

INVESTIGATION OF EMPLOYEE INVOLVEMENT IN QUALITY SERVICE PROGRAMS IN AUSTRALIAN HOTEL INDUSTRY

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Abstract This paper investigates employee involvement in quality service programs in Australian hotel industry. The employee commitment and empowerment within the Australian hotels have been discussed to understand employee involvement in Australian hotels. Upon investigation of communication within the organisation, training and performance management it has been proved that the employee commitment in the Australian hotels have been successful. The empowerment structure in Australian hotels should be more flexible so that hotels can enjoy full benefits from the empowerment.

Keywords: quality, service, empowerment, involvement

INTRODUCTION

The service industry in Australia has shown dramatic growth in recent years. Hence, the industry has become highly competitive and the industry needs continuous improvement for its quality service to win customers. Most large service organisations have their own quality service programs to improve their service quality. The hospitality industry is not an exception. As Australia has been one of the world's most popular and attractive destination for tourists, so that Australian hotels have invested lots of capital on the improvement in their service quality. However, quality service is not just born from the investment of capital. For the success in the quality service program, the employee involvement is one of the crucial components.

The aim of the research is identifying problems and suggesting possible solution from the investigation of current status of employee involvement in quality service programs in Australian hotels.

Employee involvement is “ a process of empowering members of organisation to make decisions and solve problems appropriate to their levels in the organisation”. [Pace, 1989]. Providing superior customer value is the criterion that determines the nature of employee involvement rather than just committing in the quality service programs and hotels' operations. Hence, employees' attitude and behaviour are most important in employee involvement

METHODOLOGY

The necessary information was collected by interviewing seven hotel managers and examination of relevant documents regarding employee involvement where available. It was decided to investigate employee

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commitment and employee empowerment to understand current status of employee involvement in the quality service programs in the hotels.

FINDINGS

Communication

Communication is important for establishing and maintaining a “corporate meaning” for employees. Top management should tell employees where the company is going, why it is going in that direction, and how well it is progressing towards its goal. Management should tell employees how well they are doing and inform changes those affect their job in quality program that the hotel is currently implementing. From the research, it has been found that managers believe majority of their workers are well aware of changes, understand the reason for changes and also shows excellent understanding of their role in quality programs. The research also shows that as the number of employees in hotels increases, management tends to find difficulties in communicating ideas. When the organisation is implementing quality program and it affects certain changes in employees' job, management needs to expect certain resistance and be prepared to handle it. It was found that the management mainly uses certain mediums to communicate down to employees such as meetings, noticeboard, newsletter and face-to-face. Management has some difficulties to communicate with casual employees. Managers believe that they are transient and their commitment to the hotel's quality service program is lower than the expectation. Large number of casual employees are usually unavailable in meeting as their working hour is inappropriate to attend meetings. It is also important for the management to regularly listen to what the employee thinks and want to tell. Employees must also be able to ‘feed up’ in terms of what the issues are, particularly if there are obstacles in delivering quality service. The hotels in the research

have several ways that employees can express themselves such as Open office, Suggestion Box, Survey and Meeting with Managers.

In Open office system, any employee can freely express their ideas directly to the management. All hotels in research are using this method for communicating up. In some hotels, it is possible for employees to directly communicate with top management. However, employees' participation on this method is still very low. The survey method is adopted by all the hotels and the participation rate on the survey is also remarkable. However, this method is very time consuming so that it is hard to have this on weekly or monthly basis. Hence, hotels are adopting this method in conjunction with the other methods. Meeting with managers is usually in the form of breakfast, lunch or tea break with managers. This method can be used in communicating up and down. All the top and middle managers attend this and all the employees are invited. The other form is 'Round – table discussion'. Certain number of employees are randomly selected and invited to a round table discussion. It is an informal open forum with the managers, where employees can voice opinions relating to hotel operations. Hotels are having open environment for their employees to express themselves but the problem is ideas do not come out regularly from employees. It is important that the ideas from employees should be valued by management. Employees are encouraged to make suggestion on improving quality by knowing that their ideas are valuable to the management and the hotel's quality operation. Some hotels publish the suggestions that have been given by employees in the newsletters. Some hotels put it on the noticeboard with the status of the suggestion, for example under study, pilot, recommended, adopted, not adopted. It is also common in hotels that the employees, who have suggested helpful idea to the hotel, are rewarded.

Training

The training in Australian hotels can be divided into two groups. One is mandatory training and the other is non-mandatory training. Mandatory training offers employees the basic skills and knowledge that is needed on their job. The type of activities, that are included in mandatory training, are orientation, situational leadership, occupational health and safety, responsible service of alcohol, workplace training, quality service training, etc. Non-mandatory training includes training one-on-one, cross-cultural training, inter-departmental cross training, first aid training, etc. The non-mandatory training offers employees to acquire additional knowledge and skills so that it satisfies and motivates employees on the job.

To evaluate the effectiveness of training, individual employee characteristics and the work environment must be considered along with program content, design, and implementation [Tracy and Tews, 1995].

Employees' ability to learn and acquire new knowledge and skills can have a direct influence on training preparation and performance.. If trainees possess critical-reasoning, problem-solving, and decision-making abilities, learning will be relatively quick and efficient. There is difficulty of measuring many kind of abilities. Nevertheless, an individual's ability is assessed in some manner during the selection process. It has been found that Australian hotels are having systematic method to assess the individual's ability during the selection period and the managers tend to find that about 80% of new employees, through the selection methods, are having satisfactory level of critical-reasoning, problem-solving and decision-making abilities. However, the expected level of those abilities is dependent on the type of job that employees are performing. An employee's attitude toward work can also affect his or her preparation for and application of training. In Australian hotels, employees attitude toward work varies depends on the status of employment. It is usually found that casual employees have low level of commitment. The second major factor that may influence training effectiveness beyond content, design, and implementation, is the work environment. There are three major components of the work environment that support and impede training effectiveness. The first element of work environment that influence training effectiveness is job characteristics. The hotel managers have told that job assignments are challenging and designed to promote personal development. The work assignments include opportunities to learn and apply new techniques and procedures. The second element is social networks. Organisations' social norms and values that support learning can have a positive influence on an individual's willingness to attend and learn during training, as well as to transfer learning back to the job. In addition, the use of training may be facilitated when managers or employees openly encourage the use of newly acquired knowledge and skills. [Rouller and Goldstein, 1993]. The Australian hotel supervisors or managers support and encourage employees to support and encourage employees to apply knowledge and skills acquired during training. They also provide recognition to those who apply new skills. The recognition is in the form of rewards. Finally , additional learning opportunities (e.g. mentoring programs, apprenticeship) and support for external professional development activities can also influence the effectiveness of training, especially when these learning opportunities complement what has been gained through training. The Australian hotels offer various types of additional learning opportunities and support for external professional development activities. They offer optional training courses for their employees that help to acquire additional knowledge and skills that is required by the other departments. From the inspection of individual characteristics and work environment, the Australian hotels are having effective training. However, as one hotels are having a large number of casual employees, the commitment to the training may cause a problem.

Nevertheless, managers believe that most employees are highly motivated in training and the hotels' work environment also encourages them to do so.

Empowerment

Employee empowerment is the process of decentralising decision-making in an organisation, whereby managers give more discretion and autonomy to the front-line employees [Brymer, 1991]. The fundamental changes in traditional hierarchical organisational structure are essential for this process. The hotels involved in this research, have implemented their employee empowerment program since the beginning of 1990's. The hotels' employees are involved in various activities throughout their work including decision making, problem solving, giving feedback, planning and leading meetings, setting goals, generating ideas, formulating action plans and communicating. It is the responsibility of top management to create and maintain a climate of trust and intimacy (i.e. openness, authenticity, honesty etc.). The climate has been created and maintained through the management practices like communication, leadership style, promotion and compensation policies, feedback and performance management and so on. Management encourages a prospecting attitude to employees. The hotels reward and recognise employees for searching for ways to improve product and service quality. The hotels allow and encourage staff to take some risks. However, they do not punish them for their mistakes. It is important to handle employees' mistakes with care, while they practice empowerment. When employees make mistakes, the only appropriate reaction is coaching. Punishing them for mistakes will cause them to avoid taking the initiative or making additional decisions without approval. The hotels involved in this research encourage employees to be active in making a decision rather than being a passive. They believe that is how break-throughs are born. The hotels' managers become prospectors instead of inspectors themselves. Inspectors tend to say "here is where YOU screwed up – Fix it!. Prospectors tend to say " this is what WE are in this morning. How can WE better this afternoon?"

DISCUSSION AND CONCLUSIONS

From the investigation of employee commitment and empowerment some conclusions on the employee involvement in quality service programs in the Australian hotel industry can be drawn. Firstly, in communication, Australian hotels are using meetings, e-mail, noticeboard, written materials, face to face, telephone, etc to communicate with their employees. The most effective and efficient one is a meeting. In meeting both communicating up and down can happen at the same time. The role of meeting in Australian hotels is information sharing, decision making, problem solving, brainstorming, and planning and coordination. The hotels are exposing problems in an objective and factual manner with both individuals and groups, with a view to achieving the best possible solution. The hotels

also accept feedback from others outside the department in a positive and professional manner. The communication is also based on fact, not on gossip or hearsay and refusing to pass on unconfirmed third party material. The hotels' communication focuses on the solution and employees are trained to respect the other person's point of view. Hence, the communication in the hotels is effective and efficient. However, for the continuous improvement, hotels need more feedback and ideas from their employees. It is suggested that hotels need to create more open and comfortable environment for employees to say what they want and think. Also, the ideas from the employees should be valued at all levels of the hotel.

The training in Australian hotels consists of mandatory and non-mandatory training. From the research, the hotels have systematic method to assess the individual ability during the selection period and managers mentioned that 80% of new employees are having more than the satisfactory level of critical-reasoning, problem solving and decision making abilities. Managers tend to find that many casual employees have low level of commitment. This can cause problem. Hence, it is recommended that the number of casual employees be reduced with the organisation for better employee commitment.

Performance management programs in Australian hotels involve ongoing observation, assessment, documentation and coaching of employees. The errors in evaluating employees' performance cannot be avoided since assessors are a human being. However, they can reduce the errors by providing adequate training to the assessors. Like some hotels in the research, deputing the performance appraisal process to the professional organisation can be another solution. It is also important to provide feedback after the performance appraisal in an effective way.

Australian hotel employees are recognised and rewarded for their achievement. The objective of compensation policies include rewarding employee's performance on the job, being competitive in the labour market, attracting new employees, maintaining equity among employees and increasing job satisfaction and employee motivation.

All or most of Australian hotels have already implemented employee empowerment programs. Most hotels are having a structure between structured and flexible empowerment. Employee empowerment plays an important role in employee involvement in quality service programs. To fully enjoy the benefits from the employee empowerment, the structure should be close to the flexible empowerment system. In order to achieve that there should be trust between management and employees.

The cultural diversity within the organisation gives both positive and negative impact on an organisation. This depends on how effective management is at handling diversity. Australian hotels are supporting diversity. Though there is minor problem in communication, as hotels are trying to overcome it, diversity workforce does not put barriers on implementation of quality service programs in hotels. The departmental concentration may give short-term benefit to the organisation. However, for the long term benefit and continuous improvement, it should be avoided. The Australian hotels in this research have satisfactory level of employee commitment and empowerment, and they keep trying to improve it. The hotels experienced reduced turnover rate, increased customer satisfaction, decreased labour cost and increased employees' performance on the job.

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