

# GLOSSARY

**Action plans** The specific plans that translate the service strategy into guides for employee activity over the coming period, usually a year.

**Apprenticeship** A training process in which trainees spend a set period of time working with an experienced master of the trade.

**Arrival patterns** The patterns describing the number of customers arriving or entering a system in a given period of time.

**Assessment center** A battery of tests used to measure the knowledge, skills, and abilities (KSAs) of a group of individuals; can be used for the purpose of selecting individuals for higher-level positions or as a tool to help develop the participants' careers.

**Audiovisual training** A training process that involves delivering content using video, such as through DVDs or online content.

**Authority-acceptance theory** Chester Barnard's theory of what authority is and why people do or do not accept it.

**Avenger** A customer who has experienced a service failure who leaves vowing never to return, does not complain to the organization, switches to another service provider, bad-mouths the organization, and finds a way to retaliate.

**Basic guest expectation** The fundamental components of the service experience that guests expect at a minimum.

**Behavioral integrity** The fit between what a leader says and what the leader does.

**Behavioral interview** A way to assess an applicant's qualifications on critical criteria that is based on the

premise that past performance is the most accurate predictor of future performance.

**Beliefs** A body of ideas or tenets believed to be or accepted as true.

**Benchmark organizations** Organizations that meet and often exceed customer expectations regarding service quality and value and that have a high degree of excellence in their services, processes, and business support systems; these organizations also frequently have a world-class reputation.

**Blueprint** A flowchart diagram of the events and contingencies in the service process, on paper or on a computer screen, in blueprint format.

**Brainstorming** As a qualitative forecasting tool, a method in which a group of people generate and share ideas in open discussion, in a free-association way, about what the future may bring.

**Brand image or Brand name** Image or name associated with a specific product, service, or organization, used to differentiate the organization's offerings so as to achieve market superiority over competitors.

**Capacity day** The maximum number of guests allowed, by law or by the organization, in a service facility in a day or at one time, used like the **design day** to balance the costs to the organization of excess capacity and the costs to the guest (in terms of quality and value) of inadequate capacity.

**Classroom training** A training process in which content is delivered to trainees using a lecture-based format.

**Coaching** A training process in which the one person who has necessary knowledge to instruct other individuals does so on a one-to-one or small group basis.

**Co-creating** Guest involvement in creating the value and quality of the guest experience.

**Comment cards** A method for obtaining guest feedback, often in the form of a postcard, enabling guests to rate the quality of the guest experience by responding to a few simple questions.

**Computer-assisted instruction** A training process in which a computer program guides the trainee through a preprogrammed training course.

**Co-production** The active producing or helping to produce and deliver the guest experience by guests themselves, ideally to the mutual benefit of guests and the organization.

**Core competency** A specific factor or characteristic that a business sees as being a key strength for how it provides its service product.

**Cost** The entire burden expended by a guest to receive a service, including tangible quantifiable costs (like price) and intangible nonquantifiable costs like the opportunity costs of foregoing alternative opportunities, annoyance at receiving unsatisfactory service, and so forth.

**Critical incident** A significant or memorable interaction point between organization and guest. See also, **moment of truth**.

**Critical path** The sequence of activities from the start of a project to its completion having the greatest cumulative elapsed time, thereby determining how long the entire project will take.

**Cross-functional structure** A method of organizing people and groups so as to enable them to work temporarily across the boundaries or functional units by which organizations are traditionally structured; also, an overlaying of a group or project team upon the traditional functional organizational structure to work on a task for a limited time, which creates multiple lines of authority.

**Cross-functional training** A training process in which the employees move through a series of job assignments in different functions over specific time frames.

**Cross-sell** The use of an interaction with a guest who has come to the organization for one service as an opportunity to sell the guest another product or service.

**Data mining** A largely automated process that uses statistical analyses to search massive datasets for useful and meaningful patterns.

**Daily count** A prediction of how many guests will come into the service location during the whole day arrived at by an information system after a relatively short period of time (e.g., an hour), and based on a combination of actual count, an attendance database, and knowledge of arrival-rate distributions.

**Decision support system (DSS)** An information system that, in addition to providing information, has the capability of responding to information, choosing between alternatives, and either making or helping to make a decision.

**Deep acting** A type of emotional labor in which employees modify their inner feelings.

**Delphi technique** As a qualitative forecasting tool, a rather formal process involving surveying experts to get their individual forecasts, then combining or averaging those forecasts, often followed by another round of estimates based on a sharing of the individual and combined forecasts, the goal being to arrive at a final combined forecast.

**Design day** The day of the year that the organization assumes when determining how much capacity to design for; used to balance the costs to the organization of excess capacity and the costs to the guest (in terms of quality and value) due to inadequate capacity; see also, **capacity day**.

**Differentiation** A strategy designed to create in the guest's mind desirable differences, either real or driven by marketing and advertising, between the service product offered by the organization and other competing services and products.

**Disney's "the show"** Everyone and everything that interfaces or interacts with guests on a Disney property.

**Distributive justice** The customer's feeling, after a complaint or service failure, that the outcome was fair.

**Eatertainment restaurant** A restaurant, often heavily themed, that somehow combines the provision of food and entertainment. It delivers a high-quality meal as well as a show-like experience.

**Econometric models** Elaborate mathematical descriptions of multiple and complex relationships, statistically assembled as systems of multiple regression equations; used in forecasting; see also, **regression analysis**.

**Economic ordering quantity (EOQ)** A model that calculates the optimum reorder size (number of units)

of an item once the reorder point is reached; designed to minimize annual order and holding costs.

**Emotional labor** If employees do not feel upbeat or positive or if their guests are not reciprocally positive, employees must act upbeat, cheerful, and enthusiastic.

**Emotional relationships** Employees' connections with guests.

**Employee development** The use of methods designed to provide present employees with the KSAs they will need in *future* jobs and assignments.

**Empowerment** Giving employees authority to make decisions and gain greater control over their work.

**Environmental assessment** A careful examination of the present opportunities and threats in the external business environment and a forecast of the future environment, within which the organization operates, to determine the impact of external factors on the organization and to discover the key drivers that will satisfy present and future guests; carried out as part of long-term strategic planning and sometimes called *the long look around*.

**Equity theory** The theory that we compare what we get out of an endeavor (the outputs) to what we put into it (our inputs) and draw a conclusion as to the fairness of the outputs.

**Evangelist** Extremely satisfied, delighted guest who takes every available opportunity, and often creates opportunities, to praise the organization and recommend it to friends and acquaintances.

**Expectancy theory** The idea that organizations need to relate employee rewards directly to performance. If employees believe or expect that they can achieve a certain performance level by putting in a certain level of effort, that achieving this performance level will lead to promised rewards, and if employees value these rewards sufficiently, then they will be motivated to put in the effort necessary to get the rewards.

**Expectations** Characteristics that guests hope and assume will be associated with a service experience which drive their evaluation of the quality and value of the service experience.

**External training** Training provided for organizational members by persons or institutions outside the organization.

**Fire the guest** A relatively recent concept involving the refusal to serve certain guests who engage in unacceptable, extreme behaviors; a philosophy contrary to "the guest is always right."

**Fishbone analysis** An approach to problem solving that involves drawing a diagram, shaped like a fishbone, of the problem and its possible causes.

**Fishbone diagram** A diagram, shaped like a fish skeleton, used in problem solving with the problem represented by the fish spine and the possible problem areas attached to the spine.

**Focus groups** As a qualitative forecasting tool, a group of people—frequently guests—discuss with a trained group discussion leader their future hopes and expectations of the organization; often used to sound out guests about planned organizational innovations.

**Forecasting** Process of making predictions of future trends, or the impact of current trends on future business.

**Formal group** A group of employees that exists because of the formal structure of an organization (a company, a shift, a team, etc.).

**Goal setting** Setting goals for individual employees and units. Setting specific goals can lead to higher performance levels than merely setting vague goals and telling people generally to where they are supposed to be heading.

**Guest experience** Defined as consisting of the service product, setting, and delivery system, it is the sum total of the experience that the guest has with the service provider on a given occasion or set of occasions; often referred to as **service experience** in other industries.

**Guest focus groups** A method of assessing service quality in which, typically, six to ten guests gather with a facilitator for several hours to discuss perceived problems and make suggestions. It provides in-depth information on how guests view the service they receive.

**Guest participation** See **Co-production**.

**Guest promise** What you tell your customers that you will do for them (verbally, in writing, and/or through advertising).

**Guestologist** A specialist in identifying how hospitality organizations can best respond to the needs, wants, and expectations of their targeted guest markets.

**Guestology** The study of guests and their behavior—their wants, needs, and expectations—with the aim of aligning the organization’s strategy, staff, and systems so as to provide outstanding service to guests.

**Hiring from within** Filling open positions within an organization with other employees from the organization.

**Hospitality** An industry consisting basically of organizations that offer guests courteous, professional food, drink and lodging services, alone or in combination, but in an expanded definition also including theme park, gaming, cruise ship, trade show, fair, meeting planning, and convention organizations.

**Human resource planning** The process of analyzing an organization’s current human resource capabilities and the organization’s human resources required to meet organizational objectives.

**Informal group** A social group that forms without guidance from the organization.

**Information-lean environment** An environment in which guests are expected to be unfamiliar with the setting, or in which they have to process a lot of information or make decisions.

**Information overload** Literally, too much information; generally referring to a tendency of information systems and their users to generate and send too much information to guests and/or employees.

**Information-rich environment** An environment in which guests are expected to be familiar with the setting or have few choices or decisions to make.

**Information system** A system, often computerized, designed to get the right information to the right person in the right format at the right time so that it adds value to that person’s decisions.

**Informational justice** The customer’s feeling of the adequacy of the information and communication by the organization, especially after a service failure occurs.

**Integrated information system** A system designed to bring together diverse sources of organizational information to enable managerial decisions.

**Interactional justice** The customer’s feeling of being treated with respect and courtesy during interactions with the organization, especially after a service failure occurs; being given the opportunity to express complaints fully.

**Internal audit** A careful examination of the organization’s present internal condition, its strengths—primarily its core competencies—and weaknesses; carried out as part of long-term strategic planning and sometimes called *the searching look within*.

**Internal customers** Persons or units within the organization that depend on and serve each other.

**Internal training** Training provided for organizational members by persons or groups within the organization itself.

**Job analysis** A process through which an organization identifies the exact job specifications and required competencies for a specific job.

**Job performance standards** Standards that can help ensure success by providing employees with clear and specific performance expectations for each major duty associated with their jobs.

**Juran Trilogy** Joseph Juran’s model of quality: planning, control, and improvement.

**Key driver** A primary factor within a guest experience valued highly by the guest and leading to guest satisfaction, determined by surveying and studying guests.

**KSAs** Short for knowledge, skills, and abilities necessary to do a job.

**Low-price provider** An organization that tries to compete within its market primarily by maximizing operational or production efficiencies and minimizing organizational costs so as to offer the same service as competitors at a lower price.

**Management by objectives (MBO)** A process of having each employee set specific and measurable goals and then using the achievement of those goals as a key driver for that employee’s performance assessment.

**Management by walking around (MBWA)** Managers walk around observing the operation firsthand, looking for problems or inefficiencies, talking to guests and employees, and offering suggestions; sometimes referred to as *walking the front*.

**Managing information** Using information systems to get the right information to the right person in the right format at the right time.

**Managing the wait** The organization's use of queuing theory and psychological techniques to minimize the negative impact on guests of inevitable waits.

**Market niche** A gap in a market that an organization seeks out, focuses on, and attempts to fill to attract customers and compete successfully.

**Market niche of one** Identifying the specific needs of an individual customer, and attempting to fulfill those needs to deliver a personalized service experience.

**Mentoring** A process for developing employees, where a formal relationship is created between junior and senior colleagues. The senior colleague (the mentor) gives advice regarding functioning in the organization and career development to the junior colleague (the mentee).

**Mission statement** An articulation of the organization's purpose, the reason for which it was founded and for which it continues to exist; see also **vision statement**.

**Moment of truth** A term coined by Jan Carlzon to refer to any key or crucial moment or period during a service encounter, a make-or-break moment; subsequently expanded by others to include any significant or memorable interaction point between organization and guest.

**Motivation** The drive or compelling force that energizes people to do what they do in a given situation.

**Multi-channel, multi-phase queue** Two or more **multi-channel, single-phase queues** in sequence. The guest waits to get to the front of one line, and then goes to the next available server. After receiving the first phase of service, the guest then gets in another line, waits to arrive at the front, then goes to the next available server/channel to receive the next phase of service.

**Multi-channel, single-phase queue** The customer begins in a single line that then feeds into multiple channels or stations for the service, each staffed by a server. The customer waits to get to the front of the single line, and then goes to the next available channel (server) for service.

**Mystery shopper** Hired or in-house person who poses as a guest, methodically samples the service and its delivery, observes the overall guest service operation, and then submits a report to management.

**Norms** Standards of behavior—spoken and unspoken, obvious and subtle—that define how members (and sometimes guests) are expected to act while part of the organization.

**On-boarding** The process of getting a new employee started in a new company and/or a new job.

**On-the-job training** One-on-one supervised experiences where an experienced employee helps the new employee do the job.

**Organization as an information system** The idea that the organization itself should be considered as, and structured as, an integrated information network or system.

**Organizational culture** The totality of the organization's socially transmitted beliefs, values, norms, and behavior patterns.

**Pareto analysis** A problem-solving technique based on arranging the potential causes of an organizational problem in their order of frequency, from highest to lowest.

**PERT/CPM** PERT stands for Program Evaluation Review Technique, and CPM stands for Critical Path Method.

**PERT/CPM chart** A diagram, usually used in the planning of major projects, consisting of circles representing completed events, arrows representing the activities that must be done before an event can be considered completed, and often including a **critical path** indicating the sequence of events that must occur on time if the project is to be completed on time.

**Poka-yoke** A device or procedure designed to prevent a defect or service failure; “mistake-proofing” in Japanese.

**Positive reinforcement** Providing rewards to employees for organizationally approved behaviors—namely, those associated with high levels of guest satisfaction—to encourage repetition of those behaviors.

**Procedural justice** The customer's feeling that company procedures are fair and not a procedural hassle, especially after a complaint or service failure.

**Process strategies** A means of comparing what is happening in the service experience against what is supposed to happen, usually but not always expressed as a measurable service standard.

**Qualitative forecasting tools** Forecasting tools that use nonquantitative, subjective information to make projections.

**Quality** Special meaning in the services field: The difference between what the guest expects and what the guest gets.

**Quantitative forecasting tools** Forecasting tools that use quantitative, nonsubjective information or data to make projections.

**Queues** Waiting lines.

**Queue discipline** In hospitality settings, the organization's pattern or plan for how arriving guests are served; usually first-come, first-served.

**Queuing theory** The theory of how waiting lines behave; same as **waiting-line theory**.

**Recognition program** A program designed to provide a reward (financial and/or symbolic) to employees who achieve a notable goal.

**Recruitment** The process of finding candidates with the KSAs necessary to fill organizational positions.

**Regression analysis** Reports the statistical relationship or degree of association between one or more variables to predict a dependent variable of interest; used in forecasting.

**Revenue management** Selling the right capacity to the right customer at the most advantageous price, to maximize both capacity use and revenue.

**Ritual** A symbolic act performed to gain and maintain membership or identity within an organization.

**Role theory** The theory of how other people or groups influence us to behave or function in particular settings or situations.

**Scenario building** As a qualitative forecasting tool, a group of people—frequently organizational employees—assume a certain future situation or set of circumstances, then try to assess its implications for the organization; sometimes called *war gaming*.

**Selection** The process of selecting employees to fill organizational positions from the candidates with the necessary KSAs.

**Self-efficacy** The beliefs of employees that their knowledge, skills, and abilities are sufficient to perform at the desired level.

**Service** An action or performed task that takes place by direct contact between the customer or guest and representatives of the service organization which can be provided by a person or via technology.

**Service delivery** The process through which the service product is provided to the customer.

**Service delivery system** The human components and the physical production processes, plus the organizational and information systems, involved in delivering the service to the customer.

**Service encounter** The actual person-to-person interaction or series of interactions between the customer and the persons delivering the service.

**Service environment** The physical location and its characteristics within which the organization provides service to guests; same as **service setting** and **servicescape**.

**Service failure** The organization's inability to deliver the promised service according to its own standards and/or the guest's expectations.

**Service guarantee** An organization's written promise either to satisfy guests or to compensate them for any failure to satisfy them regarding the overall service or particular aspects of it.

**Service innovations** New services or service products that, when first offered, create a new service experience for guests.

**Service package** See **Service product**.

**Service product** The entire bundle of tangibles and intangibles provided by a hospitality organization to guests during a service experience; same as **service package**.

**Service quality** Special meaning in the services field: The difference between the service that the customer expects to get and the service that the customer actually receives.

**Service recovery** The organization's attempt to make right or compensate for a **service failure**.

**Service setting** The physical location and its characteristics within which the organization provides service to guests; same as **service environment** and **servicescape**.

**Service standards** The company's explicit expectations for how the different aspects of the service experience should be delivered every time to every guest.

**Service value** The relationship of the quality of the service to its cost, or service quality divided by cost of service.

**Servicescape** The physical location and its characteristics within which the organization provides service to guests; same as **service environment** and **service setting**.

**SERVQUAL** Standing for "service quality," SERVQUAL is the best-known survey instrument within the services field; measures customer perceptions of service quality along five dimensions: reliability, responsiveness, assurance, empathy, and tangibles.

**Simulation** An imitation of a real or potential problem or organizational situation; can be used to fictional but realistic work environment for purposes of selection or for training.

**Single-channel, multi-phase queue** Two or more **single-channel, single-phase queues** in sequence. The guest waits in one queue for service from a single server, and then moves on to wait in another queue for another phase of service from another single server.

**Single-channel, single-phase queue** A type of queue where there is a single server and a single step.

**Situational interview** An interview that aims to predict performance according to how a candidate would react to hypothetical situations.

**SMART goals** Goals should be Specific, Measureable, Attainable, Results oriented, and Time bound.

**Strategic plan** The specific steps that detail how the organization intends to get from where it is to where it wishes to be in order to achieve its mission and vision.

**Structured interview: guest** An interview conducted according to a set pattern, usually involving a standard set of professionally developed, validated questions designed to gather guest perceptions of service quality.

**Structured interview: job candidate** A job interview conducted according to a set pattern, usually involving a standard set of questions designed to gather relevant personal and job-related data, and intended to ensure that all candidates are assessed consistently according to the same criteria.

**Strategic premises** Assumptions about the future, based on the results of forecasting, on which the organization's strategic plan is based or premised.

**Succession plans** A plan some companies develop in which employee careers are planned over a long period of time, including a progression through a number of key positions or key locations.

**Surface acting** A form of **emotional labor**, where the employee displays emotional responses that guests expect without genuine emotional involvement.

**Symbol** A physical object that has organizational significance or communicates an unspoken message (e.g., Mickey's ears).

**Theming** The organization and presentation of the guest experience around a unifying idea or theme, often a fantasy theme. It can create a unique and memorable setting that enhances and contributes to the total guest experience.

**Time series** A statistical method for analyzing data collected over multiple points in time used in forecasting.

**Training at home** A training process in which the employees receive learning materials at their own homes and proceed through the training at their own pace.

**Transformational leadership** A leadership approach that causes major changes to both individuals and the systems within which they operate.

**Trend analysis** Collecting information over time, attempting to find a pattern in the data, and using this pattern to make projections of future events.

**Universal service map** An elaborate and detailed **blueprint** that can be generally applied to a variety of service situations.

**Unstructured interview** An interview in which interviewers make up questions as they go along and have no predetermined way to score applicants.

**Value** Quality related to cost, or quality divided by cost.

**Values** Preferences for certain ideas, behaviors, and outcomes over others, used and promulgated within organizations to define for members (and sometimes guests) what is right and wrong, preferred and not preferred.

**Virtual queue** A line that is not visible and allows consumers to be “in line” without actually having to stand in a line. Allows customers to engage in other activities while waiting for service.

**Vision statement** An articulation of what the organization hopes to look like and be like in the future; see also **mission statement**.

**Waiting-line theory** The theory of how waiting lines behave; same as **queuing theory**.

**“Wow” elements** The characteristics and qualities that make a service experience memorable.

**Yield management** A technique for managing the sale of an organization’s units of capacity, using forecasts based on past results, to maximize the profitability of that capacity; in other words, selling the right capacity to the right customer at the right time.