Developing the Hospitality Culture: Everyone Serves!

HOSPITALITY PRINCIPLE: DEFINE AND SUSTAIN A TOTAL SERVICE CULTURE

I see it as my job to set the example, but it is an example I enjoy setting.

—J. W. Marriott Jr., Chairman and CEO, Marriott International

My role? Well you know I was stumped one day when a little boy asked, "Do you draw Mickey Mouse?" I had to admit I do not draw anymore. "Then you think up all the jokes and ideas?" "No," I said, "I don't do that." Finally, he looked up at me and said, "Mr. Disney, just what do you do?" "Well," I said, "sometimes I think of myself as a little bee. I go from one area of the studio to another and gather pollen and sort of stimulate everyone. I guess that's the job I do."

—Walt Disney

LEARNING OBJECTIVES

After reading this chapter, you should understand:

- Why a hospitality organization's culture is so important to service success.

- Why the organization's leaders are so important to defining, developing, teaching, and maintaining its culture.

- What essential roles the organization's beliefs, values, and norms play.

- How the organization communicates its culture to its employees—through laws, language, stories, legends, heroes, symbols, and rituals.

- How the organization can accomplish the difficult task of changing its culture, if that becomes necessary.

- What research reveals about organizational cultures.

When you go to the Walt Disney World Resort, fly on Southwest Airlines, shop at Nordstrom, or stay at a Ritz-Carlton hotel, you can sense something special about the organization and the people who work there. If customers of these organizations are asked about the experience, they invariably describe it as better than they expected. What's even more amazing is that their employees will also tell you that the organizations are different. The Disney cast members talk about their commitment to the quality of "the show" they produce for park visitors. The Ritz-Carlton and Nordstrom employees talk about their commitment to guest service, and Southwest Airlines employees talk about their commitment to providing a unique and pleasurable flying experience. Not only do employees talk about these corporate values—they believe in them. And they demonstrate their commitment to the customer in a thousand different ways every day. The hospitality manager seeking excellence can learn a great deal by examining how these organizations create and sustain their culture of service excellence.

THE IMPORTANCE OF LEADERS

Getting everyone in the organization committed to high levels of guest service is a daunting challenge. Not only did Walt Disney, Herb Kelleher of Southwest Airlines, and Horst Schultz of Ritz-Carlton spend their personal time and energy necessary to create and sustain the **organizational culture** that still defines the corporate values for which their organizations are famous; they also got their employees and managers to believe in the culture. They knew that, as leaders, they were responsible for defining the culture. They all had a strong commitment to excellent service, and they communicated it—through their words and deeds—clearly and consistently to those inside and outside the organization.

Can managers who are not the presidents or founders of organizations have the same kind of influence on the culture that these famous leaders have had? They certainly can, and they must, although managers and supervisors are more likely to serve more as translators and teachers of a top manager's cultural values and beliefs than as definers of their own unit's culture. The most important influence on any organizational culture is the behavior of the organization's leader. Viewing this influence from the bottom of the organizational chart, employees try to behave as their supervisors do, supervisors are influenced by the behavior of their managers, the role models for managers are their own managers, and so on until top-level managers, and especially the organization's leaders, become the role models for the whole organization and the ultimate definers of each organization's cultural values.

Supervisory personnel at all levels, then, must realize how important they are as cultural keepers, teachers, and translators. If they do not perform this function well in everything they say, do, and write, service delivery will suffer. Managers must not only consistently walk the walk and talk the talk of excellent service; they must constantly remind all employees that they supervise to do the same. Isadore Sharp, founder of Four Seasons, says, "Employees are natural boss watchers. Everything their bosses say

and do tells employees their real concerns, their real goals, priorities, and values."[1] If any manager moving through the service environment sees any employee doing something inconsistent with the culture and ignores it, that manager sends a message to all employees that such behavior is a legitimate option and that not everybody has to focus on guest service all the time. It doesn't matter if that employee is officially supervised by that manager or not. When any manager ignores any employee action that impacts the show or the guest experience negatively, the message is sent loud and clear to everyone that it does not matter that much. After a few instances of managers saying one thing but rewarding or not punishing another, everyone learns the real level of service commitment that is expected.

Sustaining the quality of the customer experience is everyone's job. Not only must all the public and private statements and actions support the idea that everyone serves; the organizational reward system, training programs, and measures of achievement must also support and reinforce this message. When managers publicly and loudly celebrate the service achievements of their employees, they send a very strong message to everyone else about what the organization believes in and what its culture values.

Culture and Reputation

A company's culture, like a person's character, drives its reputation. Companies whose culture honor customers, employees, and shareholders usually have excellent reputations with all three groups. These organizations recognize the importance of a strong culture in the competitive marketplace, a strong culture that everyone believes in, understands, and supports. All organizations have a culture, whether or not anyone spends any time worrying about it, shaping it, or teaching it. Managers who do not effectively manage their organizations' cultures encourage weak organizational cultures or, worse yet, cultures that are structured and defined by someone or a group that may not be concerned with or may even seek to subvert the organization's mission. Unmanaged cultures give weak and inconsistent guidance to their members on what the organization needs them to do, why, how, and when.

Managers of effective hospitality organizations, on the other hand, understand the value of a strong culture and do whatever they can to reaffirm and support what the organization values and believes. If the culture values excellent service, the members learn that providing excellent service is what they are supposed to do. The stronger this cultural norm is and the more the members accept and believe in it, the more likely it is that they will try to do whatever they can to create and sustain service excellence.

Unfortunately, many managers don't understand their responsibilities in managing the culture to get this level of employee commitment, and both their employees and customers can tell. Successful hospitality managers spend enormous amounts of time and energy on training new employees in the organization's culture, reminding their existing employees of the cultural values, and rewarding and reinforcing these values at every opportunity. Although there are always other things to do, these managers make the time to reinforce culture.

Gaylord Palms in Orlando is a great example of a company that intentionally built on its Grand Tradition heritage to create a culture that would ensure that everyone in it was committed to and would deliver excellent customer service. Its goal was to get the top scores, "5s", on its customer satisfaction measures and it set out to build a culture that would inspire its employees to get them. Upon opening, its general manager strategically defined a path by which this organization would create and sustain a strong customer-centric culture. He started by emphasizing Gaylord Entertainment

Company's customer-focused vision and a set of values based on the unique history and entertainment traditions of the Grand Ole Opry. He then selected a leadership team that would appreciate and teach these cultural values and beliefs to all employees (or STARS, as they are termed at Gaylord) as they were hired, oriented, and trained. Gaylord used a variety of communication tools to build trust in and affirm management's commitment to the culture. The term *STARS First* was created to send a strong message of its commitment to the staff, and management backed it up by creating a unique *employee guarantee*. This guarantee permitted direct access to top management for any employee anywhere who felt that the promised employment relationship was not being delivered. The guarantee was created to build trust that management really believed in its STARS First cultural value.

So, does building a customer-centered culture really work? The metrics collected by the Gaylord Palms showed that it really does. Not only did it achieve a strong showing in the 5s, but it also gathered every meeting planning award and best-place-to-work award in its market.[2] When this culture was later implemented in other Gaylord properties, it led to the same results in employee and customer satisfaction and market performance.

Few hospitality organizations have the opportunity to create a culture in a brand new operation, as Gaylord Palms did. Its employees understood and participated enthusiastically in the organization's beliefs and values from the very beginning. The Gaylord experience, however, offers a model of how to create new cultural values and beliefs even in existing organizations by systematically managing the culture. Its own success in transferring its guest-focused culture to other Gaylord Hotels shows how management can use a culture-based strategy to refocus strong employee commitment to a service excellence vision even where this commitment has been weak.

The Gaylord Palms Hotel in Orlando, Florida.

Image courtesy of Gaylord Entertainment Company

SERVICE BASICS

1
Look Everyone In The
Eyes And Smile
2
Speak First And Last
3
Look Sharp
4
Know Your Stuff
5
Discover And Delight
6
Make It Right

VISION

STAR employees
delivering
flawless service
to customers
seeking meeting,
convention
and leisure
experiences.

Gaylord Hotels uses its vision, presented on this card, to emphasize for its employees the key aspects of its hospitality focus.

Image courtesy of Gaylord Entertainment Company

The Manager's Most Important Responsibility

This chapter presents the concept of corporate culture, why and how excellent managers communicate culture to employees, the value of creating a strong culture versus a weak culture, how to change an existing culture, and how managers can work with their culture to ensure that it supports the organizational mission of service excellence. Everyone has been in an organization that feels warm, friendly, and helpful, perhaps for reasons they can't quite explain. Similarly, everyone has been in an organization that feels cold, aloof, uncaring, and impersonal. While most people can readily give examples of organizations that fit the two types, few can really explain what makes the two types different.

Making culture different in the right ways is the hospitality manager's responsibility. Fred Cerrone is the founder and CEO of Hotel Equities, a hotel management company. Adopting a practice used by many of the exemplar hospitality organizations, Cerrone asks all his associates to carry a card that defines the company's missions and values. Each day, the general manager of each hotel reviews one of the values listed on the card with the staff. Says Cerrone, "That's a way to instill the culture into our hotels and throughout the organization. Now, our more than 700 employees 'get it.'"[3] Indeed, some leading writers go so far as to maintain that defining and sustaining the culture is every manager's most important responsibility.

THE IMPORTANCE OF CULTURE

In Chapter 2, we talked about defining a service strategy. Strategy is no more than a piece of paper without a supporting culture. The organization's strategy must be connected to its culture. No matter how brilliant and well thought out a strategy is, it will fail if it doesn't fit with the organization's cultural values and beliefs.

Strategy and Employee Commitment

The firm's competitive strategy provides the basis for such critical decisions as how the organization will be structured, what type of service it wants to deliver, what market niche it seeks to fill, what production and service delivery system it will use, who it will hire, and how it will train, reward, promote, and evaluate those people. But only employee commitment to implementing all those critical decisions can turn plans into actions. All the plans in the world are useless without employee understanding, commitment, and support.

Hospitality organizations that seek to provide an exceptional service experience require an especially high level of commitment and understanding from their employees. The Boulders, a luxury property in Arizona, has the vision statement, "Seek opportunities to create memories." This vision, supported by ten principles, is emphasized through the use of coaches, orientation, training, and employee recognition programs.[4] The vision does not spell out specific actions to take, but emphasizes how the employees should look for opportunities to deliver excellent service.

Because the guest experience is intangible to some extent, and because each moment during the experience is so critical to determining guest satisfaction, employees must not only understand the vision, mission, and strategy of the organization but also have the skills needed to provide the service, knowledge of the guests they serve, and an ability to respond quickly to the many variations in guest expectations. However, knowledge, skills, and abilities are not enough. Employees must also have high levels of motivation to deliver the hospitality experience consistently, in the way it should be done. Culture is the organization's software that tells well-trained, motivated employees how and why to do what when a customer is standing in front of them. Consequently, a strong and focused organizational culture becomes an especially important managerial emphasis in hospitality organizations.

Culture as a Competitive Advantage

An organization's culture can be a significant competitive advantage if it has value to its members, is unique, and cannot be easily copied by others. If an organization has a strong culture that others cannot readily duplicate, it can use that culture to attract both customers and employees. A good strategy is to identify other organizations with successful cultures and try to emulate the processes used to create those cultures in your own company. For example, Southwest Airlines has a thriving culture that others can use as a benchmark for their own. A big part of that culture is "Living the Southwest Way," which means "displaying a Warrior Spirit" (work hard, desire to be the best, be courageous, display a sense of urgency, persevere, and innovate), with a "Servant's Heart" (follow the Golden Rule, adhere to the basic principles, treat others with respect, put others first, be egalitarian, demonstrate proactive customer service, and embrace the SWA family), and embracing a "Fun-LUVing Attitude" (have fun, don't take yourself too seriously, maintain perspective [balance], celebrate successes, enjoy your work, and be a passionate team player).[5]

Working in a culture where the employees truly have the *spirit* is very different from working in a culture where the norm is for employees to work only the typical nine-to-five job. More importantly, being a customer who encounters this type of culture is unique and fun. The Southwest culture represents a competitive advantage for them over other airlines.

Management by Culture!

The stronger the culture, the less necessary it is to rely on the typical bureaucratic management controls—policies, procedures, and managerial directives—found in traditional industrial organizations. If the culture can effectively substitute for such expensive control mechanisms, that in itself is a pretty good reason for the hospitality organization to spend the time and money needed to build a strong culture. JetBlue teaches its employees its five core values and tells them to use them instead of a rule book in making their decisions. The five values are safety, integrity, caring, fun, and passion. JetBlue believes that if employees keep these in mind as they do their jobs, they will always make the best possible decision for the customer and the company. Since hospitality organizations must find ways to delegate more decision-making responsibility and empower their employees, especially their guest-contact employees, they must rely on strong cultural values to ensure that their people do the right things the right way for their guests.

A strong culture can also help employees guide guests properly even when the manager is not nearby. Guests are not passive; they almost always participate in coproducing their own hospitality experience under the guidance of employees. Unlike a manufacturing organization, where the production process is fairly predictable, the process of providing a hospitality experience is subject to incredible variation. As many different things can happen as there are different types of people. Since defining and training for all the possibilities is impossible, the hospitality organization must rely on its employees to understand what each guest expects and fulfill that expectation for every guest every time. The more uncertain the task, the more employees must depend on corporate values instead of managerial instructions, formal policies, and established procedures to guide their behavior.[6]

An Example: The Chef

In some cases, professional values can substitute for or complement values of the organization. The cultural values of the professional chef are particularly strong. While much of any culinary program is devoted to teaching the principles of cooking, implicit in all the culinary training is the cultural value of preparing a consistent fine-dining experience. Regardless of program or type of culinary training, one central value stands out: The chef must strive for flawless production of the food delivered in a fine-dining experience for every guest every time. Indeed, some casual dining chains have sent their cooks to culinary courses not so much to learn how to cook, since the chain's recipes are standardized, but to learn how to respect the culinary cultural values of product quality and consistency so that the diner at a Chili's or Olive Garden, like the diner at a five-star Parisian restaurant, will have a consistently prepared meal.

Culture as a Competency

If an organization's culture is strong, it becomes another core competency. As would be true for other core competencies, the organization that seeks to do something incompatible with its culture is likely to fail. If, for example, members of an organization's culture believe they should provide a high-value service experience, any manager trying to implement a cost-saving move that somehow jeopardizes their ability to provide that experience will meet resistance.

The basic principle is simple. If the organization is committed to a strategy of service excellence, its cultural norms, beliefs, and values must support service excellence. Otherwise, excellence will not happen.

The uniform of the chef helps reinforce the professional norms of providing consistent quality to every guest.

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Culture Defined

An organization's culture is a way of behaving, thinking, and acting that is learned and shared by the organization's members. A more formal definition is one that follows: the shared philosophies, ideologies, values, assumptions, beliefs, attitudes, and norms that knit a community of different people together. All these interrelated qualities reveal a group's agreement, implicit or explicit, on how its members should approach decisions and problems. In other words, culture is the way people in the organization act and think as they go about doing their jobs. "It's the way we do things around here." Any culture is also dynamic and constantly changing as anyone who has followed the changes in teen music and dress for the past decade can readily confirm. A culture both influences its members and in turn is influenced by its members. The interaction between members over time as they deal with changing circumstances and changing membership means that cultures will change.

Culture and the Outside World

Culture helps an organization's members deal with two core issues that all organizations must resolve: how to relate to the world outside of the organization, and how the organization's members should relate to one another. Noted cultural scholar Ed Schein calls culture a "pattern of basic assumptions—invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal interaction—that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems."[7]

Some managers define how their organizations should deal with the outside world by taking a closed or negative view of the outside environment and encouraging an

"us-versus-them" cultural mindset. Members of such a culture are unreceptive to new ideas from the outside; they tend to discard or downplay common industry practices or innovations, and are generally secretive about what their organization is doing and protective of its "proprietary knowledge." On the other hand, managers trying to create an open-culture organization constantly encourage their people to learn, grow, and develop by interacting with others in the industry, to benchmark against best-practice organizations wherever they can be found, and to consider ideas and innovations developed outside the organizational boundaries. Not surprisingly, people in these open, learning organizations adapt more quickly to changes in customer expectations and respond better to customer needs than those in organizations with closed or negative cultures.

Culture and the Internal Organization: X and Y

Relating to the outside world refers to how the members of the organization see the world, what assumptions they make about the organization's relationship to that world, and how members are supposed to respond to external events. Relating to one another inside the culture refers to how the members see their collective mission, the ways they interact or interrelate with each other to accomplish that mission, and the assumptions they should use in making decisions about those things they control—their functional areas, interpersonal relationships, and attitudes toward change and adaptation. With regard to internal interaction, a culture can be democratic, supportive, friendly, informal, and participatory in its decision making, or it can be formal, rigid, bureaucratic, and autocratic, allowing only those at the top of the organization to make decisions. These two extremes reflect the distinction made famous by management scholar Douglas McGregor in his classic discussion of Theory X and Theory Y management styles. These two theories represent two very different sets of assumptions managers can make about how people behave. Theory Y managers assume that people like to work, derive real satisfaction from their work, and want to do a good job. Theory X managers assume that people will work only as hard as they are made to work. In life, of course, most managers fall somewhere between these extremes. People entering one culture type from another quickly learn that the behaviors and actions managers rewarded and respected in their former organization may not be respected or rewarded by managers in the new one. Part of the employee hiring process should include an introduction to the new culture to help new hires learn the cultural norms, values, and beliefs.

Teaching the New Values

Since everyone brings to a new job the cultural assumptions of past experiences, managers of excellent hospitality organizations know they must start teaching new cultural values to employees from day one. Orientation is considered essential in hospitality organizations, and companies known for their strong cultures—like Disney, The Ritz-Carlton, Gaylord, and Four Seasons—earned that reputation by spending considerable time and money on teaching their cultures to new employees. Gaylord Hotels is a good example. Management believes that it is important to socialize its new employees to the Gaylord culture as soon as they join the organization. Its orientation begins with two days of training that everybody attends, with 60 percent of the time dedicated to teaching culture. Gaylord believes that this cultural training is critical to defining what the company is and what its values are to all who join it. Everyone learns the cultural value of Gaylord's STARS First commitment through the employee guarantee and the many avenues available for employee communications. Orientation is followed by one to four weeks in the individual

departments, where new employees get training in both job skills and further training in the Gaylord culture and its values. STARS learn that there is not supposed to be any difference between serving a guest and serving each other. This initial orientation is followed ninety days later by an "orientation class reunion" to ensure the STARS know their benefits, are comfortable in their job roles, and can see how to apply the flawless service philosophy in their specific departments or areas.

Culture Fills the Gaps

The cultural teachings become employee beliefs about how things should be, values of what has worth, and norms of behavior. They provide guidance to the culture's members as they interact with each other and their customers. In Schein's terms, they guide the members in how they should perceive the world around them, feel about the events they face, and think about what they do and don't do within their jobs. Many bureaucratic organizations believe that the best way to make sure employees do the right thing in their jobs is to establish extensive rules and regulations to cover every possible contingency. Ideally, in that view, there would be a rule for every possibility. Excellent hospitality organizations, knowing that rules and procedures cannot cover everything, spend their time defining and teaching the culture so that their employees will know how they should act in treating their guests and one another. These organizations teach their employees as much as they can, and then rely on culture to fill in the inevitable gaps between what can be predicted and what actually happens when guests enter the service setting.

BELIEFS, VALUES, AND NORMS

Culture-driven organizations seek to define the beliefs, values, and norms of the organization through what their managers do, say, and write as well as by who they reward, recognize, and promote. Let's take a closer look at what we mean by beliefs, values, and norms.[8]

Beliefs

Beliefs form the ideological core of the culture. Beliefs define the relationships between causes and effects for the organizational members. A belief is how people in organizations make sense of their relationships with the external world and its influence on the internal organization. If culture is a set of assumptions about how things operate, beliefs are formed to help the people inside the organization make sense of how those assumptions influence what they do inside the organization.

Let's consider a simple illustration. If the people in an organization assume that the marketplace rewards those organizations that provide good service and punishes those that don't, the importance of providing good customer service becomes a cultural belief. It's something that everyone believes in. Obviously, most beliefs are more complex than this; a multitude of assumptions about how the environment operates may translate into a whole system of sense-making beliefs. The point here is that every organization's members make a number of assumptions about the world and develop beliefs that reflect how they will respond as part of an organization to those assumptions. The management of an organization that understands the importance of these beliefs will take an active role in defining both the assumptions and the beliefs that those assumptions create.

Values

Values are preferences for certain behaviors or certain outcomes over others. Values define for the members what is right and wrong, preferred and not preferred, desirable behavior and undesirable behavior. Obviously, values can be a strong influence on employee behavior within an organizational culture. If management sends a clear signal to all employees that providing good customer service is an important value to the organization, then the employees know they should adopt this value. Consequently, they are more likely to behave in ways that ensure that the customer has a good service experience.

Norms

Norms are standards of behavior that define how people are expected to act while part of the organization. The typical organization has an intricate set of norms. Some are immediately obvious, and some require the advice and counsel of veteran employees who have learned the norms over time by watching what works and what doesn't work, what gets rewarded, and what gets punished.

Most outstanding hospitality organizations have norms of greeting a guest warmly, smiling, and making eye contact to show interest in the guest. Some use the ten/five foot rule. Once guests are within ten feet of employees—window washers, engineers, and ground crews, as well as guest-contact persons—they are within the "hospitality zone" and the behavior norm is for employees to make eye contact and smile. Once guests are within five feet of employees, the behavior norm is to briefly speak to or engage the guest. Some organizations print the service norms on cards (like the Gaylord Palms does with their "Service Basics" on their employee card as shown on page 121), supplied to every employee to serve as the guidelines for service.

Cultural norms are defined and shaped for the hospitality employee not only by fellow employees and supervisors but also by guests who make their expectations plain. Such guests are an advantage that hospitality organizations have over manufacturing organizations because these guests become potent assistants to the managers in monitoring, reinforcing, and shaping employee behavior. At Disney, the guest service guidelines are so well established that even the guests often know them. If a ride operator in the Magic Kingdom fails to make eye contact or doesn't smile, a park patron may comment about the deviation from the service norm ("What's the matter? Did Goofy step on your toe?") or offer a reminder. Ride operators learn quickly what is expected of them by the constant hints, looks, glares, and comments guests make. Guest expectations of normal behavior help shape employee behavior. As with many organizations that make sure their guests know their commitment to service excellence, Disney's guests help reinforce the norms of behavior; they demand that Disney cast members live up to their reputation for providing a high-quality Disney experience.

Norms in Advertising

Many hospitality organizations use advertising as a means to sell their services, to show the guest visually what the guest experience should look like. Since the employees see the same ads, they also learn the norms of behavior that guests will expect, and this advertising serves to train them just as it informs prospective guests. The guest arrives with predefined expectations, and the hospitality employees know what they are and also know that they had better meet or exceed those expectations or the guest will be unhappy and dissatisfied.

Norms of Appearance

In addition to the norms of behavior, most hospitality organizations have norms of appearance and standards of personal grooming. For example, employees may not be allowed to have hair that extends below a certain length; only women may have pierced ears and earrings must be smaller than a certain size; fingernails may not be excessively long or colored in unusual ways; and necklaces, bracelets, beards, moustaches, visible tattoos are not allowed, and so forth. Although such norms can lead to criticism about restrictions on personal freedom of expression regarding appearance, hospitality organizations must meet guest expectations in this regard, as in all areas of service. If Ritz-Carlton guests expect to see clean-cut employees greeting them upon check-in, then the Ritz-Carlton had better hire clean-cut employees. Disney wants its employees to have a conventional appearance; anything other than the "*Disney Look*" would detract from the guest's experience of the Disney show. On the other hand, the Disney's norms would not be consistent with the culture at a Hard Rock Cafe, Harley Davidson Cafe, or Jekyll and Hyde Club. While organizations where employees do not have direct contact with external customers can ignore such personal-appearance concerns, most hospitality organizations cannot. The latter must carefully define and enforce their norms of appearance to ensure that employees have the look guests expect.

We have seen that advertising can help predefine guest expectations. Here is an example of how an appearance norm at a southern resort hotel affected the appearance and expectations of the hotel's convention clientele. Traditionally, this hotel had required that the men on its management team dress in blazers and ties, and the women in blazers and skirts. Whenever meeting planners visited the hotel to discuss potential convention business, they could see by the outfits of the hotel managers that the culture was clearly somewhat formal. When these meeting planners went back to their organizations, they reported to their members that the attire for the convention, even though it was to be held in the sunny south, would be jackets and ties, and jackets/skirts or dresses. Now that the hotel's management has stopped requiring its team to wear jackets and instead requires short-sleeve shirts with collars, or skirts and blouses, the entire atmosphere of the meetings held in the hotel has changed. Meeting planners, adopting the new appearance norm, now report to their convention attendees that the meeting attire will be informal and relaxed.

Folkways and Mores

Folkways are the customary, habitual ways in which organizational members act or think, without reflecting upon them. Shaking hands (or not shaking hands), addressing everyone by first or last name, and wearing or not wearing a tie would all be examples of folkways. In a restaurant, a folkway might be to roll silverware when there is nothing else to do in the quiet times between crowds. An organization's mores are folkways that go beyond being polite. These are customary behaviors that must be followed to preserve the organization's efficient operation and survival. Mores require certain acts and forbid others. By indicating what is right and wrong, they form the basis of the organization's code of ethics and accepted behaviors.

CULTURE AND THE ENVIRONMENT

The organization's culture, then, represents a shared learning process that continues over time as the people inside the organization change, grow, and develop while responding to a world that does the same. The world external to the organization (consisting of the physical, technological, and cultural environment) defines the activities and patterns of interactions for the organization's members who have to deal with that external world. Ed Schein says,

One must never forget that the environment initially determines the possibilities, options, and constraints for a group, and thus forces the group to specify its primary task or function if it is to survive at all. The environment thus initially influences the formation of a culture, but once the culture is present in the form of shared assumptions, those assumptions, in turn, influence what will be perceived and defined as the environment.[9]

Learning the Culture, Learning from the Culture

As new people join the organization, they learn the culture from both formal company practices such as training and reward systems and informal social interaction with fellow employees, supervisors, and subordinates. They learn the right way and the wrong way to do things in that particular culture. The point is that culture is an important influence on how people inside organizations behave while performing their jobs, how they make decisions, how they relate to others, and how they handle new situations.

The guidance that culture can give in handling unusual situations becomes especially meaningful in hospitality organizations. Unlike manufacturing organizations, where the jobs in the production process can be clearly defined in advance through engineering methods and bureaucratic control mechanisms, the hospitality industry is full of unusual events. People ask unbelievably odd questions, make the most outrageous requests, and behave in unpredictable ways. Without a cultural value system to guide them, employees in hospitality organizations would frequently fail the guest because they would not know how their organization wants them to respond to these unusual events. While most product manufacturers need to focus on teaching employees only the hows of producing the product, the hospitality organization must also teach its employees the whys. Developing, reinforcing, and communicating clear cultural norms about what is and is not the right way to deal with customers is a very effective way to teach those whys. A sign frequently seen in customer-focused organizations says:

Rule 1: The customer is always right.
Rule 2: If you think the customer is wrong, re-read Rule 1.

While no organization believes that all customers are always right in all situations, the two principles are a good guide to behavior in those organizations that want to remind their employees of the organization's fundamental value structure. This sign is a strong symbolic reminder of this important cultural value.

Like everybody else, employees need to make sense out of their environment and how to behave within it. Culture helps them do so. When people collectively make assumptions about how the world operates, they form beliefs that help them make sense of those assumptions, collectively decide upon what is valued, and then define norms that enforce and carry forward those values in the day-to-day behavior of the members.

It sounds more complicated than it is. Essentially, managers who recognize these concepts and their worth to the organization spend considerable time and effort clarifying and articulating the assumptions, shaping the belief system, and making clear the organizational values to all the members. Members of every culture want to make sense of what they are supposed to do when dealing with those inside and outside the organization and will find a way to do so with or without management help. Hospitality managers wanting to ensure that their primary cultural value is service excellence will continually and

consistently emphasize and define that critical value for the entire organization through everything they say, do, and write.

Subcultures

Cultures can often split into subcultures. Usually, the more people involved in the culture and the harder it is for them to stay in communication with one another, the more likely it is that the organization will see some subcultures form. Subcultures can be good or bad, supportive or destructive, and consistent with or contrary to the larger corporate culture. Since culture relies on interactions to sustain itself, people who work together may well create a subculture of their own, especially if they don't interact much with other organizational units. Organizations that depend greatly on part-time employees are especially susceptible to subculture formation; the part-timers may not spend enough hours in the greater organization to absorb its culture or care enough about the organization and its members to substitute its values for their own. The organization will want to do what it can to ensure that the subcultures are consistent with the core cultural values even if some specific behaviors, beliefs, and norms do vary somewhat from the desired culture. Communication is the key to sustaining the overall culture.

The authors of *Inside the Mouse* show how the large size of the entire Walt Disney World Resort operation has led to the development of subcultures.[10] The categorizing and subdividing of employees by place (Tomorrowland versus Frontierland), type (food and beverage versus attractions operator), shift (weekend versus weekday), and amount of work (full-time versus part-time) have the effect of forming many and clearly distinguishable subcultures. Cast members tend to associate with others like themselves, who are doing things like what they do in areas where they are likely to meet one another frequently. After all, a culture is a shared experience, and the more it is shared, the more definable it becomes for those sharing it. Pirates of the Caribbean people tend to hang out with other Pirates of the Caribbean people, Haunted Mansion people hang out with other Haunted Mansion people, and so forth.

The subcultures forming within the overall culture can be a managerial challenge if they operate in ways that do not support the overall corporate culture. The Jungle Cruise operators have a tendency to see themselves as excellent stand-up comedians and compete against one another for the best comedy routine during a Jungle Cruise ride. Although some humor can enhance the show for guests, this subcultural competition promotes values that, if carried to an extreme, could directly conflict with the overall Disney culture. Deviations from the accepted scripts might become so outlandish as to violate the overall cultural value of providing a wholesome and non-offensive family entertainment experience. Although the worst violators eventually get caught, the damage to the overall Disney experience for some guests may by then be irreparable. The overall culture must be strong enough to override the subcultures on issues important to the organization's survival. While some cultural variation may be tolerated, the overall culture has to be defined and reinforced by management in ways sufficiently strong that the central values of the organization come through in the customer experience.

Subcultures of Nations

Just like subcultures in organizations, organizations themselves can be thought of as subcultures of ethnic populations, nations, or even entire geographic regions. When an organization seeks to open a branch or start a business in a cultural setting it is not

accustomed to, it can often have unexpected challenges. Disney was unprepared for the challenges that opening EuroDisney (now Disneyland Paris) would have. The French saw this as an attempt to teach American values as superior to French and resisted it. Four Seasons Hotels learned from this and decided to take a very different approach when it opened its Four Seasons Hotel King George V Paris. After doing a service quality audit to identify some of the differences between French and North American business culture, David Richey, the auditor, stated, "There were three things we talked to Four Seasons' executives about, mostly related to employee attitude. First the staff had an inability to apologize or empathize. … Second, the team had a very tough time doing anything that could be described as selling. This is also typically European. For example, say your glass is empty at the bar. In Paris they may not ask you if you want another drink. Third, the staff were rules and policy oriented. If something went wrong they would refer to the manual instead of focusing on satisfying the guest."[11]

The point is simple. Just as hospitality managers must pay attention to and manage how they relate to the subcultures that may form in their organizations, they must recognize that they must also pay attention to and manage how they relate to the larger culture in which their organization is embedded. People will bring to work their cultural values, and if there is conflict between those cultural values and those of the organization, the managers will need to find ways to bring them together. The Paris Four Seasons, for example, recognized that its employee of the month and year recognition programs might be seen as controversial unless presented as congruent with the French, Anglo-Saxon culture and not as an American scheme.

COMMUNICATING THE CULTURE

While the substance of culture is a set of assumptions that lead to beliefs, values, and norms, culture is communicated to those inside and outside the organization in a variety of ways, including laws, language, stories, legends, heroes, symbols, and rituals. In these ways, people can express, affirm, and communicate their shared beliefs, values, and norms to each other and to those outside the organization. Each way is important in helping the members learn, implement, teach, and reinforce the shared culture. They should be used together and become part of an overall message to members of what the culture stands for. The more these communications support each other in sending a single clear message to the organizational membership, the stronger the impact of that message will be.

The Gaylord Palms' opening manager knew that communicating culture was critical. Much of the effort to communicate the culture took place in the hiring process, so that new entrants immediately learned the emphasis placed on being customer centered. The process started with hiring people who fit with the Palms' culture. But management knew that this culture had to be reinforced on an ongoing basis. As described earlier in this chapter, this included emphasizing the culture in employee orientation, follow-up training, and through the wallet cards that detail the Gaylord values for easy reference.

Leading hospitality organizations know the importance of these elements in defining the organizational culture. They manage their cultural mechanisms in a holistic way to reinforce, clearly and consistently, those organizational values that they expect all employees to have in mind when they meet, greet, and serve customers. Learning the culture becomes part of the training for all new employees. Managers and other experienced employees, internal communications media, and organizational reward structures all continue to teach, reinforce, and celebrate the corporate culture thereafter.

Laws

The laws of an organization are its rules, policies, and regulations—the norms that are so important that they need to be written down so everyone knows exactly what they are. They tell the members what behaviors are expected within that culture and also detail the consequences of violating the norm.

Two norms are so important to Disney that they are corporate policies—in effect, laws. First, a cast member in costume must not walk in an area where the costume is inappropriate. An employee in the futuristic Tomorrowland cannot go to Frontierland. Nor may an Epcot World Showcase member of the China Pavilion be found in costume in the Moroccan Pavilion. Second, cast members portraying Disney characters must stay completely in character; they must maintain and fulfill the character expectations of Disney guests. They cannot speak, be seen out of costume, take off any part of the costume in public, or do anything else that might destroy the sense of fantasy for the children (of all ages). Indeed, a policy forbids transporting any character costume in a public area unless it is in a black bag that completely covers all its parts so no child (of any age) will see a favorite fantasy character "in pieces." A cast member violating either norm can be fired.

Language

In addition to the common language of the larger social culture, each organization develops a language of its own, which is frequently incomprehensible to outsiders. The special language is an important vehicle both for communicating the common cultural elements to which the language refers and in reaffirming the identity with the culture that those who speak this language share. Terms an insider uses to talk with another insider communicate an important concept quickly and also distinguish that person from an outsider.

For example, everyone at Disney uses certain important terms that carry strong cultural messages. All employees recruited by Casting are called *cast members*. This term sends two important messages. First, everyone is equally part of the overall cast of the organization, a concept reinforced by the use of first names alone on all name tags. Second, the term reminds cast members that they are playing "roles" that help make up the Disney show. This show concept is reinforced by the use of other terms such as *on stage*, to define all situations and areas where cast members are in front of their customers, and *back stage*, to define areas the customers cannot see. Law enforcement staff are called *security hosts*, and everyone's uniforms are costumes that are checked out daily from wardrobe. In other words, the language of the culture is carefully constructed to ensure that cast members constantly think of themselves as participants in an ongoing stage production designed to create a magical fantasy experience. So effective is this training in language that Smith and Eisenberg report that no Disneyland Park employee they talked to during their thirty-five half-hour interviews used any of the traditional terms for *uniforms*, *customers*, or *amusement park*, instead using only *costumes*, *guests*, and *property*.[12]

Stories, Legends, and Heroes

Stories, legends, and heroes are another way of transmitting cultural beliefs, values, and norms. They communicate proper behaviors and the right and wrong way to do things. The best at building culture use stories extensively. Disney, Four Seasons, Gaylord, and the Ritz-Carlton all have their collection of stories that are used by managers to teach the culture. The Ritz-Carlton is especially noted for using teaching stories and its managers tell many. For example, to teach going the extra mile to serve a customer, the *New Gold Standard* reports how managers use the following letter from a guest as a story to teach its values:

"My wife [accidentally] broke a bottle of makeup that she had brought along and left it in pieces on the counter in the bathroom because she wanted to use as much of it as possible. We came back to the room one day to find a note sitting beside the broken makeup bottle from housekeeping offering to replace the broken bottle they didn't even break."[13]

The best service-oriented companies want to obtain only top scores in customer evaluations, and stories provide a means to define and teach employees what customer-guests will find inspiring enough to give such high evaluations. Some companies, like Disney, have a rich history of stories to draw on. Disney managers have used examples from the *Lion King* to teach the value and importance of the guest service commitment, or used the song "Be Our Guest" from *Beauty and the Beast* to build similarly inspirational stories about providing excellent guest service. New companies, like the Gaylord Palms, don't have this past to draw upon but can invent them. To take advantage of the power of stories as a training tool, the Palms' management created a letter from a fictitious customer when it opened to illustrate what the intangible mission of flawless service meant through the customer's eyes until it could collect real customers' letters. In short, the best service-oriented companies collect and use stories to teach employees about what the service they want to provide looks like. To accomplish this, they use real examples with real employees whom everyone knows; those that don't have real examples create heroes with stories to teach the culture.

American Express calls those employees who have provided exceptional service to customers "Great Performers." To help illustrate this point to new employees, American Express tells them stories about their Great Performers. New employees hear, for example, about two customer service people in Florida who got money to a woman in a foreign war zone and helped her get passage on a ship out of the country; travel agents in Columbus, Georgia, who paid a French tourist's bail so he could get out of jail after being arrested for speeding; an employee who drove through a blizzard to take food and blankets to stranded travelers at Kennedy Airport; and an employee who got up in the middle of the night to take an Amex card to a customer stranded at Boston's Logan Airport. Any hospitality organization has its heroes—employees who have gone above and beyond the call of duty—and their stories should be preserved and shared. American Express distributes its Great Performers booklets to all employees worldwide.

Four Seasons also has a rich reservoir of stories to draw upon. Stories about the Power of Personal Service are used to illustrate what this term means in real examples that anyone in their organization can understand and use. One story, for example, tells of an employee who accidentally overheard a guest telling his wife how embarrassed he felt as he was the only one without a black tie at a black tie function. The employee pulled him aside and said he thought he might have a solution. After asking the man to take a seat in his office, he went into a back room, took off his own tuxedo, put on his civilian clothes, rushed to the laundry to clean his tuxedo, and then called in the seamstress to fit the cleaned tux to the guest. What makes this story so rich is that it teaches the values management wants shared by all Four Seasons all of Four Seasons' employees. It also shows clearly the connection between customer service and two important business outcomes. First, the guest turned out to be the chairman and CEO of a leading consulting organization, who after this experience directed all his company's business, worth millions in food and lodging, to Four Seasons. Second, the man took every opportunity to tell people in his speeches and conversations what Four Seasons did for him. These testimonials from a leading businessman proved to be priceless word of mouth advertising. Teaching the culture through stories can leave a lasting impression on employees as they come to see how the abstract idea of customer service translates into specific employee actions that lead to outcomes that benefit both their company and them.

All organizations can and should use stories, heroes, myths, and legends to help teach their culture, to communicate the values and behaviors that the organization seeks from its employees while performing their jobs and to serve as role models for new situations. Most people love stories. It's so much easier to emotionally connect to a story of what a hero did than to listen to someone lecturing about customer responsiveness in a formal training class. Not only are stories more memorable because of this emotional connection than a few arbitrary points listed on a classroom PowerPoint, but the tales can be embellished in the retelling and the culture thereby made more inspiring. Tales of "old Joe" and what wondrous things he did while serving customers teach employees the desired responses to customer concerns and reaffirm the organization's cultural values. When Gaylord Palms opened, it had no stories to tell, so its opening general manager invented some to show the kind of service he wanted his STARS to deliver and asked his managers to ask employees at weekly meetings for examples that would replace the fictitious ones with real ones as time went on. Stories are felt to be so powerful in teaching culture at the Gaylord Palms that they are collected in a database so managers needing a particular type of story to tell can find one even if their own employees have had no examples to share.
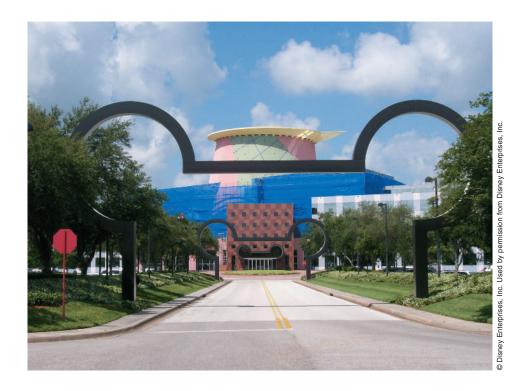
Every hospitality organization should capture and preserve the stories and tales of its people, who do amazing things, create magical moments, to wow guests. The effort will yield a wonderful array of inspiring stories for all employees and send a strong message about what the organization values and desires in its employees.

Symbols

A **symbol** is a physical object that has significance beyond itself, a sign that communicates an unspoken message. Cultural symbols are everywhere in organizations. A window office, an office on the top floor, or a desk and office in a particular location communicate information about the status and organizational power of the person within that transcends the mere physical objects involved. At Walt Disney World Resort, Mickey's famous mouse ears are everywhere. The plants are grown in mouse-ear shapes, the anniversary service pins are mouse ears, awards are mouse ears, the souvenir balloons are ear shaped, the entrance to Team Disney is framed by ears, and Disney's Hollywood Studios landmark water tower (The Earful Tower) has mouse ears on it. Mouse ears are subtly hidden everywhere around the property and serve as a constant symbolic reminder of where Disney began. Not even the employees know where all the mouse ears are. There is even a Web site devoted to Hidden Mickeys. While this may seem overdone, it ties into the cultural values as they serve as a constant reminder of the reason behind why everyone is there—it all started with a mouse.

Rituals

Rituals are symbolic acts that people perform to gain and maintain membership or identity within an organization. At most hospitality organizations, all employees go through a similar training program. Rituals are mainly informational; new employees learn the organizational basics and cultural heritage. But, like military boot camp or initiation into a sorority, it also has ritualistic significance because everyone goes through the experience upon entry into the company to learn and share the common culture. Most hospitality organizations develop elaborate ritual celebrations of service excellence. These can range from a simple event like a departmental pizza party to honor those receiving positive comments on customer comment cards to elaborate employee of the year award ceremonies that resemble a major gala. The point is that what the organization celebrates ritualistically

The Team Disney Administration Building uses its architecture as a symbolic reminder of Disney's culture.

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and how much effort it makes to celebrate tells the members a lot about what the culture believes in and holds valuable.

Gaylord Palms' management gave extra effort to the development of rituals and celebrations that would reinforce its culture and affirm its commitment to its employees.[14] They created rituals and celebrations specifically designed to reinforce the organization's vision and values. One ritual was designed for celebrating promotions. When a STAR got promoted, the person was put on a three-wheeled bicycle and pedaled around the hotel by his or her new supervisor. The bike would be followed by a camera-toting paparazzo waving a sign and making noise. If the idea was to make the newly promoted person feel special and recognized, this simple celebration certainly did that. As the person was peddled around the hotel's ten acres both front of the house and back, everyone could see, hear, and celebrate the event. Indeed, even guests would sometimes join in the parade.

A second celebration that was specifically designed to reinforce the culture and its values is the All STARS rally that is held quarterly. These rallies provide a mechanism to publicly celebrate management's commitment to open communications, to reinforce the importance of the company's values, and to highlight the fun STARS have doing their jobs. They celebrate successes of individual contributors, by selecting STARS in the hotel that best represent each of the six values seen on the pocket card shown earlier. The STARS are selected by a committee comprised of former winners. A three-minute video is prepared on each person and shown at the rally along with the awarding of a plaque. These are emotionally charged entertaining events that make the STARS feel valued, recognized, and appreciated while teaching all in attendance what the company values, recognizes, and appreciates. Value award winners are honored by being included in the Value Wall of Fame, which details the history of value award recipients over the years.

At the end of the year, a corporate-wide process selects the best representative of each value, who is flown to Gaylord Entertainment's headquarters at Nashville with his or her family for a corporate-level celebration. The winners have dinner on the stage of Gaylord's famous Grand Ole Opry and get $1500 to give to a charity of their choice. It is seen by the employees as an important event in their lives and seen by management as an important tool for teaching the organization's culture and values.

Leaders Teach the Culture

Managers of effective hospitality organizations constantly teach the culture to their employees, reinforcing the values, mores, and laws. Strong cultures are reinforced by a strong commitment by top management to the cultural values. Ed Schein suggests that the *only thing* of real importance that leaders do is to create and maintain the organization's culture.[15] Effective leaders don't just talk about the culture; they act on it every day. They personally model their commitment to the service mission, and they do it visibly. They back up slogans with dramatic, sometimes costly, actions. To instill values, they stress two-way communications, opening their doors to all employees and using weekly work-group meetings to not only inform and inspire but also to discuss and solve service problems. They put values into action by treating employees exactly as they want employees to treat their customers.[16] They use rituals to recognize and reward the behaviors that the culture values, and they praise the heroes whose actions have reflected worthy cultural values in the stories they tell. Other employees can use these hero stories as models for their own actions.

Ed Schein offers further insights about how leaders can embed the culture, especially at the time the organization is being formed.[17] Initially, the leader defines and articulates a set of beliefs and assumptions about how the organization will operate. According to Schein, "At this stage the leader needs both vision and the ability to articulate it and enforce it."[18] Since new members join the organization with mixed assumptions and beliefs, the leader must carefully and comprehensively define the organization's culture. Schein says, "It is intrinsic to the leadership role to create order out of chaos, and leaders are expected to provide their own assumptions as an initial road map into an uncertain future."[19] This process creates the definition of the corporate culture, embeds it in the organization's consciousness, and shows what behaviors are reinforced. Whatever the leader responds to emotionally or with great passion becomes a powerful signal to which subordinates also respond. Thus, during the period of an organization's creation, the leader must spend some thoughtful time defining what is important, how the organization's members should interpret the world they face, and what principles should guide their actions. Once the organization's culture is in place, the leader constantly adjusts and fine-tunes it as markets, operating environments, and personnel change.

Schein suggests that leaders can use five primary mechanisms to define and strengthen the organization's culture: "(1) what leaders pay attention to, measure, and control; (2) leader reactions to critical incidents and organizational crises; (3) deliberate role modeling, teaching, and coaching by leaders; (4) criteria for allocation of rewards and status; (5) criteria for recruitment, selection, promotion, retirement, and excommunication."[20]

Setting the Example

Bill Marriott Jr. provides a good example of how a leader can help to sustain the culture. He is famous for dropping in at a hotel and chatting with everyone he sees. He has been known to get up early in the morning and wander into the Marriott kitchens to make sure

the pancakes are being cooked properly. This intense commitment to personal contact with each and every Marriott employee and visible interest in the details of his operations have become so well known among the Marriott organization that his mere presence on any Marriott property serves as a reminder of the Marriott commitment to service quality.[21]
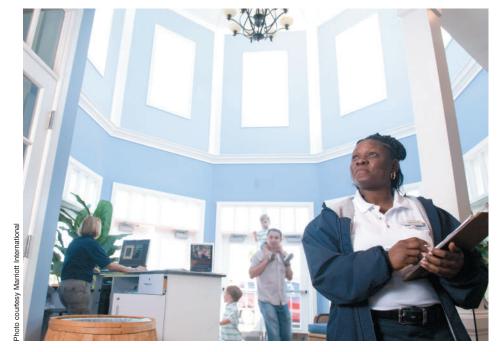
Kimpton Hotels & Restaurants maintains a culture based on Bill Kimpton's vision. Although Bill Kimpton died in 2001, the culture he created lives on through the organization's new leadership. According to Niki Leondakis, chief operating officer, "one of the things we do at employee orientation is talk to every one of our employees. Once a year, I and one of our senior executives travel around the country on the Kimpton National Tour and bring together all the employees at each hotel. We talk about the culture of care. It means caring for your co-workers, caring for our guests, caring for the environment, our community, our investors."[22]

The clear commitment to the customer-service culture, demonstrated through the actions of those on the top of the organizational chart, sends a strong message to all employees that everyone is responsible for maintaining a high-quality customer experience. This same modeling behavior can be seen in the many hotel managers who visibly and consistently stop to pick up small scraps of paper and debris on the floors as they walk through their properties. Employees see and emulate this care and attention to detail.

A leading hotelier in Orlando has earned a reputation among his employees and fellow hoteliers alike as a can-do manager. A story is told about how he took a chance and bought a bankrupt hotel with very little money and a whole lot of courage. When he was seen mowing his own property's lawn, a legend was born that here was a guy who would do what it took to get the work accomplished. He reinforced the message by his attire. His typical working outfit was blue jeans and a polo shirt. He intentionally wore shoes with soles that he could use to rub out black marks on his tiled floors and was frequently seen doing exactly that. His employees learned, by reputation and by deed, that this owner was ready to work at any job that needed doing. Since he also had a big sign on the interstate that advertised different room rates for each night, he earned a reputation as a relentless competitor. His strategy was to fill his rooms at rates that would allow him to capture his variable costs plus whatever else the market could bear. His flexibility in room rates and his nightly phone calls to his front desk manager, asking about the percentage of rooms sold rather than revenues, sent a powerful message to his organization that its goal was to fill the rooms every night. By his own actions, dress, and style, he has been extraordinarily effective in teaching his employees at all organizational levels the cultural values and norms that he wants for his organization.

Hospitality managers must stay close to both their employees and their guests. Only by walking around can they see for themselves that the quality of guest experiences is high, that concerns of guests and employees are being met, and that everyone remains focused on the guest. Unlike the manufacturing industry, which can rely on statistical reports to tell managers how things are going on the production line, hospitality managers inform themselves about how things are going by staying as close as possible to the point where the service experience is produced. They must use the classic managerial technique of "management by walking around." As Norman Brinker put it, "There's no substitute for spending time with people in their own environment. You not only meet everybody personally, you are able to see and hear for yourself what's going on."[23] Many restaurant managers are told to meet every guest and to make at least one table visit to talk to them; hotel managers spend time in their lobbies to observe the reactions of guests; and bed and breakfast operators monitor the looks on guests' faces to make sure the experience

Being out among employees and guests, and ensuring service standards are met are effective ways to reinforce a company's culture, as exhibited here by an award-winning supervisor at Marriott hotels.

Photo courtesy Marriott International

is going well. All these guestology techniques are based on the simple idea that the reason for the organization's existence and basis for its success is the customer. For successful organizations, being out with the customer is an important organizational value and not just a company slogan, and managers from the top down must set the example. As most of them know, the pressures of day-to-day administrative responsibilities can easily push aside this fundamental ingredient in service success, so they build customer-contact time into their schedules. Orlando's Grand Cypress Hyatt has each manager assigned to a door-duty time, to send the message to customers and employees alike that it is important to Hyatt that everyone be aware of the guest experience: Even managers must spend some time at the door talking to guests and watching their body language as they enter and leave.

Guests Teach the Culture

Hospitality organizations often have the help of guests in teaching and reinforcing the values, beliefs, and norms expected of the employees. As management scholar Van Maanen reports from his observations of Disneyland Park,

> *Ride operators learn how different categories of customers respond to them and the parts they are playing on stage. For example, infants and small children are generally timid, if not frightened, in their presence. School age children are somewhat curious, aware that the operator is at work playing a role but sometimes in awe of the role itself. Nonetheless, the children can be quite critical of any flaw in the operator's performance. Teenagers, especially males in groups, present problems because they sometimes go to great lengths to embarrass, challenge, ridicule, or outwit an operator…. The point here is that ride operators learn what the public (or at least their idealized version of the public) expects of their role and find it easier to conform to such expectations than not. Moreover, they discover that when they are bright and lively, others respond to them in like ways.*[24]

Culture and the Organization Chart

Schein suggests that a leader can use other, secondary mechanisms to reinforce or define the organization's culture.[25] A leader can define the value of a functional area by placing that area at the bottom or near the top of the organizational chart. For example, placing the quality assurance function near the top of the chart and requiring its manager to report to a high-level executive tells the organization's employees that the leader values quality. The way in which the leader designs the organizational systems and procedures will also tell everyone in the organization a great deal about what is valued. McDonald's

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The use of physical space can also communicate aspects of culture, such as how much employees are really valued. Contrast these two physical spaces for employees.

Image copyright Pell Studio, 2010. Used under license from Shutterstock.com

sends a strong value message through its quality checklist and by the procedures it uses to maintain its standards of cleanliness to guarantee its customers the freshness of each hamburger it sells. McDonald's spends a great deal of money sending quality control people out to individual restaurants to check on these key items, to let restaurant managers know what is important, and to make sure that customers get what they expect. All McDonald's employees know what's on the quality checklist and how seriously the organization takes these inspections, so the checklist helps to define the cultural values of cleanliness and quality. Employees know that what is expected is inspected.

Culture and Physical Space

The layout of physical space is another secondary mechanism that can send a cultural message. For example, office size and location are traditional symbols of status and prestige. By putting the executive chef in the big office out front, the leader tells the rest of the organization that the chef plays an important role in the organizational culture and that producing food of high quality is an important organizational function. If the employee break room is put in leftover space, not very nice, and generally non-hospitable, this sends a very different message of the value of employees than a well-lit, well-furnished, and appealing employee cafeteria. Finally, the formal, published statements of the company's mission and vision hanging on the walls not only teach employees the philosophy, creeds, and beliefs by which the organization lives but show them that the organization believes in them enough to display them where all employees can be reminded of them. Although some organizations may not say what they really mean in these public statements, the excellent hospitality organization will do so clearly, concisely, consistently, and publicly.

Culture and Leadership Skills

The success with which leaders use the mechanisms discussed above to convey cultural values is a good measure of their leadership skills. When they concentrate on using them together in a holistic way, they can ensure that all mechanisms convey to employees a consistent set of cultural beliefs, values, and norms. Consistency is important as a powerful reinforcer of the culture. The more consistently these mechanisms are used, the more powerfully reinforced the culture will be. Leaders must take care about what they do, say, and write to ensure that the messages they send are what is intended and explicit. What the leader gets angry or excited about tells everyone what is important. A leader who expresses outrage over a service failure caused by a careless employee sends a strong message to all the employees that good service matters. A story is told of how Bill Marriott Sr. fired an employee on the spot for insulting a guest. When this story got around the organization, there was no question in anyone's mind of the guest orientation that Marriott valued.

At Southwest: Maintaining a Strong Culture

Truly outstanding hospitality organizations engage all their members in teaching each other the organization's culture. Good managers create the opportunities for this teaching and learning to happen. For example, Southwest Airlines created a Culture Committee, whose responsibility was perpetuating the Southwest Spirit.

The Culture Committee was created in 1990 "to take the lead in preserving the airline's unique culture."

The Culture Committee was created to pull together people who exemplify Southwest's culture. Most of the original committee had ten or so years at Southwest and embraced Southwest's maverick, caring, irreverent way of doing things. They were all great in their individual jobs and were hand-picked for their creativity, expertise, energy, enthusiasm, and most importantly, Southwest Spirit. For the two years they serve on the committee, they engage in leadership activities that protect the company's unique and highly valued culture. Committee members have been known to visit stations with equipment and paint in hand to remodel a break room. Others have gone to one of Southwest's maintenance facilities to serve pizza and ice cream to maintenance employees. Still others simply show up periodically at various field locations to lend a helping hand.

Their labor is really a labor of love; their payoffs are the relationships they build with other workers, the knowledge that they have sparked worthwhile and fun endeavors, and most importantly, the satisfaction of having been a vital part of keeping the Southwest Spirit alive.[26]

Originally, the committee was made up of 38 people. It has since expanded to well over 100 individuals, with representatives from each station and part of the airline.[27] Even after members end their terms on the committee, these alumni members tend to stay active in support of Culture Committee initiatives.

The Culture Committee has helped maintain Southwest's culture throughout its growth. Because of its culture, Southwest's employees maintain a strong customer-service-oriented company, repeatedly making the company one of the highest-rated airlines in terms of customer satisfaction and one that is currently recognized by the Great Place to Work Institute list as one of the top five best companies to work for in America.

CHANGING THE CULTURE

The world changes and the people inside the organization change. The culture must also evolve to help members cope with the new realities that the organization faces. Even a culture that starts out with a strong customer orientation may change over time as the managers, customers, and employees change. No matter how good a job the founder did in defining the culture and getting everyone to buy into it, the next generation of managers must work, perhaps even harder, to sustain those cultural values that should endure while changing those that need changing. They have available, of course, all the tools discussed in this chapter to do this. The communication tools of symbols, legends, language, stories, heroes, and rituals need constant attention to sustain the cultural values in the face of changing circumstances.

Denny's Restaurants

The most difficult task of all is changing an entire culture that is not service oriented. When a negative culture is pervasive throughout an organization, it can be very challenging to make a change to a positive culture, even when the culture is causing major problems.

In 1997, Denny's restaurants operated 1652 restaurants, and was generally seen as a successful company. But over the next few years, repeated claims of racial discrimination were made that seemed to indicate that racism was ingrained in Denny's culture. In one instance, several black teenagers were refused service unless they paid for their meal in advance; in another, six black Secret Service agents were forced to wait an hour for service while their white counterparts were seated and served promptly; multiple cases emerged of other black customers being forced to pay a cover charge and prepay their meals while white customers seated and served at the same time did not have to; and of Denny's thousand-plus restaurants, there was only one black franchisee and none of the suppliers for the company were from companies owned by minorities. Denny's CEO at the time, Jerome Richardson, publicly

stated that Denny's did not discriminate and that negative events were isolated incidents. It did not seem that he really thought racism was an issue. Richardson was quoted as saying, "We hire from the population. We get the good with the bad. But yeah, it makes you wonder if this wasn't blown out of proportion" and "If our African-American guests were mistreated, was it because of racism? I can't tell you. It's impossible to know what's in a person's heart."[28] In subsequent lawsuits, it seemed that racism was simply ingrained in Denny's culture. For example, one lawyer said that a former manager talked of training he had received on how to deal with what was considered too many blacks in a restaurant at one time, a policy the manager said the company referred to as "a blackout."[29] Although the company seemed to make some efforts to change, the lawsuits kept coming. While they never admitted guilt, Denny's agreed to settle a class-action lawsuit for $54 million to 295,000 customers, the largest public accommodation settlement ever at that time.[30] Yet, despite the bad publicity and high costs, the culture did not change.

Change did not begin until new leadership came to the company. In 1995, Jim Adamson was brought in as CEO, and the culture began to change from the top down. In his first meeting as CEO, he told employees, "Anyone who doesn't like the direction this train is moving had better jump off now … and I will fire you if you discriminate."[31] Management began to deal with its racial problems instead of trying to explain them away.[32]

Through the change in culture, which began at the top, Denny's radically changed the way it treated minorities. Within a few years, half of Denny's employees were minorities, 32 percent of supervisory positions were held by minorities, there were dozens of black-owned franchises, and millions of dollars of supplies were purchased from minority-owned suppliers. Perhaps even more impressive, *Fortune* magazine later named Denny's parent (Advantica Restaurant Group, Inc.) the number one of "America's 50 Best Corporations for Minorities" for two years in a row.

Changing a company's culture is a difficult task. It often requires new leadership with a true commitment to the new ideas. Simply providing training or mentioning supposed cultural values in orientation will not work if upper management does not truly embrace the behaviors it hopes its line employees will engage in by what it says, does, and writes every day.

WHAT WE KNOW ABOUT CULTURE

Here are some principles about organizational culture that seem to hold generally true.

- Leaders define the culture (or redefine it if necessary), teach it, and sustain it. Doing so may be their biggest responsibility in the organization.
- An organizational culture that emphasizes interpersonal relationships is uniformly more attractive to professionals than a culture that focuses on work tasks.[33]
- Strong cultures are worth building; they can provide employee guidance in uncertain situations, when company policies or procedures are unavailable or unwritten.
- Subcultures will form in larger organizations. A strong culture will increase the likelihood of keeping the subcultures consistent with the overall culture values in important areas.
- Sustaining the culture requires constant attention to the means of communicating culture so that they all consistently reinforce and teach the organization's beliefs, values, and norms of behavior to all employees.
- Excellent hospitality organizations hire and retain employees who fit their culture and get rid of those who do not. The fit between the individual and the culture is strongly related to turnover, commitment, and satisfaction.[34]

1. Leaders define and teach organizational culture to everyone by what they say and do every day, and by what they reward.

2. Culture fills in the gaps for employees between what they've been taught and what they must do to satisfy the guest.

3. To create a culture of success, celebrate success—publicly.

4. Leaders think carefully about how everything they say, do, or write ties into supporting the cultural values of guest service.

5. Leaders find heroes, tell stories, and repeat legends to reinforce the important cultural values.

6. Leaders know that one of their most important jobs is to teach culture.

7. Leaders celebrate employee actions that help fulfill the customer service mission.

1. Recall any organization in which you were heavily involved as an employee or as a student.

    A. How would you describe the culture of that organization?

    B. What did the managers or leaders do or not do to cause the culture to be as you described it?

    C. What ideas in this chapter could the managers or leaders have used to improve the organizational culture?

    D. How does culture relate to managing the guest experience in hospitality organizations?

2. Why is culture such an important concept to guest service organizations? How does culture influence the guest experience?

3. What is the difference between a strong and a weak culture? What can a manager do to create a strong culture?

4. Does a culture exist whether a manager does anything about it or not?

5. How are stories important to building and sustaining a strong culture?

    A. Give examples of stories you have heard that helped teach cultural values.

    B. How does all that relate to managing the guest experience in hospitality organizations?

6. "Walking the walk" is an expression that one hears in hospitality organizations in connection with the leaders. What are some possible meanings of the concept in the hospitality context?

1. Divide into groups. Come up with a list of what factors or aspects make up an organizational culture. Which characteristics are the most important?

2. Find a hospitality organization that has a strong, clearly defined service culture. You may work for one yourself or have friends who do. How does the organization create

and sustain that culture? What training methods, incentives for managers and employees, and communications techniques are used to create and define the culture? If you know of an organization that has a weak, muddled, unfocused culture, talk about that organization, too.

ETHICS IN BUSINESS   In this chapter, we talked about how companies set standards for appearance and personal grooming. This is done to ensure a certain image of the service providers and help reflect the culture of the organization. These standards are also based on customer expectations. That said, when do these standards go too far? Suppose that a hotel wants employees without moustaches or beards. Is this reasonable? What if it violates a potential employee's religious beliefs? How much of a role should the government play in regulating what employers can specify as reasonable? At one extreme, you could argue that employers should be able to do whatever they want (which could therefore include selecting people based on gender, race, etc.). At the other extreme, the government could prohibit any sort of regulation that is not clearly and directly job related (and so, make any sort of appearance policy illegal). What do you think is ethically appropriate?

CASE STUDY

Doug's Fried Chicken

Within four years of assuming the presidency, Judy Hart brought the market share of Doug's Fried Chicken from 2 percent to 20 percent. She was a risk-taking, innovative entrepreneur. She increased the chain from 400 outlets to 1743 and rapidly expanded into 27 countries. "I've got to be involved in a continual go-go growth cycle. Because of my successful track record, the franchisees and the board go along with any programs I propose," Hart believed. Hart was flamboyant and sensational. She shifted the annual franchisee convention from Des Moines, Iowa, to New York. She moved headquarters from a converted post office into a new $5.8 million building.

Then, one Friday afternoon, Doug's board of directors dismissed Hart from the presidency. "Judy," said Chairman Doug Jones, "for a while we liked your 'full-steam-ahead' attitude. But you can't seem to slow down. You're trying to change too many things too fast."

The board elevated John Davis, vice president for finance, to the position of president. Davis was a conservative, accommodating executive who watched budgets closely and believed in rigorously controlled expansion. He emphasized fiscal responsibility. Davis set up a centralized purchasing system (which Judy Hart had always opposed). Board Chairman Doug Jones was pleased; he considered Davis to be "in tune with the mood of the board and the franchisees at this point in time."

Judy Hart was unemployed over the weekend. Then she was enthusiastically hired by Berger's Burgers, a company that had achieved financial stability only in the last couple of years. Now they were in a strong cash position. "Judy," said Horace Berger, chairman of the board, "we think we're ready to take off. We want to triple the number of Berger's Burgers outlets within three years. Can you do it?"

"Can do, Mr. Berger," said Judy happily. "But first we've got to refurbish this tacky headquarters building and change the site of the annual convention. I envision a truly spectacular party for the franchisees in Las Vegas…."

★ ★ ★

1. How do you explain Judy Hart's unceremonious dumping from Doug's and her warm welcome at Berger's?

2. Did Doug's make the right decision? Did Berger?

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