LEADERSHIP AND DIRECTING
IN HOSPITALITY MANAGEMENT

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THE PURPOSE OF THIS CHAPTER

T he most visible work the manager does is to function as the leader of the work group: giving orders and instructions to employees, checking employee performance, and commending or correcting that performance. This chapter describes this work first as a function of worker needs and then as a function of the manager and his or her abilities. We intend for this chapter to help you develop a style of leadership that suits you personally.

THIS CHAPTER SHOULD HELP YOU

1. Describe how leadership and directing relate to three other functional responsibilities of management.
2. List and describe seven incentives that motivate people to accept direction on the job.
3. Explain and contrast two theories of leadership based on perceptions of employee attitudes toward work as identified by Douglas MacGregor.
4. Understand the factors that inhibit and support communication in the workplace.
5. Describe five key activities in which managers engage when directing.
6. Identify factors to consider when developing a flexible leadership style designed to achieve desired results.

LEADERSHIP AS VIEWED BY SOCIAL SCIENTISTS

M anagement scholars and other social scientists have devoted a great deal of attention to the study of **leadership**. This attention is appropriate because leadership is clearly an important activity in what Peter Drucker, a writer, management consultant,

and self-described social ecologist, calls "a society of institutions." Unfortunately, these scholars have raised more questions than they have been able to answer to everyone's satisfaction. Indeed, one sometimes gets the impression that those in the knowledge industry who concern themselves with management earn a living by disproving one another's theories.

Social science research models itself on the kinds of definitive, quantitative proofs found in the physical sciences, but it may never reach definitive conclusions about such subjective concepts as leadership. Fortunately, our purpose is less ambitious than that of scholars. To be sure, we want a theory that will guide practice, but we can accept some ambiguity in both our analysis of this subject and the conclusions we draw from it. Because leadership remains an open subject, we all have a great deal more to learn about it.

Some management scholars differentiate between directing—a management function—and leadership. Leadership is seen as a kind of influence, a way of bringing people to work willingly toward the company's goals or, technically, to "show the way" to employees. In this view, employees will respond to the boss's authority alone, but this response will likely be just enough to get by. As one source puts it, "being in charge doesn't automatically make anyone a leader."[1] Leadership is seen as an art, that of involving people's full voluntary cooperation. We have no quarrel with this description of leadership and, indeed, have more to say on the subject later in the chapter.

The distinction between authoritative directing and leadership may be theoretically valid, but it does little to guide practice. Implicitly, managers lead when they simply direct. If the leadership is effective, the results will be raised above the minimum; if it is ineffective, the results will remain at some minimal norm or may even be pushed below that norm by personal antagonism.

As a practical matter, however, a manager's act of directing can never be separated from his or her leadership. Thus, we use the terms interchangeably: When we use the word **direction**, we imply *leadership*, because, for better or worse, it is always present and in action.

Social science research has given us numerous insights into the process of leading and directing, and it has identified the key factors that managers must take into account as they go about building their leadership style. A brief review of some of these conclusions is useful in itself; moreover, it will help round out your understanding of the other management functions.

RELATIONSHIP TO OTHER MANAGEMENT FUNCTIONS

Perhaps the clearest way to show how closely the management functions are interrelated is to try to imagine leading without fulfilling the other functions. The results would be at once chaotic, dictatorial, and apathetic.

As noted earlier, without planning, work becomes chaotic. The order in which things are to be done, the quality of work deemed acceptable, and how much work must be done all would be determined by individual judgment and on the spur of the moment. The manager would be reduced to direction based on guess, and only the simplest or most stable operations would survive. Consider, as an example, the problems of staffing and staff planning: Without a clear plan of the work to be done and a plan that provides the right people to do it, an operation would be paralyzed.

Without organization—without some reasonable and coherent means of structuring authority relationships so that the work gets done—the authority of the strongest (power) becomes the only basis for directing. This is never the best approach to directing in any society, and it simply will not work in our affluent, educated society. In any case, only small and simple enterprises can operate on this authoritarian basis. We occasionally see operations in which direction is based solely on the authority of the owner ("Do it, or I'll fire you"), but the employees rarely stay there for long.

Without control, employees begin to believe that nobody cares because nobody detects and corrects deviations from standards. Employees become apathetic about standards. Without feedback, no organism (let alone human employees) can learn. Once again, we are reduced to a chaos in which nobody really knows what to do or who is in charge.

Your leadership must be informed by understanding the plans of your organization as well as the plans you make for yourself. Moreover, leadership must be exercised within the bounds of authority, implicit or explicit, in an organization. Finally, you must base your continuing acts of leadership both on measures of your own performance and on the performance of the units and the people under your direction.

WHY PEOPLE FOLLOW

People enter an organization and perform their work, as directed by a manager with definite plans, for several good reasons, all of them selfish. Understanding in a general way what people expect from their work will permit you to base your directing activities on their needs and wants. This understanding is the essence of leadership. Our subject in this section, then, is really **motivation**. You will come to understand employees' motives first through study and observation and later, as a new manager, through practice. This growing understanding will permit you to shape your management activities to reflect the motives of the people working with you.

NECESSITY AS WORK MOTIVATION

The time-honored and most basic reason that people work is to provide themselves and their dependents with food, shelter, and clothing. When human labor was in excess supply and society's attitude was less protective of the disadvantaged, this motive was indeed powerful. When the choice was between work and starvation, the threat of a job loss was terrifying, and this fear maintained a society based on wages.

Economic and social policy in our society today has greatly eroded the power of an employer. To be fired or laid off is certainly an inconvenience and may involve severe hardship. Economic policy in most Western countries, however, is committed to maintaining high employment levels. Moreover, unemployment compensation provides sufficient income to stave off disaster, and government employment services facilitate placement in another job. Besides, the majority of families today have two incomes. If one working partner is laid off, the other family member's income, along with unemployment compensation, will help most households cope. Thus, the manager's threat to fire (which would, in any case, be a last resort) has much greater limitations as a motivator than it did in earlier times.

ADVANTAGE AS WORK MOTIVATION

In a positive way, people seek not just enough money to live but also an income to satisfy the many aspirations now taken for granted in an affluent society. Thus, people work not only for money but also for more money. Many employees are motivated to work harder to keep a good job, to gain a raise, or to earn a bonus.

As ambitious people repeatedly demonstrate, workers often put forth extra effort to secure promotion in rank. They do this not only for the increased income but often for the increased social status as well. We are social animals, and once we have taken care of our basic needs, we begin to pursue socially recognized rewards other than money. Not everyone, however, chooses to pursue such goals at work. Rather, recognition in their other reference groups—family, religious organization, neighborhood, fraternal organizations—may be more important to them. Thus, personal ambition often, but not universally, spurs increased effort at work.

PERSONAL SATISFACTION AS WORK MOTIVATION

We all know people who love their work, and work hard because they enjoy what they do. Such people may include the chef whose whole life is centered on preparing delicious food, the hostess or waitress who enjoys her contacts with people so much she

seems to bubble, or the dishwasher who is mentally challenged and who is devoted to his or her work. In some cases, the work itself may not be so interesting, but the job may provide other rewards of a social nature. For example, many people enjoy going to work because that is where their friends are.

INDEPENDENCE AS WORK MOTIVATION

Many people are motivated toward self-direction and independence. The idea of "being your own boss" as a unit manager entices many managers and employees. Servers and cooks often find that an important part of their work satisfaction is that they are good enough at what they do to require almost no direct supervision. However, this is by no means a universal motivation. Hardly anyone wants a work situation in which he or she is hassled, but not everyone seeks independence. Some prefer or need clear company (or **work group**) norms and frequent encouragement to achieve them. Indeed, for many employees, encouragement, praise, and personal recognition outweigh independence as motivation.

ENCOURAGEMENT, PRAISE, AND RECOGNITION AS WORK MOTIVATION

We have to recognize that many unskilled jobs in our industry are filled by people who find the work itself dull and unrewarding. We can do a great deal to reduce that dullness by fostering a friendly climate at work, praising good performance, and recognizing the worker as a person who makes an important contribution. We set unrealistic goals, however, if we expect everyone to respond warmly to these managerial efforts. In the final analysis, people are hired to do a job, not to be cheerful. (Being—or at least appearing—cheerful should, however, be part of the job of public-contact employees.) It is much more pleasant for everyone if workers are happy in their work, but the essential need is to have the work done according to the approved standards.

MONEY AS WORK MOTIVATION

Social science research has focused largely on the significance of nonmonetary rewards. That research, however, also provides ample evidence that pay is important. Money is, of course, an economic reward, but workers and managers often see it as a form of social recognition as well. For some people, a fancy title is important, whether a young manager is called "assistant vice president" or the dishwashers are renamed "sanitation specialists." Most people, however, expect and want utilitarian rewards for superior effort.

COMPANY POLICY AS WORK MOTIVATION

Company policy regarding such important matters as fringe benefits and working conditions can be an extremely important motivator. Some social scientists maintain that these conditions are taken for granted by workers. They argue that their absence would cause dissatisfaction but that their presence is not positively motivating. In the hospitality companies the authors have studied, however, it seems clear that these factors are important positive forces for employees who stay with a company over the long term. Because these loyal employees are especially valuable, we should view company policies as important motivators in our industry.

Fringe benefits include, among other things: vacation; sick leave; paid holidays; free or reduced-price employee meals; uniforms; group health, accident, and life insurance; educational benefits; child-care assistance; and pension plans. Some fringe benefits, such as social security and unemployment insurance, are required by law. Fringe benefits took their name originally from the fact that they were a minor part—only the "fringes"—of an employee's compensation. Today, however, fringe benefits account for up to one-third or more of some employers' wage bills. As they become a more significant part of compensation, employees consider them in choosing which jobs to take and, especially, in deciding whether to stay with an employer or to change jobs.

Working conditions include both the physical and the social aspects of the workplace. One employer may offer an air-conditioned, clean, well-lighted kitchen, employee lockers and restrooms, and an acceptable employee dining area. The employee who can choose will prefer this place (other things being equal) to a hot, dingy workplace where the employee's personal belongings are unprotected and where he or she must take meal breaks in a remote corner or eat standing up.

Similarly, people prefer to work in a friendlier environment in which they feel accepted and respected by their coworkers and by management. People generally like to work with people similar to themselves. This means that the employee selection process should take into account whether a prospective employee is likely to fit in and to accept the kind of work and interpersonal norms management and the work group expect.

A related working condition is the impact the company has on the environment and the community. For example, many hotels are dedicated to sustainable and environmentally responsible practices. Employees who share this passion, then, are motivated by the knowledge that they are part of these efforts.

Our discussion to this point suggests many different motives for working. An operation that recognizes that the motives for working vary from one worker to another will train its managers to respond to each worker as an individual. This means not only respecting the individuality of each worker but also shaping a manager's directing activities as much as possible to call forth the best effort from each worker.

DOES HAPPINESS LEAD TO PRODUCTIVITY?

Morale is the attitude a worker or work group feels or expresses toward the work. However, inexperienced managers often assume, incorrectly, that if morale is high, the work will automatically go well. In fact, research results find little direct correlation between high morale in the workplace and productivity. People may be happy at work and spend a good deal of their effort visiting with one another and in other ways expressing their happiness instead of working. Certainly, then, a manager's efforts to improve morale must include a clear expression of quality and quantity work standards. Just as we cannot expect every worker to be cheerful, we cannot settle for cheerfulness in place of adequate work.

In service organizations, however, employee morale (attitude and outlook) may be more important than it is in most other work. An employee with guest contact can hardly separate his or her attitude from the work, because work effectiveness depends on his or her manner toward the guests. The guests, in turn, do not recognize the physical service (a server brings the food) as separate from the way that service is performed (with a smile and a friendly word or with a frown and a snarl).

Moreover, employees in service systems are highly interdependent. Therefore, at least one criterion for acceptable employee performance has to be an ability to work with others. An irritable, unpleasant employee in a key position—whether the position deals with customers or not—can upset other employees. If employees are irritated with one another, guests often sense that irritation. So employee morale is especially important in service organizations.

LEADERSHIP THEORIES

There have been numerous **leadership styles** and theories put forth over the years, but Douglas MacGregor's continues to be discussed in contemporary management thinking. Douglas MacGregor, a management professor at MIT, suggested that there are two different ways in which we can look at workers' attitudes toward work.[2] Each of these views, which MacGregor labeled **Theory X** and **Theory Y**, has implications for management.

According to *Theory X*, people do not really like to work, so they must be "coerced, controlled, directed, threatened with punishment" to get them to work. The average worker, this theory argues, avoids responsibility, is unambitious, and wants security more than anything else. Management based on Theory X is paternalistic at best and, at the very least, authoritarian. Rewards and punishment, the "carrot and stick," are assumed in this theory to be the key to employee productivity.

In contrast with Theory X, *Theory Y* is a more generous view of human nature. It sees "physical and mental effort in work to be as natural as play or rest," and it recognizes self-direction instead of external control as the principal means of securing effort. According to Theory Y, under the proper conditions, people will, indeed, accept and even seek responsibility. Employees have (says Theory Y) a much greater capability for problem solving than most organizations realize. Management based on Theory Y relies on a worker's achievement-oriented motives and his or her desire for self-fulfillment rather than on sheer managerial authority. Theory Y calls for developing organizations in which employees can best fulfill their goals by working toward the success of the organization.

Which one of these theories is most correct? The best answers to the question of who's right are "Both of them" and "It depends." The question addresses but does not answer the central problem of management in a democratic society. Although we don't have any absolute and final answers, we can identify and consider the issues better in the light of the two theories just discussed.

THREE IMPORTANT ELEMENTS OF MODERN LEADERSHIP

To exercise leadership in our modern society, you must understand the nature of authority, both formal and informal, and the realistic limits on managers' use of authority. One of the most important limits on authority is the psychology of the individual worker, and an equally strong factor is that of informal group pressures. Leadership, then, is a result of the interaction of authority with the limits placed on management action by the psychology of the individual worker and the work group.

AUTHORITY. Authority in organizations is based on legal rights derived from business ownership and, in governmental organizations, from legislative acts. In franchise organizations, the leadership style franchisors use in their relationships with their franchisees is generally based on developing a consensus, but the underlying basis of authority is still the legal fact of the franchise agreement, which spells out the authority of the franchisor.

A somewhat different kind of authority may be conferred on a leader by a group. The term *informal group*, a topic we introduced in Chapter 17 and discuss in more detail later in this chapter, refers to the social organization of the workplace that happens as a social process, in each work group. This distinction between formal and informal organization sets the ground for us to make the crucial distinction between a formal leader and an informal leader. The **formal leader** is in charge because of legal rights. Nevertheless, the formal leader can and should seek to supplement this legal authority with recognition by the group of his or her professional competence.

A formal leader may also win acceptance as the group's informal leader or, more commonly, establish a productive relationship with the informal group structure.

An **informal leader** exercises a more subtle but very real kind of influence. Effective managers strive to work whenever possible with the person or persons whom a group chooses (more or less unconsciously) as leader.

Authority is accompanied by the right and ability to reward or punish. Although MacGregor and others see modern business relying less and less on formal authority, nobody expects it to disappear. To get results, however, authority must be tempered, in a relatively affluent society, in both substance and style. Your directing must be as fair as you can make it, and you should issue your directions in a manner that does not offend. Workers are entitled to their opinions, and employee turnover is too expensive to permit indulgence in arbitrary or offensive directing behavior. Theory X may not be altogether wrong, but certainly it is no longer enough.

THE PSYCHOLOGY OF THE WORKER—AND THE WORK. The strength of Theory Y is in recognizing that many workers attempt to achieve personal goals and to find self-fulfillment in their work. For these workers, a clear communication of the organization's standards and goals during their training period is the most welcome form of direction. Workers who perfectly fit this pattern are not as common in our industry as we could wish, but persons who come close and require a minimum of supervision are not hard to find. The manager who is secure in his or her own competence will avoid unnecessary supervision and the appearance of harassment without losing sight of the need to assert the organization's standards when necessary.

A word about praise may be in order here. Most people thrive on encouragement, but praise is difficult to bestow graciously and may be subject to inflation. If an employee is competent and hardworking, a pat on the back from the manager may look like condescension. When you say, "You're doing a good job, Jane," she may say (to herself), "I know that. Who asked you?" Moreover, just as too much money in an economic system can lead to inflation and devalued currency, praise given too often and too easily loses its value.

The best kind of praise is your respect for the worker and your appreciation of work well done. This respect and appreciation usually come through in consulting with workers and in attending to their advice, solicited or unsolicited. This attention makes what they do, not what you say, important.

The work that people do may not really be important to them. For instance, a part-time waitress who sees herself principally as a wife, a mother, and a member of the parent-teacher's association and her church group is unlikely to see her work as her principal means of self-fulfillment, even though she may take considerable pride in that work. Motivating her will thus require a different approach from, for instance, your boss's approach to motivating you, an ambitious, rising manager.

People in many unskilled jobs, such as dishwashers, simply do not find the satisfaction that Theory Y suggests they should be receiving. For that to happen, we need to redesign our organizations—and society itself, for that matter. Although such a grand redesigning is an interesting subject, it goes beyond the scope of this chapter and, to be frank, the realistic limits of hospitality managers today.

THE WORK GROUP AS A SOCIAL UNIT. Leadership and directing must use the authority that a manager derives from the formal organization, and it must take into account the various individual motivations—from pay, to praise, to self-fulfillment—normally found within a work group made up of individual employees. A third significant force is the work group itself as a social unit. When people come together to work, they develop a social organization with its own leadership, its own norms of work and social conduct, and, very often, a cliquish structure.

It is important for leaders to understand the dynamics of work groups within the organization. (Courtesy of Sodexo, Copyright 2009.)

In a server work group, for instance, managers find strong feelings about how work should be distributed (including the number of guests who should be seated on a station). Some restaurants actually use a turn system in which each server serves a party seated at his or her station in rotation. The object is to be sure each server gets a fair share of the business. Variations from the order of turns can create a great deal of trouble for a supervisor.

In practice, however, some waiters or waitresses can handle more parties than others can. Following the turn system can, therefore, hold back the more able and place some guests at stations in which a slower server is actually overloaded. The result is that the fast service person may seek another employer and the guest who gets stuck with an overloaded, slow server may seek another restaurant. The turn system of seating, however, is most significant as an example of the power of a work group over weak or indifferent management.

In responding to the norms that workers develop among themselves, no manager should surrender the formal authority inherent in his or her position. Neither can a manager, however, afford to ignore a force as strong as social pressure. One way to deal with this force is exemplified by an incident from one of the authors' experience as a manager dealing with an informal work group leader:

> When they encounter the person whom a work group has chosen (very informally, sometimes subconsciously) as their leader, many managers regard that person as a threat to their authority. But an alternative way to approach the situation is to view the informal group leader as a communication link to the work group. When I was a young manager, I met a waitress, Ethel, who was an unusually competent person and had the respect of all the other waitresses. She was also a very strong-willed person who often opposed steps I wanted to take in managing the restaurant. At one point, I wanted to fire her. But the man I worked for just laughed and said I could fire her "when you've learned what she knows." It took me a good deal of time to find out that if I consulted Ethel instead of ordering her to do things a certain way, I could get not only her cooperation but often some good advice. Building on this realization, I found that instead of announcing "policy," I could discuss a problem or goal with Ethel, indicating what I thought but remaining open to her reactions. Generally, the results of our discussions would make the rounds and, in a few days, become adopted as policy both by the house and by the waitresses—without any fuss. Moreover, the new policy carried force because it had been accepted voluntarily. Also, my own role as the formal leader was reinforced by my acceptance of the work group's social values.

Within larger work groups, subgroups or **cliques** often form. Sometimes relations between these cliques are friendly or neutral; sometimes they become unfriendly or downright hostile. Management cannot do away with clique formation, but knowledge-able managers can arrange their directing activities so that they take these strong forces into consideration.

We do not present these few words on the informal group as a full discussion of this complex subject. Rather, we intend to offer only a few examples to illustrate the meaning of this third force bearing on the manager's directing and leading activities.[3] This discussion sets a useful background, too, for the subject of worker participation in management.

PARTICIPATION

In a democratic society composed of educated and relatively affluent workers, the influ-ence of the worker and the work group is increasing. However, this increase in power need not be seen as a threat to management. A manager secure enough to invite and accept participation in decision making can harness strong forces for obtaining results. The level of worker participation, however, may vary with the circumstances.

INFORMATION. Keeping employees informed about matters that affect their work represents only the minimum level of consideration for a prudent manager. Employ-ees whose assignments must be changed deserve an adequate explanation of what changes are to be made and why they must be made. When changes affect an entire group, the group should receive enough information to understand what is going on. Many managers use regular staff and department meetings to accomplish this function.

CONSULTATION.   Before a decision must be made, a manager can prevent hard feelings by consulting the workers who will be affected by that decision as well as others who are knowledgeable in the area. Because of their familiarity with the activity in ques-tion, workers often see problems that managers may miss. Technical issues aside, this consultation often eases tensions associated with change and increases its chances of acceptance. As the previous section suggests, it is particularly important to consult workers who have the respect of their fellow workers and whose support may be crucial in gaining acceptance. Consultation should not be viewed as relinquishing management's responsibility and authority for decisions based on the prerogatives of ownership or some other legally constituted authority. It should also not be done for the sole purpose of engaging employees. Managers who ask for suggestions and then ignore them soon encounter disenfranchised employees.

INVOLVEMENT. Managers often see a problem, develop a variety of solutions with the workers, and then present these alternatives to the employees themselves for their decision. If the first solution they choose does not work, further discussion and change are obviously in order. Often, however, the best way to gain acceptance of change is to involve those affected in the decision. Moreover, the solution to some problems probably belongs to and should be undertaken by the work group.

Thus, for instance, a group of servers may be asked to help management develop the best means for assigning sidework (housekeeping chores in the dining room, such as stocking side stands or filling salt and pepper shakers). Management cannot really ask whether this work should be done; it must be done. The issue is how. Implicitly, if the solution offered does not work in practice, management must confer again with the affected workers and arrive at another solution.

COMMUNICATION

For directions to be followed, they must be understood. The best-thought-out plan will fail if it is not communicated in a way that can be comprehended.

BARRIERS TO COMMUNICATION

Factors that inhibit clear communication pertain to the language we use, the differing backgrounds of the sender and the receiver, and the circumstances in which the communication takes place.

SEMANTIC BARRIERS. Different people attach different meanings to words. The phrase *my work* may have quite a different meaning to a manager and to a busperson. To one, it refers to a life's work; to the other, a part-time job after school. The word *management* also conjures up different images for the manager and the person responsible for busing the dishes. To the manager, it may mean responsible execution of carefully studied company policy. By contrast, the busperson may think of the fact that "the boss docked my pay because I was late." A communicator must, therefore, choose words that convey the meaning of the sender in such a way that the receiver understands that meaning. Loaded words with strong emotional meanings—"free enterprise," "the system," "right to work"—may do more to confuse the discussion than to clarify it.

Much of leadership involves effective communication skills. (Courtesy of PhotoDisc/Getty Images.)

SOCIAL BACKGROUND. Social background is closely related to the problem just considered. The values of the middle-class American, the background typical among managers, carry certain assumptions that may not strike the expected response among some employees. A good example is the idea of ambition.

People brought up in middle-class families that encourage striving for success take ambition for granted. By contrast, people raised in poverty, who have acquired only limited schooling and who see themselves as never having had a chance, may look at ambition quite differently. When the middle-class manager assumes in his or her communication that the pot washer shares this enthusiasm for achievement, the manager may be in for some unpleasant surprises. It is important to consider exactly what the other person's point of view may be.

IMMEDIATE ENVIRONMENT.   The place where communication occurs can have an important effect on what gets understood. If a worker has been late, calling that person into the office to discuss the tardiness may be taken as a signal of a serious offense. If that signal is appropriate, fine, but if the tardiness is a first offense, it may be better to mention the matter to the worker privately in the immediate work area at a time when he or she is not busy.

A reprimand in front of other workers, however, has quite a powerful negative impact. (There's an old and good rule to remember: Praise in public, reprimand in private.) Similarly, discussion of complicated matters at the wrong time results in confusion. Let's suppose the broiler operator asked you about a problem on his or her withholding tax form at a time when you couldn't answer and you said, "I'll get back to you later." To try to answer that question in the middle of the rush hour when he or she is under considerable pressure will probably inhibit understanding and increase annoyance.

GATEWAYS TO COMMUNICATION

LISTENING.   One of the most important acts in telling somebody something is— paradoxically—for you to listen. Communication is not a one-way street; it is an interchange. When you speak to people, they reply either in words or with body language: the way they hold themselves, the look on their face, a shrug. Listening and observing these nonverbal cues will tell you a great deal about how your message has been received.

EMPATHY.   Your ability to put yourself in the other person's shoes in a conversation can be crucial to understanding and dealing with his or her reaction.

THE ELEMENTS OF LEADING AND DIRECTING

Leading and directing are really continuous processes, but we can break them down into some key activities in which managers typically engage. In fact, the actions (or elements) we discuss here portray the diversity of leading and directing and demonstrate how they can vary from situation to situation. They include: (1) telling someone what to do, (2) providing information on how to do it, (3) seeing that he or she has learned how to do it, (4) making the performance of the work as appealing and comfortable as possible, and (5) conferring specific rewards or punishments for performance. Now we examine these elements of leading and directing in more detail.

1. Orders obviously tell someone to do something. They are acts of authority—authoritative directions.
2. Instruction provides information about some hospitality work-related activity.
3. Training involves guiding employees toward the mastery of often complex activities. Thus, a manager may give new employees a week's training to qualify them to begin work as servers. Properly executed, training involves not only telling and showing the trainees how to do the work but also evaluating later—for the benefit of both the trainees and the trainer—the quality of that learning. Trainees are permitted to do the work under supervision and to repeat the process until they achieve adequate mastery.
4. Motivating moves beyond ensuring that the worker knows how to do something; motivating makes the employee eager, or at least willing, to do the work. A manager who motivates employees tailors the whole array of inducements—pay, recognition and status, self-fulfillment—in a way appropriate to the needs and wants of each worker (within, of course, the limits of what is possible).
5. Sanctions may be either positive or negative, rewards or punishments.

Although motivation generally may be thought of as continuous and positive, individual acts of sanction can be a raise or promotion, on one hand, or a fine or reprimand, on the other.

If a manager has done his or her job correctly, the employees will know what to do and how to do it, and they will have sufficient mastery of the work to accomplish it properly. Managers must continually respond to the individual needs and wants of workers to gain their willing commitment to work. Finally, managers are expected to recognize outstanding performance and, when necessary, to penalize those who do not perform adequately.

LEADERSHIP AND CHANGE

To this point, we have been discussing leadership and directing as two aspects of the same management function. Moreover, we have been discussing that function as a part of everyday ongoing activity in an operation. In an organizational crisis such as in a company that is losing money, however, the leadership needs of that organization emerge as critical.

Current research in the area of leadership suggests that managing change is one of the leading competencies that a leader must possess.[4] In an organization that needs to make fundamental changes, the work of the leader has three basic elements:[5]

1. *Establishing direction*. Seeing where an organization needs to go and expressing that vision in a way that people can understand is vital. Moreover, the strategies for producing the necessary changes must be spelled out. Thus, the vision must be one that can be acted on effectively.

2. *Aligning people*. Getting the appropriate people in the organization not just involved but committed to achieving the new goals is a necessity. Doing this involves lining up coalitions in the informal organization who will support the program of change. Some might call this "selling" the vision.

3. *Motivating and inspiring*. In effect, this step involves keeping people sold and keeping them moving in the right direction—often against obstacles that come from inside the organization, from people who are threatened by the needed changes.

We might consider the case of a new hotel manager who takes over an operation that has been completely demoralized.[6] The hotel is at a very busy airport in a booming city. For its first few years, the hotel had both high occupancy and profits, but management neglected both the physical plant and the organization's morale—that is, its people. Management turnover was high, and employee turnover disastrously so. As new hotels were added in the area, the market became overbuilt at about the same time the city's boom ended. Occupancy in the hotel dropped from over 85 percent to below 65 percent, then to less than 60 percent, and profit turned to loss. Bill Wayle was hired as food and beverage director, but the general manager (GM) quit two days after he arrived. The company asked Bill to take the GM's job. He took over the operation but found almost immediately that the man he reported to was not prepared to make some key expenditures. Bill's response was to decline the GM's job unless he had the necessary support. He was given the modest financial support he requested, so the turnaround began.

The first thing Bill did was to make some cosmetic changes in the lobby, replacing soiled and damaged furniture and light fixtures. The next thing he did was to announce a long-range improvement plan. He met regularly and frequently with department heads, attended department meetings, and spent a lot of his time moving around the hotel, talking with employees. Everywhere his message was the same: "We can't fix everything at once, but we can improve our service now. Will you help?"

Bill reexamined operating procedures, pruned unnecessary payroll from politically powerful departments, and spent that money where it really affected service. He spent a lot of time on the phone selling his boss on the need to replace items such as worn-out bedspreads and lampshades and to begin the long-term improvement plan he had already promised the employees.

Almost at once, employee turnover dropped, and people bought into Bill's program to improve service now. As service improved and the property began to look less shabby, occupancy improved. In less than a year, the hotel was profitable again. With these results, it became easier to sell his company on the need for major investment.

We can look at Bill Wayle's activities in the context of our description of leadership for change.

ESTABLISHING DIRECTION. "Better service—now" was a vision everybody could be a part of. The few very visible changes Bill made helped employees feel that things were getting better and enabled them to respond to comments about worn facilities positively. "We're working on it. It's going to get better" is a more effective response—to both employee and guest—than "Gee, I'm sorry it's such a mess."

ALIGNING PEOPLE. Bill's frequent attendance at department meetings and his almost daily meetings with department heads in the early days established a new attitude—that somebody cared about the property. The consistent, realizable vision of improving service was repeated in every conversation and sold people on the idea that the hotel could be turned around. People either left the organization or began to take responsibility for their actions with the guests. Significantly, Bill had to sell his boss and the corporate headquarters on every investment in the property. From the beginning, he took a serious career risk in refusing to continue without support. In the longer run, he used effective operating results to line up support both above and below for his vision of returning the hotel to first-class status.

MOTIVATING AND INSPIRING. Effective employees were recognized. Virtually all supervisory positions were filled by promotions from within. Effective performance was rewarded with public and highly visible praise, and effective people found their salaries raised as much as company policy permitted. These actions supported the growing enthusiasm for the turnaround program.

In a time of crisis, when change is needed, leadership becomes especially crucial. Good solid management needs to accompany leadership, but leadership has to tell managers where they are going (direction), line up support for new direction (alignment), and keep everybody sold and enthusiastic (motivating and inspiring). All of these are important in everyday leadership, too, but especially so in a time when an organization needs dramatic change.

Industry Practice Note 20.1 looks more specifically at real-life leaders in the hospitality industry.

Leadership in the Hospitality Industry

As we have discussed in this chapter, leadership has received a lot of attention over the years and continues to capture the attention of researchers and industry practitioners. Universities, which have taught the subject for years, have developed leadership courses, leadership programs, and even degrees in leadership. However leadership is defined, one thing is clear: It is an important characteristic of those who are in influential positions in a variety of fields, including the public sector, politics, the military, the private sector, religion, and the hospitality industry.

When the term *leader* is used, several names should immediately come to the minds of hospitality students: Bill Marriott, Norman Brinker, Ray Kroc, Herb Kelleher, Jan Carlzon, and Walt Disney, among others. These individuals have all led multimillion-dollar hospitality organizations, overseeing tens of thousands of employees, and most, if not all, have written books about their experiences. Further, it should come as no surprise that each of their respective organizations is associated with a strong culture—something that leaders help to form and maintain. To quote one scholar on the relationship between leadership and culture, "Leaders who appreciate the importance of culture spend more time communicating values than they do anything else. . . . They put values into action by treating employees as they want employees to treat their customers."[1] Culture, vision, and change all figure prominently in current discussions of effective leaders.[2]

So, leaders appreciate the importance of corporate culture, encourage specific workplace values, and are highly visible, both inside and outside of the organization. But what else do they stand for, and what are the other characteristics that make them what they are? Various authors and researchers have suggested that leaders: have a vision; share that vision with the entire organization; are committed to organizational learning; are able to recognize, capture, and reward competence; and have the power of influence. They are described by both their personality traits and their behaviors. They are risk takers. They have led their companies through difficult times. They have been successful. They deal effectively with change. They inspire people within the organization. They accomplish goals. In short, while the definitions of leadership, and how to characterize leaders, will continue to be debated over time, most agree that one knows a leader when one sees one. The hospitality industry has been fortunate to have the leaders that it has had, as they serve as good role models for future leaders in the industry.

1. Robert Ford and Cherrill Heaton, "Lessons from Hospitality that Can Serve Anyone," *Organizational Dynamics* (Summer 2002): 39.
2. Kenneth Greger and John Peterson, "Leadership Profiles for a New Millennium," *Cornell Hotel and Restaurant Administration Quarterly* (February 2000).16-29

DEVELOPING YOUR OWN LEADERSHIP STYLE

As we have asserted earlier, a manager's leadership role in directing the work ultimately stems from his or her formal authority. To direct work effectively, managers must take into account at least three factors:

1.   The work that needs to be done
2.   The person or persons who are to do the work—and their individual characteristics
3.   The informal socializing group structure of the work group in question

In fact, then, leadership is not an inflexible behavior pattern. Leadership styles will vary from situation to situation and place to place. If you are a junior manager just out of training and working with a group of senior workers, you will conduct yourself more tentatively than you might later as a general manager dealing with a similar group. If your employees' work is exciting and highly profitable, as might be the case for a server group in a topflight restaurant yielding generous tips, your leadership conduct might be different from what it would be toward the night cleanup crew that arrives as the restaurant is closing.

**CAREERS IN
HOSPITALITY**

The dictionary provides several meanings for the word *style*. One of the meanings is a synonym for fashion—the way "everybody" is doing something. When we speak of management style, however, we certainly do not mean the current fashion. The definition that suits our needs better is "the manner or tone assumed in a discussion." The way leadership is carried out reflects the person who does the leading. Some leaders are flamboyant and confident; others, more reserved and (at least at first) unsure. The important point is that leadership in our industry is not some mysterious thing one is born with or without. Rather, it is a set of learned abilities. Just as people's personalities differ, so each person is likely to behave differently in directing the work of others. The difference, however, is usually in style, in manner and tone, not in substance. The basic goal of directing, as in all management functions, is achieving the desired results.

It will be up to you, finally, to determine how you best achieve results. Your success, however, will depend not only on the strength of your formal position, on the workers and work you direct, and on the work group, but also on who you are and what manner and tone—what style—works best for you in the situations you face.

You can begin to form your leadership style now, and you should. In field experiences, summer jobs, and part-time employment, you can observe the management style of others, even though you may not at first be given managerial responsibility. You

can analyze the situations that managers confront and the people in those situations. Then you can decide for yourself how well you think the situations were handled, how they might have been handled better, and how you might feel most comfortable in handling similar situations.

In preparing for your future as a leader, keep in mind some of the research findings from recent studies:

- Leadership capacity of companies is on the decline.
- Companies do not seem to be doing what is necessary to develop replacements for current leaders.
- The emphasis in organizations is likely to become more focused on leadership rather than technical skills.
- Leaders of the next decade will need to be master strategists, change managers, relationship builders, and talent developers.[7]

You should certainly consider the process of becoming a leader and directing the work of others as continuous and lifelong. The most accomplished artists, after years of practice, still speak of how much they have left to learn. Management, as it is implemented by individual managers, is definitely an art based on understanding and practice. It is a fascinating art one can learn through both study and practice. The fascination can last a lifetime, and the process has already begun for you. Keep in mind, too, that a big part of who you are as a manager is directly related to your character. Your leadership style, as it develops, is linked to your character. We conclude, therefore, with a quote from Malcolm Gladwell's *The Tipping Point: How Little Things Can Make a Big Difference.*

> Character . . . isn't what we think it is or, rather, what we want it to be. It isn't a stable, easily identifiable set of closely related traits, and it only seems that way because of a glitch in the way our brains are organized. Character is more like a bundle of habits and tendencies and interests, loosely bound together and dependent, at certain times, on circumstance and context.[8]

SUMMARY

First, we defined leadership, differentiated it from direction, and explained the reasons that it is important.

Our second subject was people's motivations for working: necessity; advantage; personal satisfaction; independence; encouragement, praise, and recognition; money; and

company policy. This led us to consider whether happiness, or high morale, results in high productivity.

We discussed MacGregor's Theory X and Theory Y, plus three elements of modern leadership: authority, psychology of the worker, and the work group. Worker participation was also described as important.

Good communication between managers and workers is important, as well, and so we talked about possible barriers (semantic, social background, and immediate environment) and possible gateways (listening and empathy) to effective communication.

The last topics were an enumeration and description of the elements of leading and directing, the special requirements of leadership in times of crisis, and ways to develop your own leadership style.

Key Words and Concepts

Leadership	**Theory X**
Directing	**Theory Y**
Motivation	**Work group**
Fringe benefits	**Formal leader**
Working conditions	**Informal leader**
Morale	**Cliques**
Leadership styles	

Review Questions

1. What is the difference between leadership and direction?

2. Describe what might happen in a quick-service restaurant without leadership.

3. List and briefly discuss the motivations for working.

4. How do Theory X and Theory Y fit with your management style—or intended style? Would you lean toward X, Y, or some other position?

5. Using the three basic elements of leadership discussed in this chapter, analyze a critical situation you have encountered, either at work or as a student. How did the leaders involved respond? How should they have responded? What would you have done?

6. Describe the informal structure of a work group to which you have belonged.

7. Describe a manager or boss you have admired, and explain why.

8. Do you think you would be a good leader? Why or why not?

Internet Exercises

1. **Site name:** Center for Public Leadership

   URL: www.ksg.harvard.edu/leadership

   Background information: The center is dedicated to excellence in leadership education and research. It is equally committed to bridging the gap between leadership theory and practice. It provides a forum for students, scholars, and practitioners committed to the idea that effective public leadership is essential to the common good.

   Site name: Leader to Leader Institute

   URL: www.pfdf.org

   Background information: The Leader to Leader Institute has its roots in the social sector and its predecessor, the Peter F. Drucker Foundation for Nonprofit Management. Its mission is "to strengthen the leadership of the social sector" by providing educational opportunities and resources to leaders.

   Site name: CIO (Chief Information Officer)

   URL: www.cio.com/

   Background information: *CIO* and CIO.com are published by CXO Media Inc. to meet the needs of CIOs (chief information officers) and other information executives. *CIO* is read by more than 140,000 CIOs and senior executives who oversee annual information technology budgets in excess of $175 million.

   Exercises: Choose an article or research study from one of the Web sites above and discuss how the concepts in the article might help you fulfill a leadership role in the hospitality industry. Your discussion should include the following, as applicable:

   a. What behaviors does this article suggest will help you to become a more effective leader?

   b. Does this article suggest ways for managers to make decisions differently? If so, how?

   c. Does this article influence the way you will communicate with people in the future? If so, how?

   d. Does this article address the three elements of modern leadership as described in the textbook? If so, which elements and how does it address these elements?

   e. Does this article address ways in which a leader can facilitate change in an organization? If so, how?

   f. Does this article help you to develop your own leadership style? Why or why not?

2. **Site name:** Sodexo

   URL: www.sodexomotivation.com

   Background information: Sodexo understands that motivation is key, especially for a company that is known for its management prowess. It recently launched a set of

tools to help its managers motivate employees. One of these is a series of rewards and gifts intended to help managers reward their employees and recognize their job achievements.

Exercise: Explore the site and the various options involved in the program.

a. Explain how these motivators can be used.

b. Would they work for all levels in the organization? Why or why not?

c. Do you see any down side to this motivational tool? Explain your answer.

Notes

1. Kenneth Greger and John Peterson, "Leadership Profiles for a New Millennium," *Cornell Hotel and Restaurant Administration Quarterly* (February 2000):16–29.
2. Douglas MacGregor, *The Human Side of Enterprise* (New York: McGraw-Hill, 1960).
3. An excellent discussion of this subject is found in George C. Homans, *The Human Group* (New York: Harcourt Brace and World, 1950); additional perspectives can be found in Kenneth Rubin, William Bukowski, and Brett Larsen, *Handbook of Peer Interaction, Realtionships, and Groups* (New York: Guilford Press, 2009).
4. Conference Board of Canada, June 2006.
5. John P. Kotter, *A Force for Change* (New York: Free Press, 1990).
6. This incident is adapted from a case provided by the executive described and is chronicled in more detail there. See Thomas F. Powers, *The Royal Hotel* (Guelph, Ontario: School of Hospitality and Tourism Management).
7. A. Barrett & J. Beeson, *Developing Business Leaders for 2010* Conference Board (April, 2002): www.conference-board.org/publications/publicationdetail.cfm?publicationid=777.
8. Malcolm Gladwell, *The Tipping Point: How Little Things Can Make a Big Difference* (Boston: Little, Brown, and Company, 2002).