



## Chapter 8:

# MERGE STRATEGIES FROM UNEXPECTED OPPORTUNITIES

Against the common wise and traditional mind-set of management, the strategic process is not something that happens only at the Corporate Offices; between a group of directors reasoning and planning about the best strategy, provided by tons of strategic data. We all have in mind that picture of a strategy planning process in which the strategist is thinking, evaluating figures, weaknesses, strengths, opportunities, competition, threats, reports and different strategic scenarios. Although this scene of strategic planning is true in a way, strategies can also occur from small and unexpected events. This sort of strategy is not planned in corporate offices.

Instead as the traditional strategic process coming from the top, this is a sort of merge strategy, which comes from the bottom. Henry Mintzberg was the first to demystify much of the strategy planning process. Michael Porter developed this strategic process in the 80'. Nowadays, strategy planning has turned out to be only a part of the whole strategy process, it should be seen as just a part of the entire process.

Don't get me wrong, I am not saying that there is no need for the strategy to be planned, and upper management carefully

and thoroughly analyzing and planning in order to make important business decisions. There are many questions embedded when planning any strategy such as, what the business is? Where to invest or where to divest? Where to assign priorities or to better allocate company resources? How are they going to differentiate themselves from the competition? What is going to be the levels of quality and service they'd like to offer to guests, what should the vision and the mission be? I am sure that this part of the strategy is really necessary, but we would be mistaken if we think that's what it's all about. The reality is that, strategy planning is only the 50% of the job.

How is the rest of the strategy developing? Is it also planned by Top Managers? Not really, in fact, it could happen at the bottom of the organization, as soon as managers are very concerned with discovering these types of opportunities. Such business opportunities were unexpected until we started to go deeper through what at first sight seemed to be a potential opportunity.

In Collective Hospitality Management it starts from something small such as a job improvement best practice, to become bigger after it's been shared.



# Conscious Hospitality

Once, it has been proven to be a success and implemented elsewhere we may end up with a global best practices or even to going beyond an become a global strategy.

This small and merge strategy did not come from a logical approach, but instead from a sudden surprise: "Suddenly, the opportunity is there!" Of course we made that opportunity happen, the difference is that we never thought it was going to be that successful; our knowledge service workers made it happen. It wasn't upper management.

Collective Hospitality Management focuses on this type of business opportunity and, indeed, it expects to boost business opportunities throughout the organization. When I am talking about innovation, and constant job improvement, above all, I refer to merging strategies; by a PDCA process, collecting and analyzing guest information, dialoguing, developing ideas, monitoring and testing what has been thought up in the group. Unexpected strategies should come up in greater numbers than in any traditional hotel organization, which operates within the more traditional management premises.

Charles Handy reminded us in this book *Inside the Organization* (1990) that, employees' job descriptions and specifications are after all the last tasks to accomplish when working. But there are many other tasks beyond job descriptions, which are normally unexpected and tremendously productive for the business, if workers initiative gets to them. Managers never thought about them. The opposite of this view of job improvement by workers, is a mechanical and tayloristic hotel organization that doesn't unleash human potential, because they wont never let workers step out –enrich or improve- from

their job description. After all, this is what happens when human capabilities are limited.

Why should hotel and service workers be less capable of higher performance in their jobs? Why is innovation only reserved for technology or technological industries and seems to be less possible in mature industries such as ours?

Throughout this entire innovative management thesis in hospitality I have explained how we can unleash employee potential. It is not an easy path, because everything must start with a deep change in managers' mind set. But it could definitely be a path towards escaping from business obsolescence. Therefore, the purpose of this model in management is to boost Merge strategies.

One merge strategy could start within the marketing and sales department, in certain hotels; together with reception they have discovered this business opportunity by listening to guest feedback and analyzed sing guest information. Or maybe a simple job process improvement in housekeeping has been successfully tested, in a hotel in Asia, saving important costs to the department, then implemented everywhere as the best practice or new standard to follow. Which has started out as an initiative in job improvement saving 4.000€ yearly to that particular hotel, could ended up saving 300.000€ to 75 hotels together. Another idea could also have been developed and implemented within the food & beverage department from a hotel in Madrid. Having been shown to be very profitable, it becomes a global strategy, because this new innovative service could be also very profitable to the rest of company.