 8.30 a.m. or a busy kitchen at 1.00 p.m., there is little room for debate about how things may be done differently and therefore a strict hierarchical structure may be vital to success. Some of the variables concerned with the task itself include

- pressured – unpressured
- self-paced – externally paced
- skilled – unskilled
- hi-touch – lo-touch (e.g. level of customer contact)
- creative – non-creative
- difficult – simple
- group work – individual work
- perishable – non-perishable (e.g. if not sold today can it be sold tomorrow?)
- low risk – high risk.

Different combinations of the above variables should lead to different forms of management. Skilled tasks will need more investment in training. Group tasks will need more coordination. Perishable tasks (e.g. bedrooms unsold tonight can never be sold again) may need more complex communications and control. High-risk tasks (e.g. preparation of large numbers of in-flight meals) will need very strict systems of supervision and control.

Environment

As the leadership function can only function within groups of people, so too groups can only function within a wider environment. Groups are not closed, isolated systems. They draw from the environment. The environmental factors influencing management of the workforce are listed below (see also Chapters 17 and 19):

- economic
- politico-legal
- technological
- cultural
- demographic
- geographical
- demand for products
- employment legislation
- capital investment
- educational attainments of employees
- employee expectations
- labour supply.

What is a successful management or leadership?

Successful leadership should consist of the ability to achieve specified goals through the proper use of the resources available. For most managers this comprises at least two key elements.

First, there is the achievement of the specified goals, e.g. of a financial or service nature. To some extent the specification of goals and their achievement occurs through job design, performance appraisal and approaches to management such as MbO (see Chapters 3 and 7) and budgetary control.

The other key responsibility is the group maintenance and development role which has been the subject of most of the chapters of this book. Again the achievement of this dimension of management can be measured, but usually with more difficulty, through approaches to management such as performance appraisal and MbO.

Within the hospitality industry it could be argued that there appears to be more effort directed at the former goal than the latter – if the industry's high labour turnover is used as an indicator of the industry's managers' concern with group maintenance and development goals.

Many believe that successful management consists of achieving a balance between task achievement and concern for the group. This has been expressed by Blake and Mouton (1978; see also Pugh and Hickson, 1997), who developed the concept of the managerial grid, illustrated in Figure 20.7.

Other writers on management, including Fiedler, suggest that 'a group's performance will depend on, or be contingent upon the appropriate matching of leadership style with the group and the extent to which the situation provides the leader with influence over the group' (in Jones and Lockwood, 1989). In service businesses like hospitality, the task for leadership is crucial in declaring emphasis and reinforcing

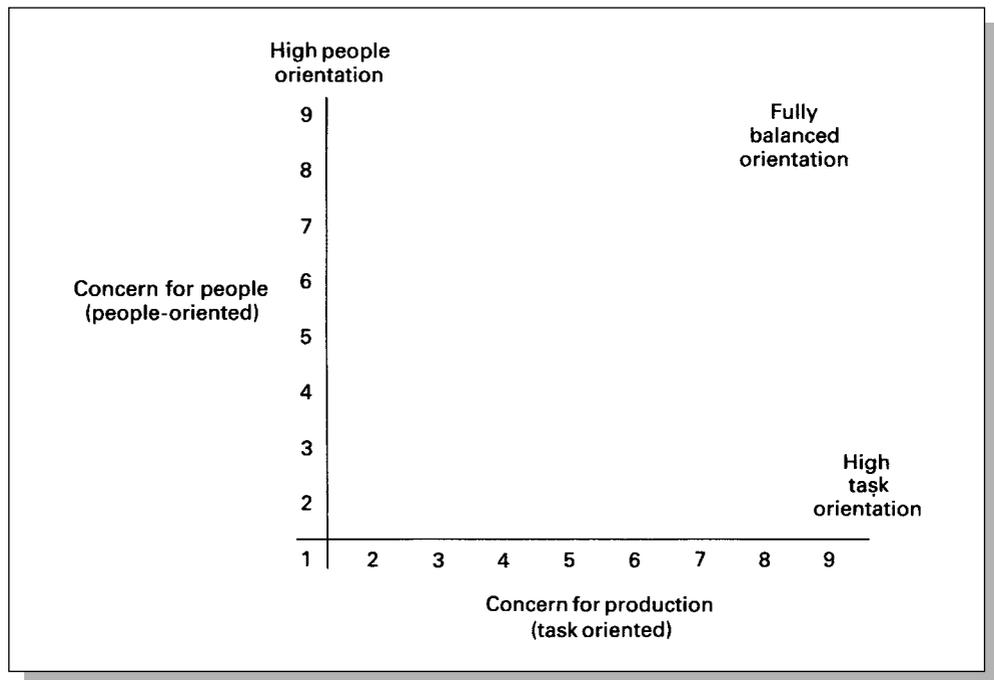


Figure 20.7 The managerial grid

the behaviours, values and culture desired by the business and HR strategy, such as customer care and service (Millett and Marsh, 2001). This may require the leader to be particularly charismatic or transformational (see Robbins, 2005), with a high level of personal credibility and influence over the employees, perhaps personified by the likes of Richard Branson (Virgin), Herb Kelleher (Southwest Airlines), Alan Parker (Whitbread), J. W. Marriott (Marriott Corporation) and Francis Mackay (Compass).

The process of managing groups

The process of managing groups at work has been analysed by many management writers in the past. One of the earlier writers, Henri Fayol (see Figure 2.5, Chapter 2), identified five key steps:

- 1 To forecast.
- 2 To organize.
- 3 To command.
- 4 To coordinate.
- 5 To control.

Another relevant writer is Peter Drucker (1969). Today it is possible to describe the process as a continuous, self-perpetuating process. Figure 20.8 illustrates this process.

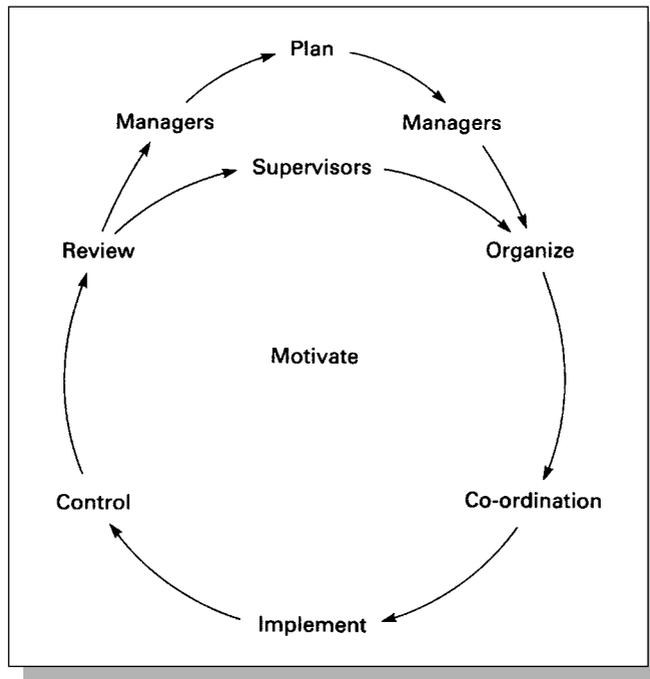


Figure 20.8 The management process

Managers and supervisors

Some argue that managers and supervisors are basically concerned with the same process and that there is no real distinction, apart from location in the hierarchy. However, from Figure 20.8, it can be seen that the main distinction, and an important one, is that managers are concerned with the planning function.

Differences between groups and organizations

Groups and organizations share many features in common. In order to be effective, members of both should have common goals and values. In many ways organizations are extensions of groups. Whereas groups consist of interdependent individuals, organizations consist of interdependent groups with overlapping memberships. Whilst all the individuals are members of the organization, they are also members of smaller groups. The board of directors of a hotel company, for example, makes up the group concerned with the overall direction of the company. Each director, apart perhaps from non-executive directors, in turn is a member, maybe the leader or manager, of specialist departments or groups. Figure 20.9 illustrates this.

From this it is apparent that, although the most junior members may be members of their own work group and of the organization overall, they are not members of 'similar interest' groups; most work people who have much in common, from a work point of view, are not members of a wider work people's group. One of the reasons for the emergence and development of trade unions was a response to the need for work people to form a group or organization with common interests. Some enlightened

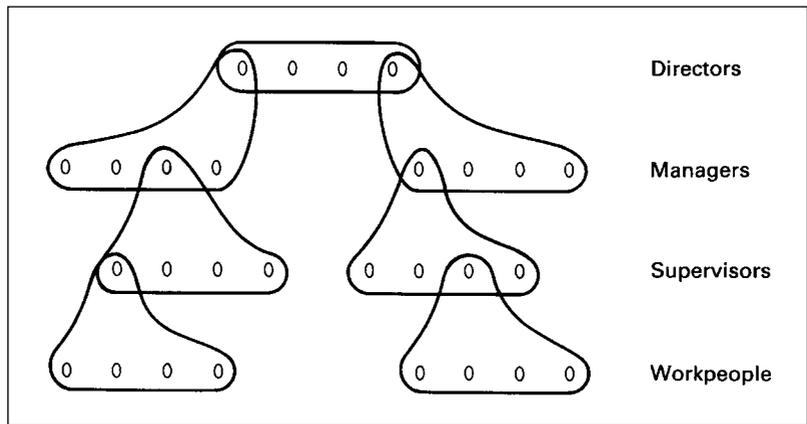


Figure 20.9 Organization and group membership

employers also set out to develop ways and means of making every employee, including even their part-time and casual employees, feel an integral part of the wider group or organization. Such techniques include induction, internal transfers and promotions, joint consultation, staff exchanges, company newspapers, staff parties and dances, staff guilds and interunit competitions of a work or social nature. Some differences and similarities between groups and organizations are summarized in Figure 20.10.

	<i>Groups</i>	<i>Organizations</i>
SIMILARITIES	Members may share common goals and values	
DIFFERENCES	Small	Large
	Simple structures	Complex structures
	Informal	Formal
	Emotional bonds	Economic/social bonds
	Simple decision-making	Complex decision-making
	Short-lived	Long-lived?
	All members know one another	All members do not know one another

Figure 20.10 Groups and organizations compared

Conclusion

Most of this book has been devoted to the various processes used by employers to attract, retain, develop and motivate their workforces. This chapter has focused on considering what is involved in actually managing the workforce and what influences that process. It has suggested that managing work people successfully depends upon a complex consisting of the make-up of the individuals involved, the nature of groups (which is different from the sum of their members), the nature of the work performed by the work people, and the environment in which the performance of the work takes place. The conclusion of this author is that there is

no simple explanation of successful management or leadership, but that, using an analogy that it is hoped will be meaningful to most readers, success in this area is more like a successful meal. The component parts should always be of good quality but the recipe can be different for different situations.

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Questions

- 1 Describe what you consider to be the key features that contribute to effective management of people at work.
- 2 Discuss the proposition that leadership is an 'innate' characteristic.
- 3 What relevance does the 'informal' group have to the manager?
- 4 What effects does the 'nature of the task' have on the management of groups and organizations?
- 5 What effects does the 'environment' have on the management of groups and organizations?
- 6 Design a procedure for selecting individuals with management potential.
- 7 Describe the 'process of managing' and discuss how a manager should relate this to the task and to the people being managed.
- 8 Compare and contrast 'groups' and 'organizations'.