

## **Chapter 1**

# **CHARACTERISTICS OF HOSPITALITY MANAGEMENT**

The chapter aims to define the skills, characteristics and attributes that make a manager successful, focusing explicitly on the hospitality industry. The discussion will start by analysing skills and competencies expected from hospitality graduates. It will also address the competencies for managerial positions and career progression.

The industry has certain characteristics that will influence the qualities needed by managers at all levels and thus the curriculum for hospitality graduates. Some of these features are:

- Production and delivery are *inseparable*, which implies high pressure (Dienhart, Geregorie and Downey, 1990) (Susskind, Borchgrevink, Brymer and Kacmar, 1990; Larsen and Bastiansen 1992; Susskind, Borchgrevink, Brymer and Kacmar, 2000);
- Customers are seen as *guest*, which involves a particular relationship (White and Rudall 1999; Yuan 1999; Susskind, Borchgrevink et al. 2000);
- It is a 24/7 business, which makes personal relationship difficult for employees (Brymer 1982; Krone, Tabacchi and Faber, 1989; Ross 1995);
- It involves ethnic, cultural and religious *diversity* of both guests and staff, which require high communication and interpersonal skills (Fritz 1988; Mallinson and Weiler 2000; Testa 2004; Baum 2006);
- Occupational and public *health and safety* issues exist which require specific skills (Johns 1993; Tranter 2002);
- *It involves discretionary expenditure*, which implies fluctuations in demand (Bull and Alcock 1993; Shi 1997; Hwang and Wilkins 2002);
- *The industry has high fixed capital costs and highly volatile variable operating costs* requiring diligence and prudence in the management (Abouzid 1988; Kim 1995; Nilsson, Harris et al. 2001; Mitchell 2002);
- *The industry has low barriers to entry* for capital and labour (Sciarini 1993; Shaban 1993; Kim 1995; Powell and Wood 1999; Nilsson, Harris et al. 2001; Christensen Hughes 2002; Mitchell 2002).

It is not until the mid 1960s that hotel and hospitality management received significant research attention. Studies firstly focused on managerial activities (Nailon 1968) as well as on the personal profile of the hospitality manager, although still only in a conversational style (Bernstein 1982; Lefever and Schroeder 1986; Bentivenger and Sluder 1989; Nebel 1991; Cichy and Schmidgall 1997; Petrick 1998; Woods, Rutherford, Schmidgall and Sciarini, 1998; Dube 1999; Dube and Renaghan 1999a; Dube and Renaghan 1999 b; Dube and Renaghan 1999c ). More recently the personal profile has been linked to the corporate profile providing a key insight into the individual and thus the business' success (Enz 2000; Enz and Siguaw 2000).

## **Hospitality Graduates' Skills and Competencies**

To reflect the need of the industry, it is important to define the skills and competencies expected from any hospitality graduate. There is indeed a clear shift in hospitality education where general management skills are introduced to complement the practical components.

Several studies have been undertaken to determine the importance of hotel management competencies. Ineson and Kempa (1996) identified four main skills, namely: oral and written communication skills, supervising skills (staff motivation and training), ability to engender customer satisfaction and service skills. In addition to these skills, other studies have identified other skills such as problem solving, maintaining professional and ethical standards, professionalism and leadership qualities to achieve operational objectives (Tas 1988; Baum 1990; Kay and Russette 2000; Christou and Sigala 2001). Public and staff safety obligations such as; the management of hygiene and safety conditions and legal responsibilities (Baum 1990); identifying operational problems (Christou and Sigala 2001) and effectively managing life-threatening situations such as fire, bomb threat and serious illness (Kay and Russette 2000) have also been identified. Another interesting point is the absence of some of the 'strategic management skills' for the benefit of 'hotel specific operational skills'. For Kay and Russette (2000) 'leadership' and communication skills are still seen as of major importance at the expense of the Administration and Technical and Conceptual/Creative domains.

## ***TRAINING NEEDS OF THE HOSPITALITY INDUSTRY***

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Because hospitality is deeply rooted in action management, the industry does require maintaining certain requisite skills in the curriculum (Mayo 1997). Although academics tend to promote the insertion of general management skills in the curriculum, the industry does not show particular interest in the development of high order cognitive skills (Baum 1990). However, more recently Baum (2006) has noted some changes in this perspective. As such, changes or at least evolutions occur. All studies do not use similar subject area names, which make comparisons more difficult but a comparison of studies made over the time demonstrates some discrepancies in their highest mean score (3.39 in comparison to 4.80 or 4.81 in Tas' and Baum's studies) or in some nomenclature such as 'Food Safety and Sanitation' (2.75 in comparison to 4.53 in Kay and Russette's study) which are much lower (Gursoy and Swanger 2004).

Such results prove that skills determined as important change and are not clear and obvious anymore. Expectations also vary according to the area of the hospitality industry respondents work in but there are some universal skills like 'ethics, leadership, preparation for industry employment, internships/industry experience, and hospitality management organisation' becoming apparent (Gursoy and Swanger 2004, p. 142).

The traditional technical, operating and craft skills will always be of prime importance, but both the industry and the educators agree on the fact that more emphasis should be given to critical thinking, problem solving, strategic planning and visionary leadership skills as part of the program (Casado 1991). But awareness does not mean action and it sometimes failed to be addressed (Danvers and Keeling 1995; Johns and McKechnie 1995; Li and Kivela 1998). It is however commonly accepted that food and beverage (F&B) management and rooms management are basic skills required for hospitality; education should then focus on providing students the competencies and skills that will give them added value. A survey of general managers suggests that four important subjects to be taught in Hospitality Management should be marketing, management, HR, finance and accounting Su (1996).

Rimington (1999) argues for a national hospitality curriculum that will be set up for a particular constituency such as region or industry. In this curriculum, hospitality course will provide foundation, generic and transferable skills whilst the industry will provide the practice part of the studies, which is, according to Rimington (1999) doubly important as it gives students the chance to learn in real life and a period of time to reflect upon the reality of their studies. The greatest challenge there is to find the right balance in terms of emphasis to place on different skill sets. Indeed, too much emphasis on theory could leave students confused on the relevance of their studies whereas too much focus on the practical side will leave them without the necessary skills to understand the industry (Baum and Nickson 1998).

External factors such as globalisation or technological development will impact the industry by giving it an international dimension and thus will require the development of special skills such as problem solving and critical thinking (Go 1990). Indeed, in such circumstances, a successful manager should not only know the competency but also be able to evaluate and integrate the broader issues involved in the decision-making process and show cognitive capacity to apply knowledge in the operational settings (Jones 1990). Globalisation, culture diversity and experience needs to be addressed as well as appropriate learning and reflection tools to develop intercultural competencies (Seymour and Constanti 2002). This is supported by the call to include the introduction of emotional intelligence in the curriculum as suggested at the EuroCHRIE conference in 2000.

Inui, Wheeler and Lankford (2006), reflecting the four state models of Tribe (2002), propose developing a curriculum that would have as its main objective employability skills and would include philosophical and sociological foundation to support decision-making strategies. The argument is that students need to understand their industry, society and themselves to work successfully and independently in complex and changing environments. Critical thinking and a learning styles approach teach students how to learn and use experience and knowledge in the learning process (Lashley 1999; Lashley 1999; Lashley 2002; Lashley 2002; Lashley 2002; Lashley 2002; Lashley 2002). The point is not to erase all forms of traditional practical learning but instead to review them in terms of type and role (Go 1990; Breiter 1992; Zapalska, Rudd and Flanegin 2002).

Additional skills such as accounting and numeracy are found to be necessary, as is information technology, especially its use as a mean for effective strategies (Morrison and Laffin 1995; Kandampully and Duddy 2000). Computer literacy actually becomes a key employment skill for food service managers and should be critically used to support decision-making (Breiter and Hoart 2000). Small business management, marketing and entrepreneurship are also becoming part of some curricula, topics for which students show strong interest

although few of them actually plan to become self-employed (Kelly 1998). However these subjects seem to have little emphasis on innovation or risk taking.

To conclude, it appears that views are moving away from the traditional craft foundation. It seems that there is a common movement to recognise that graduates should continue to develop their communication and operational skills through a solid foundation in practices. Furthermore, in response to environmental and market changes, graduates should now also be able to demonstrate the higher and cognitive skills that will help them to identify problems and develop proper remedial strategies.

### **Hospitality Managers' Skills and Competencies**

Understanding the specific industry characteristics and requirements for managers needs to be the basis for the curriculum. Defining and understanding them will provide materials for academics to better design appropriate curriculum. Educators more than the industry are driving these skills towards more generic, business and analytical ones (Guerrier and Lockwood 1991; Ladkin 1999).

Several studies have been undertaken in order to analyse what make a manager successful. Ley (1978; 1980) states that most successful managers tend to focus on entrepreneurship and work the longest hours. They would also prefer rational logic rather than people in their decision-making (Downey 1978). Similarly, Guerrier and Lockwood (1991) and Ladkin (1999) define hospitality managers as entrepreneurial, hard working and constantly distracted so that they do not have time to focus on long term strategic management, but also more assertive, autocratic, ambitious, pragmatic, optimistic, cheerful and extroverted than managers in other areas. As an example, Holiday Inns Worldwide core competencies are inter- and intra-personal and communication skills with staff and customers rather than higher and cognitive skills (Teare 1997).

Tas, LaBrecque and Clayton (1996) identify five main competencies in hotel property management. These competencies are, in order of importance:

- interpersonal (skills for effective interaction with others)
- leadership (the ability to turn ideas into productive action)
- conceptual-creative (the cognitive skills needed for the job)
- administrative (personnel and financial management of the business)
- technical (the knowledge and skills essential to producing the product or service).

Baum (1989), who analysed Irish hotel managers, found that they have an undue focus on:

- operational issues, as opposed to management issues;
- the mine host concept, as opposed to the profit concept;
- the hospitality apprenticeship irrespective of educational background; and
- the 'uniqueness' of hospitality and therefore the 'irrelevance' of general management principles.

Although they recognise that there is a need to improve their skills, there is little done to actually acquire them.

In several studies that define core competencies and skills there is a clear tendency toward general characteristics at the expense of industry-specific ones. The central tenet is definitely people management (Mullins and Davies 1991), although this also implies additional skills are needed. Among communication skills, listening is seen as the most important, as having such ability does impact on the organisational culture and employee behaviour (Brownell 1987; Brownell 1992; Brownell 1994).

Chung-Herrera, Enz and Lankau (2003) developed a hospitality management competency model. It appears that none of the competency was explicitly linked to a specific lodging situation but the list rather mentions general competencies, which imply that the model is applicable beyond the hospitality scope. Although some criticism can be made, this work shows the importance of choosing identifiable competencies in terms of behaviour, which can be extended by incorporating psychosocial characteristics. Wilson, Murray and Black (2000) investigated the particular case of contract catering managers who predominately have a hotel background. The skills for these contract catering managers that were found to be essential are mainly generic and can be gathered into three main groups that reflect the industry: the concern for health and safety, which reflects legislation; and marketing and financial skills, reflecting the fragility of the catering operations.

Koppel (1978) identified the important roles for food service managers with results showing that even though some of the roles were specifically related to food service functions, most of them were part of generic management responsibilities. What is interesting is that this shift can be explained by intense competition that faces the industry, which led to a reduction of the middle management position (Nebel, Braunlich and Zhang, 1994). According to Nebel, Braunlich and Zhang, in such circumstances, F&B managers need to possess strong operational as well as high strategic skills. These two skills are fundamental and should not be compromised by an undue focus on general management at the expense of the operational skills. The importance of skills also depends on the different food service sectors. Quick Service and mid-scale sectors require very similar skills, which are mainly focused on general management competencies, whilst the up-scale sector emphasis is more towards personality, leadership and interpersonal skills (Emmenheiser, Clay and Palakurthi, 1998).

D'Annunzio-Green (1997) explains that internationalisation and push for more HRM strategies require general managers and managers to understand the worldwide ramification and the impacts it has on the industry. Antil (1984) refers to two aspects of international management competence: the doing (action) and the being (feeling) competences whilst Iles (1997) identifies five key competences for the international hospitality manager:

1. cultural awareness: understanding the difference;
2. communicative competence: communicating across the differences;
3. cognitive competence: acknowledging stereotypes;
4. valuing difference; and
5. gaining synergy from difference.

Surprisingly, cultural differences are linked to organisational structures and stereotypes rather than actual clash of cultures (D'Annunzio-Green 1997).

The work of Hayes, Rose-Quirie and Allison (2000) made an interesting contribution to the discussion by suggesting that all management jobs are similar at the highest conceptual level but differ at the operational level. The meta-competencies that are then of prime importance for managers are the ability to use and develop their competencies when any changes (different roles or different environment) occur.

## **Career Development**

The previous paragraphs focused on trying to determine the skills and competencies that are required for hospitality managerial positions. However, they are not static in the timeframe and need to be adjusted according to change in roles or/and change in the broader environment.

There is a significant evolution concerning the interest in career development. Indeed, when in the late 1980s only 8% of hotel managers and employees respondents rated it as a key priority, in 1997 this rate rose up to 45% (Storey, Mabey and Thomson cited in Burgess, 2000). Although it is still not a clear majority, there is recognition in the industry for professional development. This professional development should be supported by improving the 'life skills employment' as defined by the Hotel, Catering and Institutional Management Association (HCIMA):

- communication—which includes written and spoken English
- use of numbers
- information technology;
- analysing and solving problems
- personal skills
- team skills.

(Anon. 1998, p. 10)

Career progression depends on personal characteristics and orientation, personal needs, a planned career path and diversity of experience. Career paths do show difference between males and females (Guerrier and Lockwood 1991; Ladkin 1999). It takes between eight and eleven years to reach the position of General Manager within which the aspiring General Manager has to undertake a three to five year apprenticeship as an Executive Assistant General Manager. F&B operations are also considered an essential path for career development unlike HR and S&M managements that are seen to have inadequately trained or incompetent people (Guerrier and Lockwood 1991; Ladkin 1999).

Mai-Dalton, Latham and Fiedler (1978) also mention that the ability to serve and help people is an obvious requirement for a successful career in food service. Rather than formal qualification, an adequate level of training is seen as being more useful. Training is proven to increase efficiency and motivation of the workers. However, the lack of an identifiable career prospect tends to impair the commitment of the labour force. To support this idea, Goodman (1978) pinpoints the fact that managers should equally use their communication skills and their techniques of dealing with people with guests and employees in order to maintain good relationships and working conditions.

In terms of career success, the higher ranked skills according to Ladkin and Juwaheer (2000) are communication, using initiative, human relations, food and beverage management skills, the ability to prepare budgets and to delegate. These skills should be supported by appropriate staff development programs such as:

- technical skills: those required to perform the routine tasks associated with the position,
- interpersonal skills: how the employee interacts with staff members and guests on either a written or oral basis, and
- supervisory or self-management skills: how well the employee organises his or her time, acts responsibly and/or leads others.

(Beckert and Walsh 1991, p. 74)

This discussion clearly indicates that whilst the academy is advancing an argument for the development of higher order skills such as critical thinking, management and strategy development, the industry, in contrast, places a higher emphasis on technical skills, front line supervisory skills and interpersonal skills. The research now moves to the conduct of the focus groups to assess the views of the industry in Australia.